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**ICBND Annual  
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**August 17-19, 2014  
Ramkota Hotel, Bismarck**

  
**CommunityBanker**

Official Newsletter of the **INDEPENDENT COMMUNITY BANKS of NORTH DAKOTA**

*Jul/Aug 2014 Issue*

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**ICBND**  
INDEPENDENT COMMUNITY BANKS  
of NORTH DAKOTA

## ENERGY SUMMIT COMING TO BISMARCK

The effects of the oil boom are being felt in every corner of our state. Most prevalent in central and western North Dakota, however, the eastern part of the state is now seeing an increase in housing and businesses moving into their communities that are related to this ever-growing industry.

Register now for the ICBND Energy Summit to be held on September 9 at the Ramkota Hotel in Bismarck. As bankers who want to stay involved and on top of what is happening in our communities and our state, we need to learn as much as we can about this growing industry. ICBND also encourages you to invite your local business and ag customers to join you. Registration for bank members is only \$50 and for your business customers only \$25.

Our featured keynote speakers include:

- Justin Kringstad, Director - North Dakota Pipeline Authority
- Ron Ness, President - North Dakota Petroleum Council
- Lynn Helms, Director - Department of Mineral Resources and
- Gene Veeder, Director - McKenzie County Economic Development

Governor Jack Dalrymple as been invited to address our attendees in the afternoon. You will be able to voice your questions, concerns, and suggestions during the afternoon Panel Discussion session let by Mediator Tim Porter, Bank of North Dakota. Included on the panel will be our keynote speakers, fellow community bankers from western North Dakota, and local Legislators.

## AG LENDERS GO BACK TO SCHOOL

**Community Bank Organization Offering Class** by Jessica Holdman Bismarck Tribune



When Wade Kusler, a loan officer at the Bank of Hazelton, was in college there were no classes for ag banking. That could be changing.

Independent Community Banks

of North Dakota said there is a need for more agricultural lenders in the state's community banks. To address that, the group is encouraging internships and started its School of Agricultural Lending this year.

ICBND wants to encourage more students to go into agricultural lending as a profession and keep those who are new to the business within the industry.

Twenty-five young agricultural lenders from across the state attended the first year of the new two-year program

at Bismarck Public Schools Career Academy located on the Bismarck State College Campus.

ICBND President John Brown said the curriculum for the course was developed by experienced agricultural lenders, and Ag Instructors from Bismarck State College and North Dakota State University.

"We need to make sure the people in the business have the tools to do what they need to do so they can stay in business," said Mark Holkup of BSC's Farm management Education program.

At the same time, many small town North Dakota bankers are aging and the agricultural economics students are leaving the state for jobs in the Corn Belt or are getting into the manufacturing side of agriculture, Brown said.

"They're not looking at banking or being a lender and helping farmers that way," he said. "We're not getting to them early enough."

*Story continued on Page 8...*

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Robert Larson  
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ICBND Chairman

This is my last article as Chairman of your ICBND, and as many told me, the last year went unbelievably fast. One of the things that really stand out was the wonderful support I received from all of the ICBND staff. You have a great group working for you! Thank you John, Wendy, Kyndra, Marilou, Angie, Bill, Lacey and Jess.

I am continually amazed at how much your ICBND accomplishes every year. The Washington Policy Summit is an absolute must. It allows us to develop strategies and visit personally with our congressional delegation. They appreciate hearing first hand how laws and excessive regulations affect the community banks. They also made it a point to remind us to keep our emails, letters and phone calls coming in on important legislation.

The Emerging Leaders Program

continues to evolve and has proven to be very successful. What better way is there to develop our future bank and industry leaders? This program brings people together to meet and network with other bankers, attend educational sessions and hear from various professionals. The cost of sending 1 or 2 employees can be less than some dinners....with a much better outcome.

ICBND hit a grand slam with the first ICBND School of Ag Lending. I have heard from a few of the attendees of the inaugural class. The response I got was a thumbs up! Some of the words I heard were: "Outstanding!" "Wow, can't wait till next year" and "Worth every second." We will continually work to keep improving the school.

The many educational offerings are always a hit, especially the

webinars. With one webinar purchase, a bank can have as many employees sit in as they want. What a bargain. Extremely cost effective and your employees don't have to travel. And after every 10 sessions you get one free.

ICB Purchasing Exchange offers most anything that a bank may need to purchase while saving large sums of money. Banks can easily save the cost of ICBND membership just on these savings alone. Speaking from experience, it's well worth checking out, if you haven't already.

ICB Services continues to thrive as well offering a credit card program second to none. Each bank has complete control of approvals, can hold its own receivables and can share in a portion of the interchange. Your cardholders can make payments

*Continued on page 15...*

## Operation Choke Point



John A. Brown  
ICBND President

I'm from the government and I'm here to help you! I've jokingly said that many times but with all that's happening under the government's Operation Choke Point I may quit saying that as it sure isn't that funny any more! Operation Choke Point is a Justice Department initiative that targets third-party payment processes and their financial institutions that process payments for businesses engaged in higher-risk, legal activities.

I know that ICBA has been working on addressing this issue and Rep. Blaine Luetkemeyer (R-MO.) has introduced H. R. 4986 to rein in Operation Choke Point. According to ICBA documents, this bill would promote nondiscriminatory access to

financial products and services provided the merchant is licensed, is registered as a money service business, or has obtained a reasoned legal opinion demonstrating the legality of its business.

We may think this is just happening in other areas of the country but let me assure you, it's happening right here in ND! The bank had done its due diligence on the proposed business customer as you would expect any bank to complete. They were informed by the federal regulators that they would be stopping by to do a couple days of compliance review. After 6 months and several subpoenas they were

forced to disassociate with this customer.

