

SDBANKER



OFFICIAL PUBLICATION OF THE SOUTH DAKOTA BANKERS ASSOCIATION | **SEPTEMBER 2018**



'GIRL BANKER'

SEEKS TO INFLUENCE
GENDER MIX OF INDUSTRY

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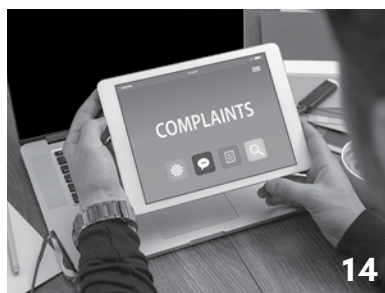
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message from the chairman.....

BY KARL ADAM | Market President | First Dakota National Bank, Pierre

Dog Days of Summer in Banking, Too

As I write this article, it is the second week of August, and I learned that one of the air conditioning units in our bank failed. The usually cool lobby has warmed to an uncomfortable temperature. The outside temperature in Pierre has been 95 to 105 degrees consistently for the past five days, and forecasters say to expect another week of the same with no rain and no temperature relief in sight. Does this remind you of the old cliché “dog days of summer?” It sure does to me!

The dog days of summer also signal a transition time as students and their families are working feverishly preparing for the new school year. It is also time to enjoy the final weeks of summer before fall activities begin. Soon, the summer holidays and family reunions are recent memories.



This time of year also mirrors a change in the calendar of events for the South Dakota Bankers Association. Annual conventions have concluded, allowing a brief reprieve before gearing up for the South Dakota general election, where we will elect our state's next governor, congressional delegates and other elected officials. It is hard to believe we are just four months from the 94th South Dakota Legislative Session.

This is also a good time for bankers to re-energize and re-deploy their committed and talented banking staff to the banking industry and prepare for the changing and challenging seasons of the industry. As you prepare, now is the time for CEOs and management teams to review the many educational opportunities and bank conferences the SDBA has to offer. (See the educational calendar on page 22.)

It is incumbent upon all of us to support our banking association by encouraging your bankers to become active participants and advocates for our industry. The importance of continuing education will benefit your respective banking organizations starting with the talented bankers our organizations employ. For a full look at all the SDBA has to offer, go to www.sdba.com. Remember, the SDBA is here for you. ■■

Karl Adam is market president at First Dakota National Bank in Pierre. Adam can be reached at 605.945.5513 or kadam@firstdakota.com.

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from the executive office.....

BY CURT EVERSON | President | South Dakota Bankers Association

SDBA OPPOSES AMENDMENT W

Constitutional Amendment W is an initiated amendment to the South Dakota Constitution changing campaign finance and lobbying laws, creating a government accountability board, and changing certain initiative and referendum provisions.

If approved by South Dakota voters this November, Constitutional Amendment W would add 18 new sections to the South Dakota Constitution, all in the name of increasing government accountability. Why would the SDBA be opposed to that? As is often the case in matters of public policy, the devil is in the details, so please read on.

A fundamental concern about W revolves around questions of both what and how. For the last 35 years, I have been privileged to work with five different governors and hundreds of legislators from both political parties on important, often complex public policy proposals. In my humble opinion, asking South Dakota voters to shoehorn 18 new articles into our state constitution without substantive deliberation or debate is a fundamentally bad idea.

If W is enacted and some of its provisions are later found to be unworkable or would create unintended, negative consequences, our Legislature has no ability to fix those flaws. You can't fix a constitutional problem by passing a bill during the next legislative session. The only way to fix problems is to go back to the voters in a subsequent election.

At the direction of the SDBA Board of Directors, the SDBA has joined a coalition of about a dozen business-related interest groups opposed to Amendment W. The SD Chamber of Commerce and Industry, led by its president, David Owen, took a lead role in building that coalition. Owen authored language that will be included in voter information booklets and appear online via the South Dakota Secretary of State's website. With permission, that language is as follows.

Amendment W is Wrong.

It creates a new branch of government that is not elected by the people, has powers that can't be limited by the Legislature, courts or the Governor. Amendment W will require a statewide vote to fix mistakes. It is too risky to put in the state constitution, too confusing and too long (eight pages/3,329 words).



The Amendment bluntly states **"any conflicts with other parts of the constitution-this article controls."** It uses the phrase "notwithstanding any other part of the constitution" three other times.

Amendment W creates a non-elected, seven-member tribunal, with two appointed by the Supreme Court, two appointed by the Governor and those four choosing three others. This tribunal is empowered to create rules for 11 sections of law. This group will have unchecked power to create rules that could require disclosure of tax returns for every elected official and public employee including teachers and law enforcement.

Amendment W forces an annual expenditure of \$389,000 to be given to the board that is increased annually for inflation. Beyond that mandatory expenditure, the amendment gives the tribunal authority to intervene in civil lawsuits including challenging **"the sufficiency of resources provided for the board's implementation and operation."** Much of this large appropriation could be better spent on schools and law enforcement.

Amendment W is being promoted by a Ballot Question Committee that exists only to pass this amendment using out-of-state money. As of the latest financial reports, they have not received a single donation from South Dakota.

Amendment W is too confusing, takes a statewide vote to change, takes control over every other part of the constitution, and creates a non-elected tribunal and forces tax money to fund it.

W is Wrong—Vote NO on Amendment W.

—By David Owen, President, South Dakota Chamber of Commerce and Industry

The leadership of the South Dakota Bankers Association respectfully suggests that bankers across this state vote no on Amendment W this November. 🗳️

Curt Everson is president of the South Dakota Bankers Association in Pierre. Everson can be reached at 605.224.1653 or ceverson@sdba.com.



south dakota bankers insurance & services update.....

BY MIKE FEIMER | President | South Dakota Bankers Insurance & Services Inc.

Advanced Security for Your World

"Our bank purchased the PoliWall™, and I was pleased and impressed with the ease of the installation; it was seamless and took about 30 minutes. The support staff at Bandura Systems is responsive to questions and extremely knowledgeable. The Poliwall does just what they say it does—eliminates traffic our organization does not need, therefore reducing the attack space and offloading our standard firewall. The automatic update of the threat intelligence list is very helpful. It is truly a plug-and-play, automated and essential layer of our bank's security." — IT Vice President, Community Bank

PoliWall® security technology quickly reduces cyber risk using GEO-IP data, threat intelligence and blacklists to take action to mitigate cyberattacks and help prevent data leakage—an essential tool to help stay in compliance and in control given escalating cyberattacks on the financial system.