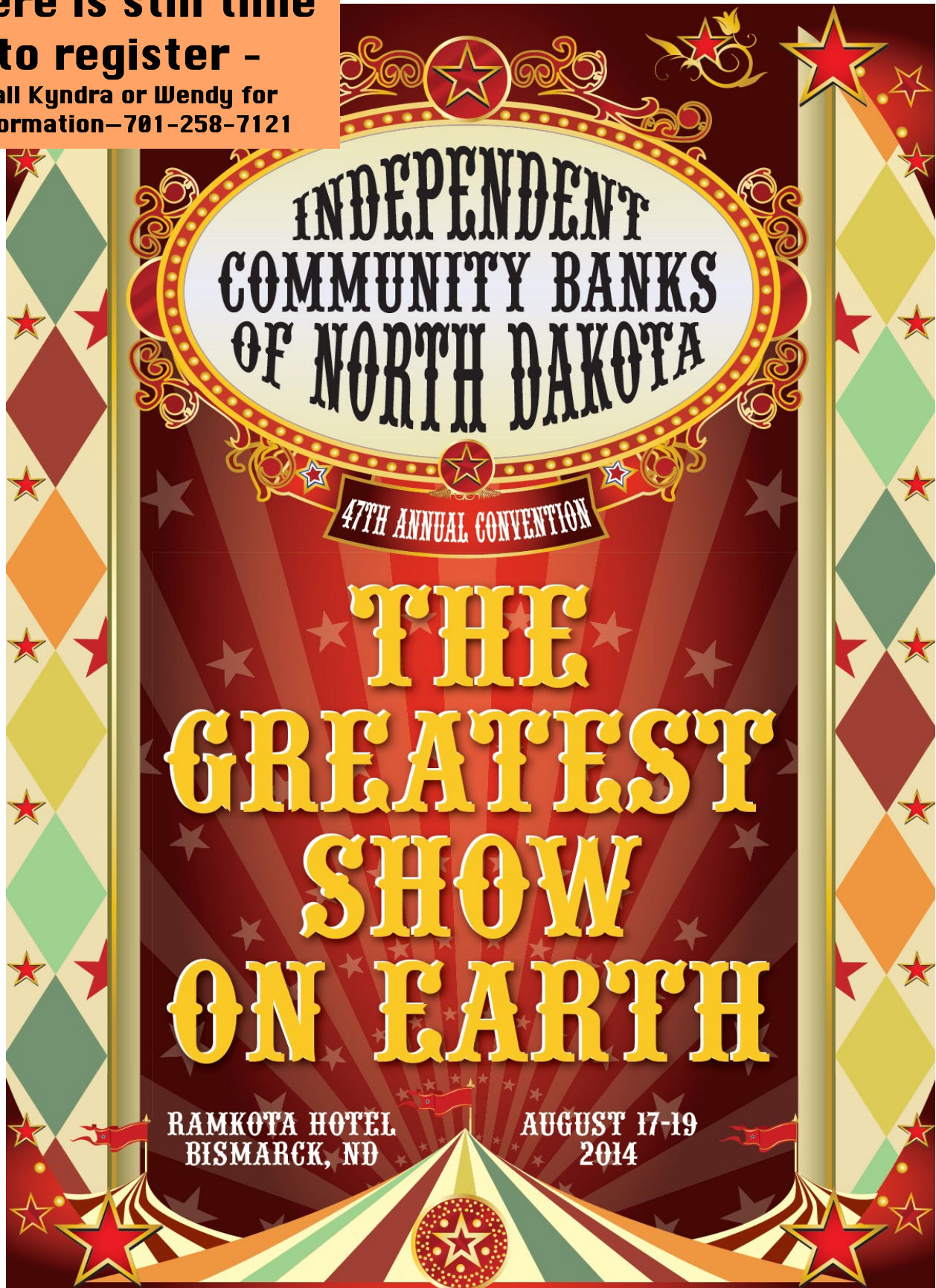
It's one thing to chase the terrorists through the corn fields of middle America looking for suspicious activities and filing the appropriate SAR, but when the government who already have us subjected to onerous regulations and reporting come in and tell a bank who they can have as a customer, that's going a little too far!

Commenting on Operation Choke Point, former FDIC Chairman William Isaac described this program as "having potentially devastating impact on lawful check cashing and small loan businesses. This in turn will cut off tens of

*Continued on page 18...*



**There is still time  
to register -**  
call Kyndra or Wendy for  
information—701-258-7121



## Defending Rural America by Mark Scanlan, ICBA Senior Vice President of Agriculture and Rural Policy



**ICBA calls for congressional hearings on the Farm Credit System harmfully exploiting its tax advantages.**

In its perpetual battle to roll back the inequitable practices and mission creep of the Farm Credit System, ICBA recently delivered a solid punch by detailing before Congress the cherry-picking practices of the FCS. In addition to laying out the evidence of the government-sponsored enterprise's inappropriate activities, ICBA called for a series of congressional hearings to address several pressing issues.

**Public-sector pricing.** During a House Agriculture Committee subcommittee hearing, ICBA community banker Sean Williams noted how the FCS continually uses its federal subsidies to undercut community bank loan rates. Despite the Farm Credit Act's prohibition on below-market pricing, these tax-advantaged institutions are using their federal backing to offer artificially low interest rates to cherry-pick community banks' strongest customers.

Williams, president and CEO of First National Bank of Wynne, Ark., said his institution has lost approximately 30 borrowers over the past three years to the FCS. ICBA's Agriculture Rural America subcommittee, comprising bankers from every U.S. agricultural region, recently completed a survey revealing similar results.

The FCS, with its tax exemptions on agricultural real estate loans and residential mortgage loans in towns of under 2,500, combined with its ability to borrow at essentially the Treasury's cost of funds, offers below-market loan rates to steal community banks' best agricultural borrowers. This practice is certainly harmful to community banks serving the nation's agricultural communities by elevating their portfolio risk over fewer and less financially sound borrowers. Pricing community banks out of the agricultural lending market also diminishes their ability to serve agricultural producers, leading to fewer lenders and less credit availability and expertise for rural America.

**Mission creep.** Adding insult to injury, the FCS and its regulator, the Farm Credit Administration, also are pushing aggressively to expand into nonfarm lending. The agency's proposed "investment eligibility" regulation would allow FCS lenders to seek approval for broad nonfarm lending programs labeled as investments. The regulation is expected to allow tax-advantaged FCS lenders to pick off more of community banks' best agricultural loans and non-farm loans.

The mission creep went from outrageous to ludicrous when the news broke last fall that FCS lender CoBank was the largest participant in a \$12 billion loan to Verizon Communications to purchase Vodafone's stake in Verizon Wireless. As Williams

noted, these huge telecommunications firms are based in New York City and London, respectively—a long way from rural America. CoBank then engaged in a \$350 million credit to Frontier Communications to partially finance its acquisition of AT&T's Connecticut wireline business. The FCA has excused these illegal loans as eligible under a provision allowing FCS loans for entities "similar" to eligible borrowers. But the fact remains that this provision was never intended to allow FCS lenders to make these types of loans.

**Congressional call to action.** Private-sector credit for farmers and ranchers is plentiful and is being provided at rates near historical lows. The FCS's tax-advantaged pushback against community banks and shifting business model into nonfarm lending threaten thousands of community banks serving rural America. That is why ICBA in its testimony called on Congress to hold a series of hearings on these and other developments.

While lawmakers have been knee-deep in recent years writing the new farm bill, they cannot lose sight of FCS activities. It is time to rein in this government-sponsored entity before it is too late for too many community banks.

*Mark Scanlan (mark.scanlan@icba.org) is ICBA's senior vice president of agriculture and rural policy.*

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**\*Remember to stop by our booth at the upcoming ICBND convention\***

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## Associate Profile

### Jadestone Consulting

[www.jadestoneconsulting.com](http://www.jadestoneconsulting.com)

PO Box 417

Bismarck, ND 58502

Phone: 701-390-9694

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Contact Information:

Brent Bogar - Email: [bcbogar@jadestoneconsulting.com](mailto:bcbogar@jadestoneconsulting.com)

Jadestone Consulting provides the experience and knowledge to community bank clients in the areas of information technology and security, operations and strategic planning. Jadestone provides services from assessments of existing technology to vendor selection and contract negotiation. Jadestone can also serve as a virtual CIO for your organization to provide the experience and leadership to meet your strategic goals and maintain regulatory compliance.

## Associate Profile

### Check Printing Solutions (CPS)

[www.checkprintingsolutions.com](http://www.checkprintingsolutions.com)

8906 S. Harlem Ave

Bridgeview, IL 60455

Phone: 855-245-0993

Fax: 708-381-5469

Contact Information:

Amanda O'Connor, Operations Manager - [aoconnor@checkprintingsolutions.com](mailto:aoconnor@checkprintingsolutions.com)

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## Associate Profile

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## Making a Difference by Camden R. Fine, ICBA President and CEO



So what's your job description? As a Main Street community banker, it's probably hard to fully pin down. I'll bet the catch-all, anything-goes phrase "and other duties as required" best covers a considerable amount of your responsibilities.

Certainly providing practical financial expertise and resources are fundamental to what you do, but those are merely the most clearly identifiable dimensions of your job. Part trusted financial confidants, part problem fixers and part catalysts of opportunity, community bankers are professional jacks of all trades. So much of what you do involves tackling whatever needs doing and getting done—whether at your bank, for your customers or throughout your community.