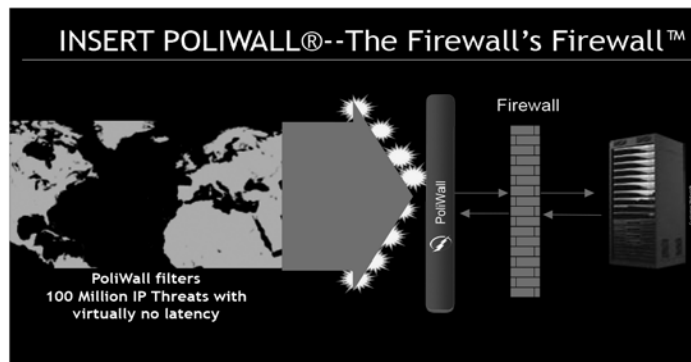
Cybertreats Targeting Financial Institutions

Cyberthreats are increasing, and existing infrastructure isn't scaling at an equivalent pace. PoliWall scales beyond anything on the market.

The number of threats is growing. Ransomware, malware, cybercrime, state-sponsored attacks—the increasing number of attacks is overwhelming firewalls, network defenses and security teams. With even more challenging and increasing security regulations, America's banks need automated tools that can scale as the threat scales.

Reduce Risk Exposure by Controlling the Attack Space

There are millions of identified threats at any given moment globally. Firewalls can only process up to a few hundred thousand before they bottleneck and slow down your network, or fail altogether. PoliWall can hold in-line and act on more than 100 million IP-based threats from multiple sources ahead of the firewall, dropping known and unknown threats at line speed before they hit the firewall. This greatly reduces the load on your firewall, your overall attack surface and the risk to your enterprise.



Easy to Use—Quick Time to Value

Take a FREE TRIAL.

- Sets up in minutes.
- Visual charts show who is attacking your network and what PoliWall is keeping out, as well as where your information is trying to go outside the network and what PoliWall is blocking on the way out.
- Patented, easy-to-use graphical interfaces allow country blocking with a click on a map. Select the threat intelligence and block list provider(s) feeds you want to incorporate in the PoliWall, and PoliWall manages them for you.

Audits Made Easy

Financial services, as members of the U.S. critical infrastructure, must maintain compliance with numerous government regulations and cybersecurity guidelines. Audits are made easy with PoliWall's graphical interfaces, granular log files and printable reports. It verifies OCC's mandate for a layered defense and FFIEC requirements to use threat intelligence and threat lists from providers such as FS-ISAC, Homeland Security, FBI, FDIC and others. A quick look at a map interface and easy-to-read logs verifies OFAC compliance, and the check is in the box.

- **Step 1:** Block countries you do not conduct business with and block for regulatory compliance (OFAC).
- **Step 2:** Select Threat Intelligence Feeds—Select Block Lists—Updates and blocking are automatic.

Automate FS-ISAC Blacklists

PoliWall helps you get more from your FS-ISAC membership and the important threat information it sends. Using STIX and TAXII, the PoliWall automates these activities, allowing your team to focus on other tasks. Bandura's agreement with the U.S. Department of Homeland Security allows Bandura to provide timely threat information to its financial services clients through the Cyber Information Sharing and Collaboration Program (CISCP). PoliWall automates the use of CISCP threat information, as well as other open source and commercial feeds you can implement. Pull up the block list screen and click the lists you would like automated and updated.

Technology Behind the Security

PoliWall reduces your attack surface with near-zero latency, permits exceptions and uses curated threat intelligence feeds and updated blacklists to block threats as they emerge. Three core PoliWall technologies help administrators balance the demand of blanket policies with the need for granular control.

1. **HIPPIE**—High-speed Internet Protocol Packet Inspection Engine blocks countries at line speed and automatically updates country IP address range assignments as they change. This eliminates the need to maintain hundreds of country-based access control lists (ACL), significantly reducing the burden on system administrators, firewalls and routers.
2. **Exceptions**—Easily set exceptions for blocking countries to allow in a single IP address or range of IP addresses or subnet exceptions. Stop the noise from a country while maintaining communications with your business partners.
3. **ProACT™**—Use ProACT to integrate very large IP reputation threat lists that block large groups of IPs into PoliWall, as well as upload blacklists. ProACT aggregates multiple sources of threat intelligences to provide your team with the most accurate view of the threat landscape and dynamically assesses the risk posture on the network to adjust the access control policy accordingly.

For more information on Bandura Systems, an SDBA endorsed vendor, contact Regional Sales Director Dee Baebler at 314.800.3613 or dee@bandurasystems.com. Or visit www.bandurasystems.com for a video demonstration.

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training.....

Learn to Start Practicing CECL Now

The effective date of the Current Expected Credit Loss (CECL) model is getting closer. It's time to get out of the stands and get on the field. To be successful when CECL goes into effect, you need to start practicing now.

The SDBA will offer the seminar "CECL From End to End: Discussion, Data Decisions" on Sept. 25 in Sioux Falls. The training will be held from 9 a.m. to noon at the Hilton Garden Inn—Sioux Falls Downtown at 201 E. Eighth St.

This session is for CEOs, CFOs and anyone else responsible for helping their financial institution implement the new CECL model. This half-day CECL seminar will provide in-depth discussion of how to prepare for your bank's CECL implementation. In this session, attendees will:

- Understand the major milestones of the CECL readiness and implementation process.
- Develop a preliminary CECL implementation timeline for their banks.
- Identify the personnel at the bank who need to be involved with CECL implementation.
- Develop an understanding of how CECL may change.
- Discuss how banks identify pooling based off common risk characteristics.
- Learn about the different types of models most likely to be used by community banks including pros and cons of models and potential data needs of specific models.

Seminar presenters will be leaders from BKD CPAs & Advisors. BKD National Financial Services Group, a division of one of the largest CPA and advisory firms in the nation, is the trusted advisor of choice for more than 1,500 financial institutions nationwide.

The registration fee is \$120 for members and \$170 for non-members. The fee includes program materials, continental breakfast and break service.

Time for high-level discussion is over. It's time to get into the details of preparing for implementation. Learn more and register to attend at www.sdba.com.

Questions, contact the SDBA at 800.726.7322 or email Halley Lee at hlee@sdba.com. ■■

SDBA to Offer Annual Security Seminar

The SDBA will offer its annual Security Seminar on Oct. 30 in Sioux Falls at the Hilton Garden Inn—Sioux Falls Downtown.

This well-rounded seminar focuses on a range of issues of concern to security officers and directors, operations managers, auditors, HR directors, legal staff, loan officers, disaster recovery managers, collection staff and fraud investigators. Using current trends and examples, a variety of topics will be covered.

What Am I Responsible For?

The Bank Protection Act and the implementing regulations specify the requirements for the security officer. This program will focus on implementing regulations for the Bank Protection Act, specifically on Regulation H, to demonstrate the framework of what your bank security program should contain. The implementing regulations are very specific, while allowing leeway for risk management decision-making. Know exactly what you should be doing, not relying on what others think you should be doing.

The Dangers of Social Engineering

This program reviews techniques to protect your institution from the dangers of downloading unknown files, information security and deceptive answers. Social engineering is the method used by penetration companies and criminals to compromise the financial institution. This program will discuss the modus operandi used to attack account holders, the institution or call center into providing sensitive information. We will review problems with locating your terminals or PCs where a non-staff member can gain access without

anyone knowing. Even a small institution is not safe from these techniques. We will instruct staff on how not to fall victim to a social engineering attack, what a deceptive answer really sounds like, and how to handle these attacks on your front line or call center.

15 Errors to Avoid When Conducting Internal Investigations

Internal fraud can cost financial institutions unrecoverable money and time. When the embezzler hasn't been identified, emotions run high. Investigations launched in panic with the wrong leaders may cause unexpected complications. This eye-opening presentation will explain what not to do. Staff who have not been trained on internal embezzlement may cause flawed investigations, harassment charges and unsolved losses. This program will explain 15 errors that can result in a failed investigation. Awareness of these pitfalls will enable your institution to establish an action plan that will protect you when the unthinkable happens.


Board Reporting: The Security Perspective

Regulations specify that the security officer must report to the board annually and that the implementation, administration and effectiveness of the security program be addressed. What exactly the security officer should report to the board is not clearly identified in the regulations. This interactive session will review best practices relating to training, inspections and foreseeable events that should be reported to your board.

Seminar Presenter

Barry Thompson has worked in the financial services industry for more than three decades and is the only fraud educator in his industry who has worked in various senior management positions at financial institutions, which affords him a unique insight. He has handled more than 900 security cases and has been involved with investigations and prosecutions on the federal, state, and local levels.

Registration

The registration fee is \$265 for members and \$365 for non-members. The fee covers the program, lunch and breaks. Learn more and register to attend at www.sdba.com. Questions, contact the SDBA at 800.726.7322 or email Halley Lee at hlee@sdba.com. 





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USDA Announces Details of Assistance for Farmers Impacted by Trade Damage



U.S. Secretary of Agriculture Sonny Perdue on Aug. 27 announced details of actions the U.S. Department of Agriculture (USDA) will take to assist farmers in response to trade damage from unjustified retaliation by foreign nations.

President Trump directed Perdue to craft a short-term relief strategy to protect agricultural producers while the Administration works on free, fair and reciprocal trade deals to open more markets in the long run to help American farmers compete globally. USDA will authorize up to \$12 billion in programs, consistent with its World Trade Organization obligations.

"Early on, the President instructed me, as Secretary of Agriculture, to make sure our farmers did not bear the brunt of unfair retaliatory tariffs. After careful analysis by our team at USDA, we have formulated our strategy to mitigate the trade damages sustained by our farmers. Our farmers work hard, and are the most productive in the world, and we aim to protect them," said Secretary Perdue.

These programs will assist agricultural producers to meet the costs of disrupted markets:

- USDA's Farm Service Agency (FSA) will administer the Market Facilitation Program (MFP) to provide payments to corn, cotton, dairy, hog, sorghum, soybean and wheat producers starting Sept. 4, 2018.
- USDA's Agricultural Marketing Service (AMS)

will administer a Food Purchase and Distribution Program to purchase up to \$1.2 billion in commodities unfairly targeted by unjustified retaliation. USDA's Food and Nutrition Service (FNS) will distribute these commodities through nutrition assistance programs such as The Emergency Food Assistance Program (TEFAP) and child nutrition programs.

- Through the Foreign Agricultural Service's (FAS) Agricultural Trade Promotion Program (ATP), \$200 million will be made available to develop foreign markets for U.S. agricultural products. The program will help U.S. ag exporters identify and access new markets and help mitigate the adverse effects of other countries' restrictions.

Background on Market Facilitation Program

MFP is established under the statutory authority of the Commodity Credit Corporation (CCC) and administered by FSA. For each commodity covered, the payment rate will be dependent upon the severity of the trade disruption and the period of adjustment to new trade patterns, based on each producer's actual production.

Interested producers can apply after harvest is 100 percent complete and they can report their total 2018 production. Beginning Sept. 4, MFP applications will be available online at www.farmers.gov/mfp. Producers will also be able to submit their MFP applications in person, by email, fax or by mail.

| Commodity | Initial Payment Rate | Est. Initial Payment** (in \$1,000s) |
|--------------|----------------------|---|
| Cotton | \$0.06 / lb. | \$276,900 |
| Corn | \$0.01 / bu. | \$96,000 |
| Dairy (milk) | \$0.12 / cwt. | \$127,400 |
| Pork (hogs) | \$8.00 / head | \$290,300 |
| Soybeans | \$1.65 / bu. | \$3,629,700 |
| Sorghum | \$0.86 / bu. | \$156,800 |
| Wheat | \$0.14 / bu. | \$119,200 |
| Total | | \$4,696,300 |

** Initial payment rate on 50 percent of production.

Continued on page 20

FARMER AC

ROAD SHOW 2018

EVENT DATES & LOCATIONS:



| | | |
|---------------------------|---------------------------|----------------------------|
| 09.05 Iowa City, IA | 09.19 Manhattan, KS | 10.03 Sacramento, CA |
| 09.06 Ames, IA | 09.20 Joplin, MO | 10.05 Pasco, WA |
| 09.07 Sioux City, IA | 09.21 Blue Springs, MO | 10.09 Oklahoma City, OK |
| 09.10 Fargo, ND | 09.24 Columbia, MO | 10.10 Little Rock, AR |
| 09.11 Willmar, MN | 09.25 Quincy, IL | 10.11 Sikeston, MO |
| 09.12 Mankato, MN | 09.26 Mt. Vernon, IL | 10.12 Greenville, MS |
| 09.13 Wisconsin Dells, WI | 09.27 Indianapolis, IN | 10.15 Colorado Springs, CO |
| 09.14 La Salle, IL | 09.28 Columbus, OH | 10.16 Fort Collins, CO |
| 09.17 Sioux Falls, SD | 10.01 San Luis Obispo, CA | 10.17 Dodge City, KS |
| 09.18 York, NE | 10.02 Fresno, CA | |

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'Girl Banker' Seeks to Influence Gender Mix of Industry

This article first appeared on BankBeat.biz. It has been republished with permission.