Whether leading a charity board or an economic development commission, give countless hours of your time and talents with the only objective of making individual lives and whole communities better. In short, you do more, give more—far beyond the scope and pay scale of your formal job description. After all, your position as a community banker is as much of a special calling as a profession.

One primary but often unspoken aspect of being a community banker is serving as a local leader. Through so many incalculable but indispensable ways, you bring people throughout your community together to accomplish worthy and important things. Without your leadership, along with your financial products, services and expertise, Main Street America could never be either as prosperous or as worthwhile places to live and work. Along with your professional integrity, your leadership is what makes you special and important—and it's something that cannot be automated or commoditized. That's important to remember in a world sometimes overly driven and bedazzled by mere bits and bytes.

In much the same way, ICBA could never be as successful or effective without the leadership of real-world community bankers like you. Far more than any national financial trade association, ICBA operates not only by and for all of its members but also with its members. As a democratically governed grassroots organization, ICBA relies on the leadership of community bankers—and only community bankers—stepping forward to

determine our association's policies, priorities and programs. You provide the essential elements—of firsthand experience, knowledge and leadership—that make *your* national association so uniquely purposeful and effective. Together we have accomplished truly amazing things.

This summer the ICBA family celebrated the life and mourned the deep loss of Maryland community banker Mike Menzies, who passed away at 67 after a tough but courageous fight with cancer. Without overstatement, Menzies was an amazing community banker, an extraordinarily talented and generous leader, and a remarkable human being. For nearly 25 years, he freely, tirelessly and humbly applied his broad knowledge and sharp intellect not only for the communities he served in Maryland but also for ICBA and our industry.

As ICBA's 2009-2010 chairman, Menzies was known as one of ICBA's "war chairmen"—along with Texas community banker Cynthia Blankenship and Michigan community banker Jim MacPhee—who provided steady, wise and reassuring leadership that shepherded the association through the darkest and most uncertain days of the Wall Street financial crisis. In addition to shouldering other intensive responsibilities as ICBA chairman during 2009-2010 (while continuing to oversee a vigorous community bank back home), he testified nine times before Congress on highly consequential and complex issues. He spoke eloquently and with authority on issues and proposals ranging from entirely new financial systemic-risk regulations, federal deposit insurance reforms and national economic stimulus measures. His performance and personal sacrifices as ICBA chairman made a big difference—not only for the nation's community banks but also for everyday individuals, families and small businesses throughout Main Street America.

Upholding and living out the character of the quintessential community banker, Menzies always quietly and without any self-aggrandizement took to heart the special integrity and commitment to public service his profession demanded. He often talked about the personal accountability involved with serving as a community banker. "You can't hide," he would say, from your actions or decisions.

Mike Menzies was one of the many dedicated volunteer leaders that ICBA has been blessed with having over the years. Since its founding

by 13 community bankers determined to fight destructive financial overconcentration during the Great Depression, ICBA has often had just the right bankers to help lead the association through its challenges and accomplishments. In my own 30-year personal memory and experience, community bankers who stand out as pivotal ICBA leaders include Chuck Doyle of Texas, who helped modernize ICBA's operations and image during the 1980s, and Rusty Cloutier of Louisiana and Dale Leighty of Colorado, who managed the leadership transition that brought me on board as ICBA's president and CEO a decade ago.

Of course, over the decades hundreds of community bankers have served ICBA in many ways, whether on committees or by mobilizing over advocacy calls to action at the most critical times. Every community bank and community banker owes an incalculable debt of gratitude to ICBA's past leaders. But just like you are a leader in your own community, you and your colleagues need to become active participants and leaders in *your* national trade association. Your talents and perspectives are the essential ingredient to getting important things done with ICBA—for your bank, your customers and communities, and our industry.

So please make participation in ICBA part of your informal job description—it's a natural extension of what you already do. Together we can continue to do amazing things. With your help, we can do more and make a difference. You know it's true—you already do it every day on Main Street. Let's do it together, working nationwide through ICBA.

*Camden R. Fine is President and CEO of ICBA. Reach him at [cam.fine@icba.org](mailto:cam.fine@icba.org).*

### Upcoming Important Events/Dates

ICBND 47th Annual Convention and Exposition in Bismarck - Aug 17-19

ICBND Energy Summit - Sept 9

ACH Audit Compliance - Sept 10

Community Bankers for Compliance - Sept 16-17

Fall Frontline - Sept 22-25

# Islands of Opportunity

by John H. Buhrmaster, Chairman of ICBA



One of the greatest privileges of serving as your ICBA chairman is having the opportunity to attend dozens of state conventions and drop in on many community banks across the country. It is an honor to be able to visit so many of your states—and if I'm lucky, your hometown—to meet you, my fellow community bankers, the very people at the heart of our nation's economy.

Over the past three years while serving on ICBA's Executive Committee, I have traveled by planes, trains and automobiles to your respective states, and I am looking forward to several more trips over the next 18 months. While flying cross-country may seem like the best option for me, my favorite way to travel is by car. My road trips so far have included destinations to great places like Bar Harbor, Maine; Maryville, Tenn.; Lincoln, Neb.; and Winfield, Ala. I have been struck by how each time I have spotted a community bank that it has been surrounded by other vibrant small businesses.

Those encounters reminded me of coming upon an oasis in a desert. This comes as no surprise, as we all know how community banks serve as the financial lifeblood of their communities both large and small. My personal observations are simply more proof. There's no doubt that community banks drive our nation's economy by lending locally and creating jobs. And the numbers back that up. According to the FDIC, community banks under \$10 billion provide nearly 60 percent of small business loans between \$100,000 and \$1 million.

Today, as you read this column a community bank is closing on a loan somewhere that will help someone realize his or her dream of owning a business. And who knows, that small business could turn into a future Fortune 500 company.

I am proud to be a part of ICBA, the only national association entirely dedicated to community banks and preserving our ability to help small businesses whose success is so closely aligned with ours. Every day ICBA staffers come to work to support the good you and your community bank are doing in

your community, knowing how our industry's efforts together are making people's lives better in so many different ways throughout the nation. We have all seen it firsthand: Community banking is truly a noble profession of people helping people.

So if you happen to see a 2005 Ford Explorer with New York license plates parked next to you at your state convention, remember how much fun I am having touring the country and proudly stopping at small businesses that began with a dream and a community bank loan. That old Ford is a great example: purchased at a business started with a community bank loan, serviced by a mechanic with a community bank line of credit, and driven by a community banker whose little oasis of a bank has been making dreams come true for four generations—with the help of our good friends at ICBA.

*John H. Buhrmaster is president of 1st National Bank of Scotia, in Scotia, N.Y.*

When a local economic development group recruited an out of state business, the local bank asked Bank of North Dakota to participate with the loan.

*Yes, we can do that!*

View details at

[banknd.nd.gov/yes](http://banknd.nd.gov/yes)

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*Continued from Front Page...*

"It's an aggressive ag industry out looking for employees," Holkup added.

Kusler said unless a beginning banker gets a first job at a bank that is willing to invest time and money into training, there is not much continuing education out there. He said the community bankers brought in by ICBND helped by passing on the knowledge and experience they've gained during years in the business.

"The people here have experience teaching," added Dustin Froelich of Security First Bank in Mandan, who also attended the ICBND School of Ag Lending. "A lot of (lenders) are good at what they do but they're not actually teachers."

Froelich followed in his mother's footsteps as an agricultural lender and grew up on a farm carrying calves inside during the winter.

"It's really the people that drew him to it," he said. "Farming is not just a business; it's a way of life."

Froelich said the speakers provided insights on how they handled different situations during their careers. He was able to learn from them for his own decision-making, like what to look for in order to make a good loan decision.

Darwin Bitz of Heartland State Bank in Edgeley served as an instructor for the weeklong course. He got started in agricultural lending after he and his wife moved back to her parents' farm and the local banker encouraged him to work there.

Bitz said agricultural lending has been a rewarding career, and he hopes to encourage others to do the same.

Deb Clarys of Security First Bank in Center, another attendee, said the ICBND school also offered the benefit of networking and meeting others in the business who can be called with future questions.

**ICBND will continue the School of Agricultural Lending into the future.** The full course is a two-year (one week per year) certified program. Students completing both years will receive a diploma of completion. Next year's session will be held at the same location on June 22-26. 2015 session will include classes on:

- Appraisals
- Loan Structuring
- Documentation
- Proper Collateral Filing—UCC
- Regulations/Compliance
- Farm Programs
- New Technology
- Estate Planning, and much more

ICBND will continue to work with BSC and NDSU Ag instructors as well as seasoned Ag Lenders within our community banks to make sure that the curriculum is to the highest standard and what the new (and even seasoned) ag lender will need.

ICBND would like to thank all those who took

time out of their work and personal life to help put this new annual program together:

- Andy Swenson, NDSU - Ag School Committee and Instructor
- Ryan Larsen, NDSU - Ag School Committee and Instructor
- David Saxowsky, NDSU - Ag School Committee
- Frayne Olson, NDSU - Instructor
- Mark Holkup, BSC - Ag School Committee and Instructor
- Tyler Schau, BSC - Ag School Committee and Instructor
- David Ludwig, Security First Bank of North Dakota - Ag School Committee
- Jed Fluhrer, Security First Bank of North Dakota - Ag School Committee and

Instructor

- Darwin Bitz, Heartland State Bank - Ag School Committee and Instructor
- Norm Throeson, Garrison State Bank - Ag School Committee and Instructor
- Kevin and Bob Pifer, Pifers Auction and Realty - Instructors
- Robert Entringer and Thomas Metelmann, Dept. of Financial Institutions - Instructors
- Dennis Walsh, First International Bank & Trust - Instructor
- Lynn Paulson, Bell State Bank & Trust - Instructor
- TJ Russell, Cloverdale Foods
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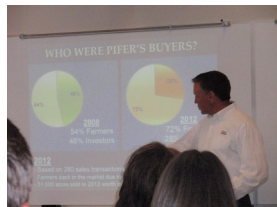
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## ICBND School of Agricultural Lending June 23-27, 2014

### Attendees

- Abe Beneda, Citizens State Bank of Lankin
- Brock Bjornson, First International Bank & Trust
- Holly Braun, Choice Financial Group
- Kyle Christensen, Bank of Glen Ullin
- Deb Clarys, Security First Bank of North Dakota
- Courtney Foss, First International Bank & Trust
- Dustin Froelich, American State Bank & Trust Co
- Thomas Gage, First International Bank & Trust
- Sarah Getzlaff, Security First Bank of North Dakota
- Kathy Hoff, First International Bank & Trust
- Ryan Holtan, North Country Bank
- Andrea Kjergaard, Heartland State Bank
- Wade Kusler, Bank of Hazelton
- Jamie Livingston, State Bank & Trust of Kenmare
- Chirstopher Midgarden, First United Bank
- Bruce Morman, Bank of Glen Ullin
- Luke Olmstead, First International Bank & Trust
- Travis Pfennig, North Country Bank
- Joe Roline, First International Bank & Trust
- Laura Sandberg, Security First Bank of North Dakota
- Gus Schlepp, McIntosh County Bank
- Mike Schmid, Grant County State Bank
- Cole Solseng, Farmers & Merchants State Bank
- Charlie Wellman, KodaBank
- Andrew Wysocki, KodaBank







## Regulator Hot Topics by Lise Kruse, Chief Examiner ND Department of Financial Institutions

North Dakota is enjoying great economic conditions and banks are healthy.

Despite this fact, regulators are making recommendations to address areas of risk and concern. The following are some of the topics most frequently addressed in examination reports and what are "hot topics" for us in North Dakota. If you would like further information or would like assistance, please contact our Department at 701-328-9933.

**Loan documentation exceptions.** With continued competitive pressures and overall good economic conditions, it is tempting to relax credit standards. Our concern is that if economic conditions deteriorate and borrowers encounter difficulties repaying their loans, banks will have greater risk exposure if they have been too lax in the underwriting and administration process. Without periodic repayment analysis, the bank will not know about deterioration until it is too late to mitigate risk, so obtaining current financial information from borrowers is important. Also, in a scenario where you have to rely on collateral as repayment, there may not be enough collateral protection, or worse, the collateral may not be perfected or be there at all. Stress testing your portfolio may be helpful to assess potential negative exposure given the particular stress

event such as rising rates, declining commodity prices, increases in vacancy rates, etc.

**Interest rate risk monitoring weaknesses.** In this prolonged low interest rate environment, interest rate risk monitoring has become a hot topic for regulators. Banks can benefit by predicting various scenarios (modeling) and thus establish mitigating factors to limit exposure to interest rate changes. In efforts to boost yields, we often encounter longer-term investments, which could impact liquidity and earnings in a rising rate environment. If your balance sheet is liability-sensitive, rate sensitive liabilities may re-price faster than earning assets and you could experience declines in net interest income and potential deposit run-off in a rising rate environment. Also, if your bank has long duration in the securities portfolio, you could experience severe depreciation that could be material to your capital position. Unrealized losses on securities may reduce equity capital, which was evident June 30, 2013, when rates rose and Accumulated Other Comprehensive Income showed a decline in many banks across the nation.

**Succession planning.** In every community bank there are key people relied upon to get important tasks done. What do you do if this person is gone? Do you have someone else able to do these tasks; do you need to cross-train; or do you need to look outside the organization? Decisions on these matters should be documented to ensure that every Board member is on the same page.

**Strategic planning.** Where is the organization going in the future? What are the goals and objectives you want to achieve? Are the Board members aware of the strategies and are the objectives communicated throughout the bank?

**Capital planning.** Are you experiencing growth? Do you need to retain earnings to maintain your capital ratios above a certain level? What are your dividend plans? With the upcoming Basel III rules, capital planning is important. The new rules require a "capital conservation buffer" in order to pay dividends, and although it will not be fully phased in until 2019, you need to plan ahead.

**Cybersecurity and Corporate Account Takeover (CATO).** This topic is no longer a "back room" consideration or an issue that only

*Story continued on page 15...*

Conventional | FHA | USDA | VA

## Mortgage Questions?

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## Come clown around with our 2014 Convention Exhibitors! - and be sure to dress up for Monday's Theme party in your best circus and clown attire!

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Rough Rider Industries  
Secure Banking Solutions

Security Products Companies  
SHAZAM Network  
Travelers  
U.S. Small Business Administration  
United Bankers' Bank  
Vantage Point Solutions  
Wild/CRG

*\*Associate Members—there are still a few booths left. If you don't want to miss out on all the fun and great networking opportunity with our ICBND Community Bank Members, call Kyndra or Wendy today to get signed up—701-258-7121*



# WE BELONG....

*"I began using ICBA Securities early in my banking career, and have profited from the relationship. Whether it's finding the perfect muni for my portfolio or attending their bond academy, we thrive because they take the time to develop a strategy that works."*

**Erik Thompson**

Chairman

Prairie Sun Bank, Milan, Minnesota

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# ICBND MEMBERS IN THE NEWS

## Knutson and Melgaard Hired at Bell State Bank & Trust



**Stephanie Melgaard** has been hired as call center manager at Bell State Bank & Trust in Fargo. In her new position, Melgaard oversees management and daily operations of the call center. Originally from Arvada, Colo., she earned a bachelor's degree in communication from University of Northern Colorado. Prior to joining the bank, she worked at Midcontinent Communications.