By Anna Cushing, Editorial Intern, BankBeat

Natalie Bartholomew is not a golfer. She is a women's advocate, a working mom, an influencer, a blogger, and first and foremost, a banker.

In fact, she's The Girl Banker. Bartholomew started her blog, The Girl Banker, along with its Instagram, Facebook, Twitter and LinkedIn pages, to start a conversation among women in banking and women who might be part of banking's future. The Girl Banker features a "Girl Banker of the Week," which highlights significant women in the banking industry, their stories and their motivations.

The chief marketing officer and vice president of Grand Savings Bank, Rogers, Ark., began crafting her brand after attending a few industry meetings populated by men. "I call them OWDs, without any disrespect, but old white dudes," Bartholomew said. "I just got so tired of seeing them day in and day out, and I wondered where all the women in leadership are, and why are they not here?"

As Bartholomew spoke to high school and college-aged girls, the question continued to taunt her when she realized how few of them were considering careers in finance. "There's some kind of barrier that's keeping women from considering banking as a career," Bartholomew said, "and obviously someone needs to get out and advocate for it."

The Arkansas banker said that sharing the stories of women bankers— young and old, novice or practiced— can shed light on the abundance of opportunities there are for women in the industry. "If no one's out there telling anyone about [these stories,]" she asked,

"how are we ever going to attract top talent for the industry going forward?"

The Girl Banker provides insight to what it's like being a woman in banking through banker testimonies that span the states. She said the network of women and their stories have all but fallen in her lap. Not long after she launched the blog at the end of 2017, her inbox sang with words of encouragement, stories, inquiries for advice and invitations to connect. "The most important thing to me at the end of the day is when I have someone share a story about how something I posted really resonated with them," Bartholomew said.

And that's the lifeblood of the blog. Bartholomew strives to be transparent and vulnerable in her posts in order to engage



authentically with her audience in a conversation that she said needs to be pursued. In addition to highlighting female bankers' successes, the Arkansas banker writes about everything from how to dress as a woman in a man's world, the frustrations of the golf culture, the myth of work-life balance and how to nail an interview.

Bartholomew never had anyone convince her that banking was her perfect career path, but always knew she wanted to be a banker and was captivated by the industry as she continued to pursue it.

Banking From an Early Age

Although Bartholomew played with her fair share of Barbies and Cabbage Patch dolls growing up, her favorite game to play was "banker," with blank bank notes, envelopes and stationery from her

grandfather's bank, then named Farmers & Merchants Bank, which has since been acquired by Arvest Bank.

Bartholomew worked at Arvest for 12 years. She was trained in customer service on the teller line during her undergraduate years at the University of Arkansas and worked in loan operations as she delved into agricultural economics during graduate school. She held fast to the path of her banking pursuit at the Graduate School of Banking at Colorado in Boulder, which led her to become the vice president of marketing and lending at the First National Bank of NWA, Rogers, Ark., upon graduation. She joined Grand Savings in 2017.

Despite her passion for the cause, Bartholomew was initially hesitant about the blog for fear of stirring controversy and coming off as a self-promoter. The blog was launched at the cusp of the #MeToo movement, and Bartholomew said, "Knowing that criticism was right around the corner was something that I really had to prep myself for." And



although it did come, Bartholomew said it never came from women who work in banking.

"I just have to remember why I'm doing this," Bartholomew said, "to be an advocate for the women in this industry, and to be a proponent for young women considering this industry as a career. As long as those two things are still in line and I'm doing what I can to give a positive voice to both of them, to me that's a success." ■

BankBeat.biz is the premier online source for timely or breaking community banking news. BankBeat.biz is the perfect complement to the monthly print magazine BankBeat (formerly NorthWestern Financial Review), which offers in-depth articles that analyze and inform the most important trends, topics and issues in the industry.

Long-Standing Banking Journal Adopts New Name

NorthWestern Financial Review magazine is now BankBeat.

The name change completes a branding transition which began earlier this year when the publication relaunched its website as BankBeat.biz. The website is the perfect complement to a monthly print magazine that provides in-depth articles that analyze and inform the most important trends, topics and issues facing commercial banking in the central and western U.S.

"Proud of a heritage that reached back more a century, the name NorthWestern Financial Review was a tip-of-

the-hat to our legacy and the bankers who made such an impressive history possible," said Publisher Tom Bengtson. "Today, we are looking ahead."

"The opportunity to rebrand is about expressing our hopeful future as we and our readers navigate the challenges and anticipate the trends that are transforming commercial banking," said Editor-in-Chief Jacqueline Nasseff Hilgert. "Furthermore, the name change signals the magazine's renewed commitment to people who work in banking. When something is alive, it has a beat, and we believe banking is very much alive." ■



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REVIEWING THE CFPB'S RECENT COMPLAINT BOOK

By Zack Smith, Associate General Counsel, Compliance Alliance



The Bureau of Consumer Financial Protection (CFPB) routinely publishes reports breaking down complaints it receives. In a report published May 31, 2018, entitled, "Complaint Snapshot: Debt Collection" (the Report), the CFPB discussed the average number of complaints received from Jan. 1, 2018,

through March 31, 2018, and compared those numbers to the same time period in 2017.

The report provided an overview of complaints the CFPB receives, as well as an additional section focusing on complaints regarding debt collection practices. An interesting trend was the significant increase in the number of complaints in the areas of "money transfers or service, virtual currency" and "credit or consumer reporting," which have more than doubled in the past year.

The categories with the most complaints—representing approximately 74 percent of the total complaints in March 2018—were "credit or consumer reporting," "debt collection" and "mortgage." "Credit or consumer reporting" complaints made up approximately 37 percent, "debt collection" complaints made up approximately 27 percent and "mortgage" made up approximately 10 percent of the total complaints for March 2018. These three categories combined to make up a majority (69 percent) of the total complaints since the Bureau began receiving complaints.