**Heather Knutson** has been hired as credit officer at Bell State Bank & Trust in Fargo. In her new position, Knutson is responsible for underwriting and works with business bankers on commercial loan portfolios. Originally from Pelican Rapids, Minn., she earned a bachelor's degree in business administration from Minnesota State University Moorhead and has been in the banking field for nine years. She worked at Vision Bank for six years as a senior credit analyst prior to joining the bank.

## Smith Joins Western State Bank



**Danielle Smith** recently joined Western State Bank as a Customer Care Banker. She will provide financial solutions and service to current customers. Smith has over eight years of customer service experience and four years of banking experience. Originally from Vergas, MN, she earned a degree in Fashion Marketing and Management from Minnesota State Community and Technical College.

## Choice Promotes Four



**Amy Ebensteiner** was recently promoted to Frontline Operations manager in Choice Financial's Fargo and West Fargo locations. Ebensteiner joined Choice in February 2014. Prior to joining the bank she had several years customer service experience and was a graduate of Minnesota State University Moorhead. She is an active volunteer for the YMCA and American Cancer Society's Relay for Life.



**Cally Colville** was promoted to Senior Frontline Specialist in West Fargo. Colville joined the bank in November 2013. She brings retail experience in restaurant management and attended Minnesota State University, Mankato.



**Torrie Syverson** was promoted to Frontline Operations manager in Grand Forks. Syverson joined Choice in June 2012. She is a graduate of Minnesota State University Moorhead, with a degree in mass communications. She has previous management experience in the retail industry and is active in the community by volunteering for Habitat for Humanity.



**Michael Herman** was promoted to Senior Frontline Specialist in Grand Forks. Herman joined Choice in February 2013. He brings prior experience in retail and sales and attended UND in Grand Forks for business administration.

## Starion Financial Pledge Will Help Grow Sleepy Hollow Amphitheater



**Starion Financial** has pledged \$150,000 to the Sleepy Hollow Theatre & Arts park capital campaign to enhance central North Dakota's largest outdoor amphitheater. Sleepy Hollow is in its 25th season of providing quality opportunities in the arts with a unique outdoor experience under the stars for people of all ages. "Starion Financial is pleased to be able to make a significant impact as Sleepy Hollow moves into its next phase," said Craig Larson, Starion president/CEO. Larson and his wife, Shelley, serve as honorary chairs of Sleepy Hollow.

## Heilman Hired and Stensrud Takes New Role at Bell State Bank & Trust



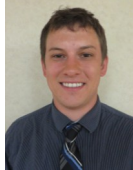
**Jodi Heilman** has been hired as senior vice president of marketing at Bell State Bank & Trust in Fargo. In her new position, Heilman will direct marketing strategy and oversee the operations of the marketing department. Originally from Fergus Falls, Minn., she earned a bachelor's degree in mass communications from Minnesota State University Moorhead. Prior to working at the bank, she worked as executive vice president at Sundog.



**Karen Stensrud** has been named vice president of communications and public relations. Stensrud joined Bell State Bank & Trust in 2003 and previously served as vice president of marketing and communications. Originally from Madison, SD, she earned a bachelor's degree in English from Concordia College,

Moorhead and a master's in creative writing from Minnesota State University Moorhead.

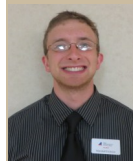
## First International Bank & Trust Hires Five



**Andy Eckhoff** has been hired as a Community Banker. Eckhoff will be responsible for becoming familiar with banking operations and procedures by performing assigned duties, responsibilities and projects throughout the bank system with a goal of obtaining a future position in lending. He comes to the bank with an Associate's Degree in Finance from Alexandria Technical College and a Bachelor's Degree in Finance from MSUM.



**Christina Pierce** has been hired as a part-time Marketing Intern. As an intern, Pierce will be responsible for coordinating events, assisting with social media, research and other day-to-day activities within the marketing department. She comes to the bank from Sauk Centre, MN. She is a senior at MSUM where she is pursuing a degree in International Business.



**Marshall Erickson** has been hired as a Community Banker. Erickson will be responsible for becoming familiar with banking operations and procedures by performing assigned duties, responsibilities and projects throughout the bank system with a goal of obtaining a future position in lending. He comes to the bank from AgCountry Farm Credit Services where he worked as a Farm Accounting Intern. He graduated from NDSU with a major in Agribusiness and a minor in Accounting.

## COMMUNITY BANKS and BANKERS IN THE NEWS

**First International New Hires Continued...**

**Nicole Kressin** has been hired as a Corporate Trainer. Kressin will contribute to continued employee growth and development through effective training of employees using a wide variety of training methods and techniques. She comes to the bank with a background in human relations counseling, communication, recruiting and teaching. She earned her Masters of Arts degree in Counseling Psychology and Bachelor of Arts degree in Psychology at UND.



**Sharon McDaniels** has been hired as a Senior Customer Service Rep. McDaniels will be responsible for providing agent and policyholder support. She will also be involved with interviewing prospective clients and existing policy holders, obtaining quotes, and preparing proposals. She comes to the bank from Wells Fargo Insurance with 28 years of experience in customer service.

**Customer Service Representative Hired at Western**

**Joseph Tamburino** has recently joined Western State Bank as a Customer Service Representative. He will provide outstanding customer service and process customer transactions. He is originally from Jacksonville, North Carolina. He served in the United State Marine Corp and currently resides in Devils Lake.

**Starion Financial Expands Executive Committee**

**Don Morgan**, chief credit officer, has been added as a member of Starion Financial's

executive committee. Morgan joined Starion in 2012 and is located at the bank's downtown Bismarck location. Other members of the executive committee include: Craig Larson, president/CEO; Curt Walth, executive vice president; Jeff Weiler, executive vice president of consumer banking; Tim Dowling, executive vice president of business banking; Sheila Marquart, chief human resources officer; Mary Erman, chief risk officer; and Jay Feil, Bismarck-Mandan market president.

Morgan has been in the banking industry for more than 12 years and has experience in commercial lending, credit and management. He earned his Bachelor of Science degree in finance and accounting from the University of Wyoming, and is also a certified public accountant.

**Kommer Receives Distinguished Alumni Award**

**Michelle Kommer** was recently honored as a recipient of the 2014 Distinguished Alumni Award from Mayville State University, Mayville, ND. The award is presented to a Mayville State alumni member who has been a proven leader in their field for over 10 years.

Kommer is the Chief Administrative Officer/General Counsel at Western State Bank. She leads the human resource, information technology, legal and loan/deposit operations functions for the company. She previously served in executive leadership positions at Noridian/BlueCross BlueShield of North Dakota and Otter Tail Corporation.

Originally from Fargo, ND, she received her Bachelor of Science degree in Business Administration from Mayville State University. She earned her Master's Degree in Management from the University of Mary and her Law Degree from UND. She

has been a passionate advocate for child welfare in North Dakota, as a foster and adoptive parent, and in founding the North Dakota Heart Gallery in 2006. She serves on the Board of Directors for Churches United for the Homeless and Fraser, Ltd.

**Weigel Graduates from Leadership Program**

Cornerstone Bank is proud to announce **Derek Weigel**, Business Banker in Bismarck, recently graduated from the 25th class of the Bismarck/Mandan Chamber Leadership program. The program offered by the Chamber is a 7 month course which works to develop local leaders who actively participate in and support community progress and engages emerging leaders in business and community issues. Derek is also a member of the ICBND Emerging Leaders Development Group and serves as their Chairman.

**Compton Joins Choice Financial**

**Jeffrey Compton** recently joined Choice Financial in Fargo as a Credit Analyst. Compton graduated from Minnesota State University Moorhead, with a Bachelor of Science in Finance.

**Two Promoted at Choice Financial**

**Samantha Berg** was recently promoted to Human Resources Specialist for all Choice Financial locations. Berg joined the bank in 2008, and has held a variety of positions within the bank, most recently as Director of Frontline Operations.



**Morgan Buchweitz** was recently promoted to Loan Assistant at Choice Financial in Langdon. Buchweitz joined the bank in November 2013 as a Frontline Customer Service Representative. She graduated from UND with a Bachelor of Arts Degree in Communications.

**Choice Financial Opens Loan Production Office in Bismarck**

Choice Financial proudly announces their entrance into the Bismarck community with a loan production office located at 324 North 3rd Street.



Leading the loan production office team is **Tim Karsky** as president, with **Deb Eiseman**, **Chad Bjornson** and **Chris Keller** as business lending officers.



"The addition of the loan production office offered a great opportunity to enter the vibrant and growing market of Bismarck, and we look forward to continuing our growth efforts into the community," said Brian L. Johnson, Choice financial CEO

Choice Financial is a premier choice for financial solutions with 14 full-service banking location and one loan production office in North Dakota, and one full-service banking location in Minnesota. Choice Financial was recently named the top performing community bank by SNL Financial, and is proud to hold the #1 position out of 784 community banks eligible.



*Story continued from page 10...*

affects the “big” banks. Cybersecurity is an important part of risk management for every bank. DDoS (Distributed Denial of Service) attacks and wire transfer fraud are prevalent even among smaller institutions. It is important to reassess the risk environment and update risk management programs for information security and vendor management. Enforce your procedures and make sure all of your staff is trained; this is not just for IT staff. Unfortunately, electronic thefts will not go away and the losses are a direct hit to earnings and capital – and the reputation risk is huge.

From 2012 to the present, 93% of violations cited in Federal and State Reports of Examination fall into these six areas:

1. Bank Secrecy Act (32%). Over half of these are Currency Transaction Reports (CTRs) which were filed late or not at all.
2. Appraisals or evaluations (20%). Remember that if a certified appraisal is not required, you still need an evaluation by someone independent of the transaction.
3. Regulation O (13%). Loans to insiders need prior approval if the aggregate amount (including related interests) exceeds \$500,000 and the interested party must abstain from voting. Also, keep in mind the Regulation O lending limit for insider loans and the overdraft limitations for executive officers and directors.
4. Pledging-related (13%). Often, inadequate funds are pledged to cover public deposits and some securities are ineligible for pledging.
5. Legal Lending Limit (9%). It can be challenging to figure out when entities are combined for legal lending limit purposes. Do not hesitate to contact our office if you would like assistance.
6. Dividends (6%). A worksheet is found on our website ([www.nd.gov/dfi/forms/](http://www.nd.gov/dfi/forms/)) to assist you in calculating the “net profits” available for dividend. If the combined “net profits” is negative, a dividend may not be declared without prior approval from either the State Banking Board or Commissioner.

*Story continued from page 2...*

directly at your bank, over the internet or mail them in. If there is a problem or question, Marilou and her staff are just a phone call away.

I hope all of you will take advantage of the ICBND Annual Convention being held from August 17 – 19. I know you will leave with a “WOW – what a great time!”

In closing, I would like to thank the ICBND Board of Directors for all the work they do for you. They work hard and do a very, very good

job in promoting community banking in North Dakota. We can not take community banking for granted, or we will lose it. Our organization will be in very good hands with your incoming Chairman – Tim Porter. I’ve seen first hand what he brings to the table. He is a very able and dedicated person that will serve this organization well.

**ICBND – ONE MISSION, COMMUNITY BANKS!**



## Make your bank’s opportunity a “done deal” ... fast!

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## Mobile Matters by Jeff Multz, Dell SecureWorks

To be, or not to be mobile, that is the question. Either way, you've got a problem.

Thirty-two percent of U.S. adults bank online via their mobile phones, according to an August 2013 report from the Pew Research Center. Mobile banking has doubled since 2011. Last year, Juniper Research reported there were 590 million mobile banking users and expects the number to hit 1 billion by 2017. Need help running all this mobile banking? There's an app for that. Aye, there's the rub. Mobile apps—both iOS and Android Apps—have vulnerabilities that could provide attackers with personal identifiable information of your customers, including the current location of their mobile devices. Insecure Web apps and mobile apps can allow attackers to intercept customer data and sensitive company data in transit and at rest.

**Mobile Applications.** Having conducted several tests on hundreds of mobile banking applications, security researchers have

discovered many of them are susceptible to various attacks. Banking applications generally use SSL encryption for securely transporting private documents via the Internet, but 90 percent of the tested apps initiated several non-encrypted connections during their operation. This could allow an attacker to intercept traffic and create a fake logon prompt. Cybercriminals create and make available in third-party stores versions of banking apps that look and act just like your authentic banking apps, but they have malware hidden in them. To prevent that from happening, you should advise customers to go to your home page and click on a button that sends them directly to either the Apple or Android store to download your mobile app.

**Mobile Malware.** No mobile device, whether company issued or otherwise, should ever be allowed to connect to your network in any manner because if there is any malware on the mobile device, it could infect your network. Mobile antivirus is not 100 percent effective and can easily be disable. Many mobile applications have malware built into them. When users

download the apps, the malware can disable the antivirus. The most popular mobile banking malware, Zitmo, steals financial transaction information so the attacker can later go into the user's account and steal funds. Zitmo forwards all incoming SMS messages to a remote Web server so the attackers can grab your mobile transaction authentication numbers, or mTANS, defeating your security control.

### Take Arms Against A Sea of Troubles.

While there is nothing you can do to ensure the security of mobile banking, you can take the following steps to help prevent fraud.

- Provide users with policies and advisories so they are well-informed of your mobile banking guidelines.
- Manually audit and assess applications before launching them.
- Provide users with additional levels of security like multifactor authentication services and text message notifications.
- Ensure all your applications are built with secure data transmission standards, secure data storage and application logging.

*Story continued on page 18...*

Correspondent banks contacted BND Investments about streamlining trade information and requiring more info on risk measurement.

*Yes, we can do that!*

View details at

[banknd.nd.gov/yes](http://banknd.nd.gov/yes)

**BND**  
Bank of North Dakota





# The Leadership Tune-Up: Communicate with Impact

Get great results from your team, your leadership and your board with this  
On-line Master E-Course with Joyce Weiss



Hi! I'm Joyce Weiss. I help people tackle the tough conversations to build employee engagement, accountability and rock star performance...the result? My clients get a better night's sleep!

Can you relate to the following:

- Are you frustrated with the performance of your team?
- Are your communication skills hindering you from a promotion?
- Do you want better results from your meetings?
- Are you struggling with bullies, negative or non-engaged team members?
- Do you lose sleep obsessing what to say to others?

If so, please continue reading to discover how the Top Level Leadership Tune Up: Communicate with Impact Master E-Course can help you tackle tough conversations to build employee engagement, accountability, and rock star performance.