In a comparison between the first quarters of 2017 and 2018, the "money transfers or service, virtual currency" complaint-category increased 184 percent—from an average of 352 complaints to 1,000 complaints. The Bureau also noted a majority of those complaints arose from issues with the availability of funds from virtual currency exchanges.

In 2017, virtual currency (cryptocurrency) became a popular investment, and the leading currency was Bitcoin. Investors used virtual currency exchanges to purchase cryptocurrency, which, as with the development of all technology, experienced difficulties.



The spike in complaints coincided with the drop in price of Bitcoin in January 2018 as investors sought to sell and withdraw their funds.

The second most significant increase from the first quarter 2017 to 2018 involved the average number of complaints regarding "credit or consumer reporting," which increased 129 percent from an average of 4,848 complaints to 11,107 complaints. The Bureau attributed this increase in the average to improvements made to the complaint submission process in April 2017.

Since there are three more days in March than February, the amount of complaints was expected to increase slightly from February, which is what occurred with a 7 percent increase in complaints in March. Notably, "prepaid card" complaints increased 21 percent and "debt collection" complaints increased 14 percent in March.

An interesting decrease for March was that "money transfer or service, virtual currency" decreased approximately 14 percent to 696. As noted previously, that category averaged 1,000 complaints each month for the first quarter of 2018. Comparing January 2018 to March 2018, there was an approximately 54 percent decrease in the number of complaints in March. The statistics indicate that January 2018 was an anomaly for the number of complaints in this category. In fact, January 2018 was the first time that the office received more than 1,000 complaints for this category and

coincided with the large price drop in Bitcoin.

Also, the report includes a list of the average complaint per capita by state. It does not break down the type of complaints by state, but the list is interesting nonetheless as it shows the location of the complainants. Washington, D.C., is the location of the most complaints per capita by a wide margin—nearly 60 percent more complaints per capita than the state with the second-most complaints, Delaware. In fact, Washington, D.C., has more than four times the amount of complaints than 18 other states. This large discrepancy may likely be attributed to the fact that D.C. is the nation's capitol, and, thus, the D.C. citizens are more aware of the CFPB's ability to handle complaints. Generally, there are fewer complaints per capita in the Midwest states.

This report also compares the changes in the number of complaints per state from the first quarter of 2017 to the first quarter of 2018. The three states with the largest increase in complaints were Mississippi with a 30 percent increase, Alaska with a 29 percent increase and Louisiana with a 19 percent increase. South Dakota, North Dakota and Maine all had a significant decrease in the number of complaints with decreases of more than 40 percent. There was an increase in the number of complaints in only 13 states.

Debt collection remains one of the areas that consumers complain about most. When the CFPB receives a debt collection complaint, it contacts the

companies for review and response. Over half of the debt collection complaints come from the "other debt" and "I do not know" categories. Nearly 40 percent of those complaints were for "attempts to collect debt not owed." A prevalent issue was the lack of written notifications about the existence of debt. Some consumers did not learn of existing debts until the debts appeared on their credit report. In fact, they had to request information about the debt, including the amount in collection, from the debt collector.

Tracking the types of complaints will be interesting over the coming months and years. Using the reports published by the CFPB, bankers have the ability to monitor the practices that are causing consumers the most problems and an opportunity to correct any potential issues that may arise. To investigate the entire report, find it at <https://bit.ly/2C1Yc5V>.

Zack Smith serves as associate general counsel for Compliance Alliance working on its hotline aiding members with compliance questions. He received his B.B.A in finance from the University of Texas at Austin and his J.D. from Baylor Law School. Prior to joining Compliance Alliance, Smith specialized in tax law where he represented clients in front of the IRS. Compliance Alliance is the only banking industry compliance resource that is owned, operated and managed by 30 state banking, including the SDBA. To learn more visit www.compliancealliance.com or call 888.353.3933.

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Dakota Wesleyan University Set to Launch Trust Management Programs

Dakota Wesleyan University (DWU) in Mitchell prepares students for meaningful careers; fostering adaptability, creative and critical thinking, and innovation all merged with a collaborative endeavor to better our global community. As it's done for generations of graduates, DWU students are encouraged and educated to answer the passion that's calling them. This distinct approach is designed to set students up for success, ensuring an overall enriched human experience.

DWU is an active partner in nurturing economic development while standing responsive to labor force needs. This commitment to being an adaptable and proactive institution has offered the university the opportunity to discover where education is needed to fulfill employment shortages.

DWU has heard from financial institutions, including experts in the trust management sector, about the crucial void in trained professionals in the trust management field. DWU consulted with industry leaders regarding this need and will now offer the first-ever trust management certification in the United States.

"The decision for DWU to begin offering this program came after several major banking and financial institutions identified the need for further education and tailored training in the trust management job market," said Dr. Amy Novak, DWU president.

DWU has created a unique and comprehensive curriculum for professionals wanting to sharpen their knowledge of trusts and estates, wealth management, tax law and client relationship management. Two programs were designed—a graduate certificate in trust management and a business administration degree

with a concentration in trust management for the traditional undergraduate student.

A competitive analysis of the region and the country confirmed that only two other traditional universities are currently offering coursework specific to trust management. DWU is the first to offer a graduate certificate for working professionals.

One of the program's faculty, Dr. Todd Muehler

who is an associate professor of business and economics, has several years of teaching experience and 20 years of experience in the financial services industry, including 11 in the trust business. The American Bankers Association (ABA) recently commended Muehler's work in designing DWU's new core curriculum.

"From my personal perspective, working in the trust field allowed me to use my diverse education, training and experience to help my clients meet their overall wealth management and succession planning needs," Muehler said. "I enjoyed building deep, meaningful and personal

relationships with my clients and being looked upon as one of their primary family advisers.

"In my opinion, there are few other careers in commerce as challenging or rewarding, both personally and professionally, as a career in the trust industry. Furthermore, there is no better time than now to seek a career in this industry, as many of the veteran trust employees begin to retire, and the demand rises for competent professionals with the integrity to replace them and meet the new demand."

The ABA and South Dakota Trust Association have



Continued on next page

fully endorsed DWU's new trust management curriculum.