#### You will learn strategies to:

- Gain control of difficult situations and people
- Unlock your full potential and grow your career
- Engage and empower every member on your team

- Confidently resolve conflict
- Manage inter-generational conflict and gossip

#### This is more than just an on line course:

- Pre and post course assessment to demonstrate your progress
- You'll receive a customized plan and individual attention from an executive coach
- Work at your own pace
- Practice whenever or wherever you want
- It will take you only a few minutes per day to get outstanding results
- The training is interactive through email and video

#### The 4 weekly themes for this course are:

- Module 1: How top level leaders get results by Being Direct with Respect®
- Module 2: Use constructive feedback to get necessary results
- Module 3: How to avoid pitfalls when others push your hot buttons
- Module 4: Practice and execute your plan for results

#### Here's how it works. You will get:

- Video tutorials
- Unlimited email support for 2 months
- Coaching to help you master stressful interactions that you are currently experiencing
- Video and email feedback on your assignments

- A final project we will plan together to execute your plan that you've learned
- The Top Level Leadership Tune-Up Syllabus
- A 15-minute telephone laser coaching session with Joyce to assess your progress and plan your next steps to mastery.



You can see the entire sales letter that includes various testimonials and videos from satisfied clients by [clicking here](#).

I have an exciting option for you. If you want deeper results you can take the on line course plus speak with me 15 minutes/week for 4 weeks. We will resolve each week's issues and create your plan of action. Call me at 800.713.1926 and I will give you the details how this option will fit your busy schedule to gain great results so that you earn the respect that you deserve.

I look forward to talking with you -  
Joyce Weiss, Conflict Resolution  
Consultant, 800.713.1926  
[Joyce@JoyceWeiss.com](mailto:Joyce@JoyceWeiss.com)

You Get What YOU Tolerate!

#### Story continued from page 17...

- Examine your current Web and mobile application designs at least quarterly, and test the apps directly through the user-interface.
- Assess the security and compliance risks of your entire mobile application, the backend systems and network it connect to, and the interactions and data flows between them.
- Conduct a detailed manual technical testing and targeted source code review to expose vulnerabilities which are not apparent from end-user interface testing only.
- Have an independent security consultant assess your app's security from the app itself to your backend supporting systems

and the communications in-between.

- Test Internet-facing systems that support themobile application.
- Work with an expert who can tell you exactly what you need to do to fix holes in your apps to protect your network and data, and to be compliant with industry regulations.

*Jeff Multz is Director of Midmarket North America at Dell SecureWorks. Dell SecureWorks, a global information services security company, helps organizations of all sizes reduce risk, improve regulatory compliance and lower their IT security costs.*

#### Story continued from page 2...

millions of people from much-needed access to money to meet emergency needs."

It's time for us as community bankers to get involved and encourage Congress to act on bills such as H. R. 4986. This is your industry and you need to protect your livelihood!

Remember to register for our convention August 17-19 and find out how to build your political influence.

## Banish the Separative Approach to Risk Management by Keith Monson, CSI

### ENTERPRISE



### MANAGEMENT

The recent financial crisis is slowly fading from our memories, yet its lasting effects continue on. One area that's garnering increasing attention from regulators and examiners is risk management. Regulators are of the general opinion that if bankers aren't collectively considering all their risks, then they are not really managing risk, which could foster the type of poor decision-making that led to the financial crisis in the first place.

Rather, a bank's risk areas should be viewed as interactive parts of a solid whole, each affecting the other. This approach, called Enterprise Risk Management (ERM), helps both management and the board of directors gain a complete picture of all risk areas and how they work together to ultimately affect a bank's overall performance.

The Office of the Comptroller of the Currency (OCC) has defined eight risk areas that should remain a top priority for all banks—credit, interest rate, liquidity, price, operational, compliance, reputation and strategic. An essential factor with ERM is the ability to set key risk indicators (KRIs) - a set of markers that help proactively identify changes in the probability of risk incidents—that take subjectivity out of the risk rating. In other words, management will no longer rely on educated opinion alone to make decisions.

### Overcome the Obstacles to Establishing ERM

Financial institutions must ensure they are implementing an ERM program that is tailored to their size and complexity. Start with a strong business plan for the coming three years and apply all the specific risk measurements, then branch out from there.

The obstacle we're basically facing is a change of culture for banks and bankers—because nobody really likes change. What bank management must do is challenge their thought process and take a proactive approach to a culture change.

Banks that welcome this change will find that it will enhance their relationship with regulators and possibly improve their exam cycle. And while there's no guarantee that an exam will be easier, if the bank's compliance rating is outstanding, its exam cycle likely could occur only every three years, rather than annually.

Remember, regulators are looking for this approach, so anything banks can do to be proactive is good.

### Evaluate Your ERM Needs

Start by taking a look at your most recent exam results and identify areas that concerned the examiners. Then determine what steps will take you out of a reactive mode and into a proactive mode for managing risk.

Further, review your internal and external audits. The hope is that your auditors will catch issues, report them to the board, and get them corrected before the examiners come in. Also, make sure you have no repeat findings—those risks identified over more than one exam or audit cycle—or address them immediately if found.

### Execute Your ERM Plan

Once you've taken a hard look at your audit and exam findings, it's time to address the policies and procedures and guidelines that have already been approved by the board—what we refer to as residual risk. To execute an ERM program, first identify your KRIs within the OCC's top eight categories and start tracking them. For this, financial institutions can develop—or work with a trusted third party to

customize—a database or library of KRIs.

Then take a look at the policies and procedures to ensure you're mitigating any risks that were identified. Think of it this way: these policies and procedures represent the existing ERM process at your bank.

Effective ERM third-party software can identify risks earlier by automatically applying KRIs to bank data and alerting management when risks are elevated. The most advanced software solutions also create the ability to efficiently collect, store, analyze, score and report on risk data, direction, and activities. This allows bank management to focus more on their day-to-day functions: taking care of customers' needs.

The time is now for banks to abandon the separative approach to risk management. Use ERM to gain holistic transparency, visibility, and data aggregation—and provide your institution with a clear view of historic, current and future risk.

*Keith Monson is vice president of application compliance for Computer Services, Inc. (CSI). In this role, Keith maintains focus on CSI's compliance initiatives to establish and build out an enterprise-wide compliance framework for risk assessment and reporting, issue management and other key components of CSI's corporate compliance program. He also works closely with CSI's Board of Directors Audit Committee as well as other compliance teams across the organization to promote a culture of engagement and connectivity while implementing and advising on practices and related standards.*

*Computer Services, Inc is an ICBND Associate Vendor.*



Just a friendly reminder that if your bank has been the victim of any type of fraud please email the information to Kyndra Gagne at [info@icbnd.com](mailto:info@icbnd.com) with as many details as you can so we may in turn alert our fellow community bankers around the state. It seems that there are more counterfeit bills, checks, and suspicious activity including robberies in our state at an increasing rate these days.

Please stay safe and help us to keep all our North Dakota Community banks, customers and employees safe by getting us your information to pass on to our members.



## Emerging Leaders Development Group holds Summer Conference

The ICBND Emerging Leaders Development Group (ELDG) held their summer conference at the Twin Oaks Resort at Lake Metigoshe July 10-11. Twenty enthusiastic bankers rolled up their sleeves at the Metigoshe Ministries and assisted in doing landscaping needs for the ministries new Rainbow Playground set and once that was done started putting the playground set together for them. While the “men” worked on that...the ladies trimmed and cleared the surrounding area of small trees and weeds and also cleaned out their flowerbeds of unwanted weeds. They were very grateful for all our help and photos and mention of our group will be shared on their Facebook account, website and next newsletter—a great pat on the back for community bankers!