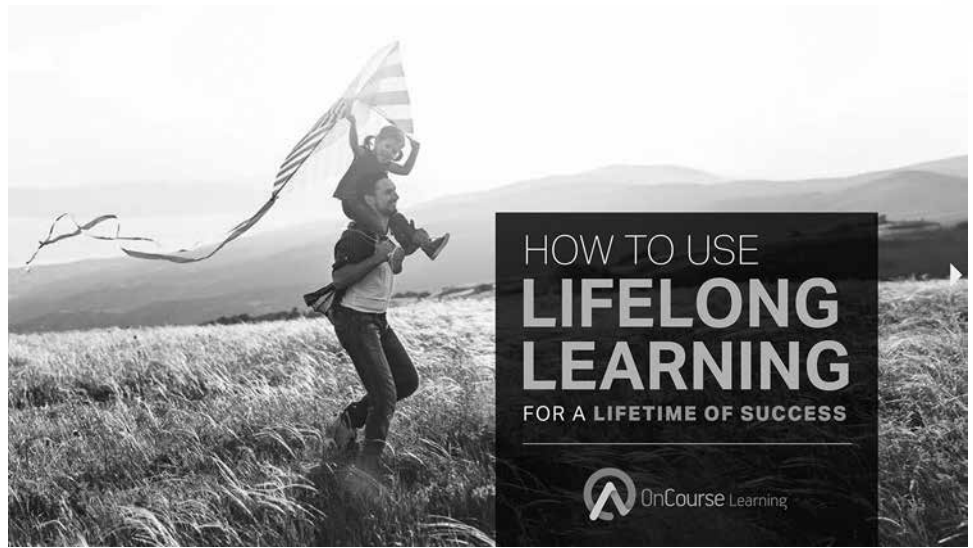
Jessica Beavers, senior vice president and trust officer at Sawmill Trust Company, Sioux Falls, agrees that now is the perfect time to begin a career in trust management.

"No one goes to school thinking, 'I want to be a trust officer,' until now," Beavers said. "According to the American Bankers Association, in the next five to 10 years, the trust industry will encounter a retirement wave of trust officers as baby boomers leave their careers. The task of filling empty positions is challenged by the growth of the trust industry itself. Trusts & Estates magazine, January 2018, ranks South Dakota the highest ranked jurisdiction in the United States in all categories. There is a need in our state for trained trust professionals, and the need is now."

"I would encourage students in South Dakota to pursue a rewarding, yet challenging, career in trust where you have the opportunity to learn this kaleidoscopic combination of skills—financial planning, fiduciary and trust administration, investment management, ethics, and tax law and tax planning," Beavers said. "South Dakota offers domestic and international opportunities with the variety of trust companies we have in our state. Dakota Wesleyan University's trust program is a response to the need in South Dakota and trust industry as a whole."

DWU's first cohort for the graduate certificate in trust management will begin in January 2019 and is primarily delivered in an online format, with some face-to-face requirements. The traditional undergraduate concentration is offered this fall to students on the Mitchell campus.

For more information about DWU's trust management program, visit www.dwu.edu/trustcertificate. ■■



Lifelong Learning for a Lifetime of Success

A free, easy-to-review resource, "How to use lifelong learning for a lifetime of success," by leading e-learning company and SDBA associate member OnCourse Learning, will inspire individuals to begin or continue their professional or personal learning journey.

"Helping people get started and succeed in their chosen professions is what we do every day," said OnCourse Learning President and CEO Patrick Sheahan. "We believe our new e-book offers the guidance and motivation many people need."

Available for download as a pdf or e-book, the newly-published resource offers the following tools:

- Leading research, statistics and articles on continued learning for career and personal development.
- Personal lifelong learning stories and insight from OnCourse Learning thought leaders and some of the company's partners.
- Cost-effective, time-saving tips to make learning a regular routine.

Download the OnCourse Learning e-book at <https://bit.ly/2BUsg9M>. ■■

OnCourse Learning Acquires Total Training Solutions

OnCourse Learning, an SDBA associate member, has acquired Total Training Solutions, a leading provider of educational training webinars for banks, credit unions and mortgage lenders. TTS is the producer of BankWebinars.com, CUWebinars.com, DirectorSeries.com and Core Compliance Suite for financial services professionals.

TTS produces hundreds of bank webinars annually with a focus on key industry topics such as consumer and commercial lending, Bank Secrecy Act and beneficial ownership, and call report training.

"The acquisition of TTS, with its library of more than 400 industry-related educational webinars led by industry professionals, solidifies OnCourse Learning's position as the provider of the most comprehensive training program in the industry," said Jeff Kelly, vice president of governance, risk and compliance for OnCourse Learning.

Learn more at ww.oncourselearning.com/financial-services. ■■

Two SDBA Banks, One Associate Member Named 'Best Banks to Work For'

American Banker Magazine on Aug. 28 published its sixth annual list of the 85 best banks to work for, with two SDBA member banks and one associate member making the list. Dacotah Bank, Aberdeen, was named number 49, and First PREMIER Bank, Sioux Falls, was named number 71. SDBA associate member Bell Bank, Fargo, was number three.

For the banks that made the sixth annual Best Banks to Work For list, lavishing employees with perks and benefits is part of the culture.

All expense paid vacations to Disney World and Hawaii, brand new Camaros and \$16,000 in cash are all prizes that employees have walked away with. A jovial atmosphere is created by many of these banks with frequent costume days, including everything from dressing up as Santa and his elves at Christmastime to donning Star Wars gear for May the 4th Be with You.

Generous health insurance coverage and 401(k) contributions are also common. Wellness programs go beyond just promoting exercise by providing employees with access to seminars on stress management and how to pay for a child's college education.

These banks' largesse also extends beyond their employee base. Volunteering in the community and charitable contributions are a cornerstone of their philosophies.

Bell Bank

Bell Bank headquartered in Fargo has assets of \$4.9 billion and employs 691 people.

Employee recognition/appreciation program:

Monthly employment anniversary luncheons are held for employees hired during that month. Bell's CEO also makes a phone call to each employee on the date of his or her hiring anniversary.



Activity to relieve stress/promote fun: During events, the bank takes professional-quality photos of each employee and their family members. The employee receives a print of the picture at the event and a digital file through email.

Pictured: During the annual employee appreciation day, leaders take time out from grilling burgers to pose in the Bell convertible used in community parades.

Dacotah Bank

Dacotah Bank headquartered in Aberdeen has assets of \$2.4 billion and employs 525 people.

Fitness/wellness program: To encourage a more active lifestyle, the bank will reimburse employees up to \$300 for expenses like gym memberships and home exercise equipment.

Community service initiative: Each employee selects a charity for the bank to support with a donation of \$200. An additional \$300 can be awarded if the employee is a member of the organization's board.

Pictured: Through the Give Where We Live Employee Directed Giving program, the bank donates \$1,400 to a local elementary school.



First PREMIER Bank

First PREMIER Bank headquartered in Sioux Falls has assets of \$1.8 billion and employs 354 people.

Activity to relieve stress/promote fun: First PREMIER break rooms offer selfie stations with cardboard cutouts and props. Employees who post their selfies to social media can win \$50 in credits to the corporate store.

Employee recognition/appreciation program: Two employees won new Chevy Camaros and \$16,000 after a drawing during a recent staff meeting.

Pictured: The executive team poses with employees before the bank's annual Halloween staff meeting. The 2017 theme was "Star Wars."



The SDBA, along with the American Bankers Association, congratulates these and other banks for establishing a culture and amenities that help attract and retain top talent, from generous health insurance and retirement benefits to employee prize programs, jovial atmospheres and employee financial health programs.

To see American Banker Magazine's full Best Banks to Work For list, visit <https://bit.ly/2MFZrwz>. ■■■

South Dakota Banking Professionals Receive Diplomas from GSBC

Seven South Dakota banking professionals were part of the graduating class of 2018 at the Graduate School of Banking at Colorado (GSBC).

The SD graduates were Jessica Burchill, Federal Deposit Insurance Corporation, Sioux Falls; Blake Crow, Eide Bailly, LLP, Sioux Falls; Leslie Eich, Federal Deposit Insurance Corporation, Sioux Falls; Doug Galbavy, Federal Deposit Insurance Corporation, Sioux Falls; Adam Kniffen, First Bank & Trust, Sioux Falls; Jill Luque, American Bank & Trust, Huron; and Matt Nelson, Bank Midwest, Sioux Falls.

GSBC awarded 164 total graduates from across the nation with a diploma in banking on July 26 at the University of Colorado campus in Boulder, Colo.

GSBC prepares bank-industry professionals to take on senior management roles within their organizations. Each student has



Front L-R:
Leslie Eich,
Jessica Burchill
and Jill Luque

Back L-R:
Doug Galbavy,
Blake Crow,
Matt Nelson
and Adam
Kniffen

been recognized by his or her bank CEO, president and supervisor as a rising star within their organization.

During the 25-month program, which meets two weeks each July for three consecutive years, students are required to complete six intersession research projects, on-campus coursework, exams and

a bank management simulation.

In addition to academic coursework, students enjoyed networking with others in their region, as well as exploring Boulder throughout their two-week visit.

The 2019 school session will be held July 14-26 in Boulder. To learn more visit www.gsbcolorado.org. ■

Brandon Spanier Receives GSB Scholarship



Brandon Spanier, Dacotah Bank, Faulkton, was selected to receive the Prochnow Educational Foundation/SDBA Scholarship for the 2018 school session at the Graduate School of Banking (GSB) at the University of Wisconsin-Madison.

Spanier has worked at Dacotah Bank since 2012. He is the branch manager, as well as underwrites and closes ag, commercial and consumer loans.

Spanier has a bachelor's degree in business administration from Presentation College. He is treasurer of the Faulkton Economic Development Corporation, volunteers with Our Savior Lutheran Church, and officiates and helps coach youth sports.

The 2019 GSB school session will be held July 28-Aug. 9 in Madison. Visit www.gsb.org. ■

Mary Williams Promoted at United Bankers' Bank



United Bankers' Bank (UBB) has promoted Mary Williams to SVP, chief operations officer. Williams succeeds Anne Hofstede, who retired after 41 years of service at UBB.

Williams will lead UBB's operations team and will oversee the bank's operational products and deposit services in addition to customer service. She has served on UBB's operations team since 2007, most recently as SVP, operations manager and boasts more than 25 years of experience in the banking industry.

Williams holds an associate of arts degree in accounting and business management from the St. Cloud Business College in St. Cloud, Minn., and an auditing certification from Ridgewater Technical College in Hutchinson, Minn. ■

Loan Officer, Valley Exchange Bank, Tea, S.D.

Valley Exchange Bank, established in 1883, is looking for an individual to fill a full-time opening in our Tea location. The bank is looking for a person to manage a loan portfolio and originate loans. The person also would serve as a backup for opening new accounts. The successful candidate must be good with people, problem-solving, and have an ability and desire to learn along with being detailed-oriented, flexible and able to multitask. A bachelor's degree or greater in business administration, accounting, finance, or related fields and/or prior experience in banking or as a loan officer are preferred. If interested, please call Chris at 605.647.2261 (our Lennox location) for inquiries and an application. Please email resume to Chris at cberg@vebank.org or mail to: Valley Exchange Bank, ATTN: Human Resources, PO Box 19, Lennox, SD 57039. Valley Exchange Bank is an Equal Opportunity Employer. ■

Mortgage Loan Officer II, First Bank & Trust, New Prague, Minn.

First Bank & Trust is looking for an individual to fill a mortgage loan officer II position in New Prague, Minn. The overall functions of this position are to originate and manage the larger and, in some cases, more complex mortgage loans that meet established lending requirements and criteria, which provide maximum profitability to the bank with a minimum of risk. This person should have a bachelor's degree plus a

minimum of four years of progressively advanced experience in bank lending or the equivalent. Emphasis is placed on suitable communication skills as well as aptitude for detail. For more information and to apply online, visit our website at www.bankeasy.com. ■

Universal Banking Officer, Rivers Edge Bank, Howard, S.D.

Rivers Edge Bank is seeking a highly-motivated, self-directed person to serve in the role of universal banking officer in Howard and Canova, S.D. Qualities of a successful candidate include great interpersonal skills, a willingness to serve others, good understanding of banking services including electronic delivery services, and good judgment. Responsibilities will include helping customers with day-to-day financial needs as well as handling more complex product and service solutions. Job requirements will include a wide range of responsibilities in deposit product sales and consumer/residential real estate lending. An associate or bachelor's degree in business or financial services is preferred but not required. Rivers Edge Bank offers a competitive compensation and exceptional benefit package. Visit www.riversedge.bank to apply or send an application letter and resume to Rivers Edge Bank, ATTN: HR Dept., PO Box 216, Parker, SD 57053. Member FDIC. Equal Housing Lender. Equal Opportunity Employer. ■

If you have a job opening at your bank or something to sell, send your classified listing via email to ademers@sdba.com and we will post it on the SDBA website and print it in the South Dakota Banker Magazine. The fee is \$50 per ad (200 word limit) for SDBA members or \$100 per ad (200 word limit) for non-members. Questions, call 605.224.1653.

Details of Assistance for Farmers...continued from page 10

Eligible applicants must have an ownership interest in the commodity, be actively engaged in farming, and have an average adjusted gross income (AGI) for tax years 2014, 2015 and 2016 of less than \$900,000. Applicants must also comply with the provisions of the "Highly Erodible Land and Wetland Conservation" regulations. On Sept. 4, the first MFP payment periods will begin. The second payment period, if warranted, will be determined by the USDA.

The initial MFP payment will be calculated by multiplying 50 percent of the producer's total 2018 actual production by the applicable MFP rate. If CCC announces a second MFP payment period, the remaining 50 percent of the producer's total 2018 actual production will be subject to the second MFP payment rate.

MFP payments are capped per person or legal

entity at a combined \$125,000 for dairy production or hogs. Payment for dairy production is based off the historical production reported for the Margin Protection Program for Dairy (MPP-Dairy). For existing dairy operations, the production history is established using the highest annual milk production marketed during the full calendar years of 2011, 2012 and 2013. Dairy operations are also required to have been in operation on June 1, 2018, to be eligible for payments. Payment for hog operations will be based off the total number of head of live hogs owned on Aug. 1, 2018.

MFP payments are also capped per person or legal entity at a combined \$125,000 for corn, cotton, sorghum, soybeans and wheat.

For more information on the MFP, visit www.farmers.gov/mfp or contact your local FSA office, which can be found at www.farmers.gov. ■

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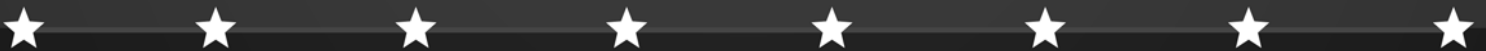
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*RFI = Regulatory Feedback Initiative

Seminars/Conferences/Webinars/Schools

SDBA EVENTS

SDBA Bank Technology Conference

Sept. 11-12, 2018 | Sioux Falls

CECL from End to End: Discussion, Data Decisions

Sept. 25, 2018 | Sioux Falls

SDBA Lead Strong: Women in Banking Conference

Oct. 2, 2018 | Sioux Falls

Onsite Certified Banking Vendor Manager

Oct. 10-11, 2018 | Watertown

IRA Update Seminar

Oct. 18, 2018 | Sioux Falls

Security Seminar

Oct. 30, 2018 | Sioux Falls

Call Report Seminar

Nov. 7, 2018 | Sioux Falls

ABA National Agricultural Bankers Conference

Nov. 11-14, 2018 | Omaha

IRA Basics Seminar

Dec. 13, 2018 | Sioux Falls

SDBA 2019 State Legislative Day

Feb. 13, 2019 | Pierre

IRA Update Seminar

Feb. 21, 2019 | Sioux Falls

SDBA 2019 Agricultural Credit Conference

April 10-12, 2019 | Pierre

WEBINARS

For a complete list of webinars, visit www.sdba.com/webinars.

Sept. 10, 2018

What's All the Fuss About Escrows?

Sept. 11, 2018

CRA Nuts & Bolts—Five Steps to Pass the Exam

Sept. 11, 2018

Opening Fiduciary Accounts

Sept. 12, 2018

Equipment Lease Financing

Sept. 12, 2018

Lending to Municipalities

Sept. 13, 2018

Critical Death Issues on Deposit Accounts

Sept. 14, 2018

Engineering Better IT Audit Programs

Sept. 17, 2018

Best-Ever Compliance Checklists for Commercial Loans

Sept. 18, 2018

Right of Setoff

Sept. 18, 2018

Ability-to-Repay/Qualified Mortgage Rules

Sept. 19, 2018

For Banking RMs: Learn the Seven Habits of Top Producing Bankers

Sept. 20, 2018

HMDA Nine-Month Checkup & What Lies Ahead

Sept. 20, 2018

Residential Construction Lending

Sept. 21, 2018

Incident Response and Forensics

Sept. 24, 2018

Using Business Tax Returns to Analyze Lending Requests

Sept. 25, 2018

Secrets to Being a Great Call Center Agent

Sept. 26, 2018

These People Drive Me Crazy

Sept. 27, 2018

Unclaimed Property Compliance for Financial Institutions

Sept. 27, 2018

Endorsements—Consumers, Businesses and Fiduciaries

Sept. 28, 2018

FFIEC CAT vs InTReX

Oct. 3, 2018

Quarterly Compliance Briefing: Fall 2018

Oct. 3, 2018

Loan Denials & Other Adverse Action Notices

Oct. 3, 2018

The UCC for Lenders

Oct. 9, 2018

Legal Liabilities when Check Fraud Occurs

Oct. 9, 2018

Telephone Consumer Protection Act (TCPA) Compliance Issues

Oct. 10, 2018

Marketing & Advertising Compliance

Oct. 10, 2018

Identifying and Documenting CRA Community Development Activities

Oct. 11, 2018

FFIEC Cyber Compliance Update

Oct. 11, 2018

Opening Accounts for Nonresident Aliens

Oct. 12, 2018

Introduction to Excel Dashboards

SCHOOLS

SDBA IRA School

Sept. 5-7, 2018 | Sioux Falls

GSB Financial Managers School

Sept. 9-14, 2018 | Madison, Wis.

GSBC Workshop on Community Bank Investments

Sept. 12-14, 2018 | Las Vegas, Nev.

GSB Strategic HR Forum

Sept. 27-28, 2018 | Minneapolis

GSB Sales and Marketing School

Oct. 14-19, 2018 | Madison, Wis.

GSB Bank Technology Security School

Oct. 21-26, 2018 | Madison, Wis.

GSBC Executive Development Institute for Community Bankers

April 14-17, 2019 | Denver, Colo.

Graduate School of Banking at Colorado

July 14-26, 2019 | Boulder Colo.

Graduate School of Banking at Wisconsin

July 28-Aug. 9, 2019 | Madison, Wis.

For more details and to register for a training, visit the SDBA's online event calendar at www.sdba.com/events.
Or contact the SDBA's Halley Lee at hlee@sdba.com or 800.726.7322.

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-Rebecca Hopkin, MI



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