The conference continued with outstanding sessions from Greyson Tuck, Gerrish McCreary Smith, PC on “Capitalizing on the Community Bank Advantage” and “Preparing Today for

Community Banking Tomorrow”. We ended the first evening with a meal and tour at the International Peace Gardens and a social back at the resort. Lisa Kruse, Dept. of Financial Institutions also updated our attendees on examiner hot topics.

James Lee, the new vice president of member services for Federal Home Loan Bank introduced himself and spoke to our group to start us out on our second day. Jeff Rendel joined us once again and presented “Strategy is Everyone’s Business - Especially the Rising Executive’s” before we had a wonderful lunch outside beside the lake. We ended our conference as we always do with our ICBND Board of Directors round table—it is amazing to hear the exchange of ideas between these two groups—the seasoned veterans and the up-and-coming new executives that we hope will one day move into our Board of Director’s seats.



### SAVE THE DATES

A Webinar Series  
for Community Bank Financial Managers

Presented by



## Community Bank Matters: Balance Sheet Issues for 2014

APRIL 23 • MAY 14 • JULY 9 • SEPTEMBER 24 • DECEMBER 10

### Join Us For Our Community Bank Webinar Series

ICBA Securities, the institutional broker/dealer of the ICBA, announces its 2014 *Community Bank Matters* webinar series. These educational events, produced exclusively for the state associations which endorse ICBA Securities as well as the ICBA member banks, will cover a variety of topics of interest to community bank management and financial executives. Details for registration to the individual webinars will be distributed about three weeks prior to each event. There is no cost to attend.

#### TOPICS:

**April 23**  
M&A and Bank Valuation Update

**May 14**  
Current Investment Strategies and Products

**July 9**  
Managing Investments in a New Regulatory Landscape

**September 24**  
Capital Markets Solutions to Enhance Core Banking Activity

**December 10**  
Year-End Investment Portfolio Strategies

#### Our Webinar Speakers:

**Tom Mecedry** is Head of the Vining Sparks Community Bank Advisory Group.

**Greg Roll, CFA** is Senior Vice President in ICBA Securities' Investment Strategies Group.

**Dan Stimpson, CPA** is Senior Vice President in ICBA Securities' Investment Strategies Group.

**Rick Redmond** is Director of Balance Sheet Strategies for ICBA Securities.

**Jim Reber, CPA, CFA** is President/CEO of ICBA Securities.

Each webinar will last approximately 1 hour. There will also be a Question and Answer period during each webinar.



## ICBND Adds Two More Live Sessions in October

ICBND Associate Vendor SunTrust Robinson Humphrey will present a one day session on **Fixed Income and ALM** on October 7th at the Ramkota Hotel.

There will be two concurrent sessions in the morning:

- Navigating the Threat of Rising Rates in the Bond Portfolio, and
  - ALM Hot Topics
- These sessions will run twice.

Jim Stokes, Managing Director, Mergers & Acquisitions with SunTrust will present "Creating Shareholder Value Through Mergers & Acquisitions" during our provided lunch.

The afternoon will continue with three new concurrent sessions:

- Strategies for Utilizing Interest Rate Derivatives,

- The Economy and Interest Rate Environment, and
- Opportunities in the Whole Loan Trading Market

These sessions will run twice, allowing you to attend two out of the three.

Please take a look at the session registration on our [website](#) for full topic descriptions and speaker bios.

ICBND will also offer a two-day **Sales Culture Summit**, October 14-15 at the Ramada Wyndahm in Bismarck.

If you are attempting to make management level decisions regarding the initial set-up of a sales environment or improving an existing sales environment within your bank, this seminar is a MUST!

One of the most frequent comments

received from attendees of this seminar is "I wish my CEO was here." There is too much information for an attendee who participates in this seminar to bring back to the bank and sum up the content to their management team.

Seminar leader Robert N. Erickson, President of Bank Training, has over 25 years in training and consulting bankers and teaches unique concepts for sales culture. Structuring sales within a community bank can not be experimental. You need to get it right the first time.

A discounted seminar fee has been set up for the second and additional attendees from the same institution. Visit our [website](#) to review the registration brochure and get key program topics.

### North Dakota Banker is 2014 Rising Star



Congratulations to this year's *NorthWestern Financial Review* Rising Star Brian Johnson.

Brian was one of the architects of Choice financial, the North Dakota financial institution created through the merger of

four banks some 13 years ago. He helped grow the bank's Grand Forks office to \$180 million in assets from about \$45 million in six years, and the entire organization's assets to \$480 million today from about \$160 million.

The Ringmaster says "Don't forget to register for the ICBND Convention" Fun for everyone!!!



## CONVENTION EDUCATION TOPICS AND SPEAKERS

You don't want to miss these outstanding educational opportunities for everyone in your bank - get **registered for the convention TODAY!** Call Wendy or Kyndra at 701-258-7121!!!

- "Protect Your Capital at the Capitol—The Banker's Role in Building Political Influence" - Jeff Rendel
- "IT Security—What the Board & Executives Should Know" - Dr. Kevin Streff
- "Conducting Vendor Management" - Darrin Suess
- "Preparing for the IT Exam" - Brent Bogar
- "Corporate Account Takeover—Protect, Detect, &

Respond - Dr. Kevin Streff

- Marketing Your Bank in Today's Competitive Economy" - David Osburn
- "If You Can't Stand Up, Stand Out" - Mike Schlappi
- "Market Signals: What the Financial Markets Are Telling Us Now" - Peter Ricchiuti
- "The Challenges We Could Face" - Wade Oliver, ICBA Securities
- "Change Happens...!" - Jim Mathis
- "Looking for Ways to Win Regardless of the Hands We're Dealt" - Jim Bearden

# CAREER OPPORTUNITIES

## Internal Audit Manager

We are excited to share that we have a job opportunity as an Internal Audit Manager for **Choice Financial Group**. This is a full-time, exempt position. Successful candidates must have a Bachelor's in business, finance, or other related field or an equivalent combination of education and work experience required. A CPA, CIA or other related industry certification with a minimum of three years of financial institution audit experience required. Experience auditing in a financial institution with over \$1 billion in assets and supervisor experience preferred.

The Internal Audit Manager will be responsible for the overall audit program for the bank; an operation independent of other departments. Ensuring the bank is in compliance with laws, regulations, banks policies and procedures. Work closely with the Risk Management department to address audits, related procedures and make recommendations. Reports the audit findings directly to the Board of Directors Audit Committee or Board of Directors. Works extensively with external auditors and examiners. Ensure that business is conducted in a manner compatible with our vision and our core values.

Promote and enhance market image, provide the personal touch that exemplifies our excellent customer service, maintain strict confidentiality when it comes to our customers' personal and financial information, and to maintain a positive, productive, and enjoyable work environment. Develop, plan, organize, direct and control the department's plans, policies, capabilities and audit programs and procedures for all aspects of the audit function. Prepare to meet the FDICIA requirements upon Choice Financial Group reaching \$1 billion.

Apply Online at <https://choicefinancialgroup.com/careers/> or send resume to:

Choice Financial, Attn: Rena Stenseth, 4501 23rd Ave South, Fargo, ND 58104

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## Agricultural Loan Officer

**The Citizens State Bank** is seeking an Agricultural Loan officer in their Northwood location. This person is responsible for a wide variety of duties related to lending and customer accounts including attracting and maintaining a positive customer base. This position will also be responsible to perform other duties as required to keep the branch operating efficiently and effectively. This position requires a bachelor's degree in business, agriculture, or related field experience in the agricultural industry, or similar experience in agricultural credit or closely related field. The individual must possess excellent interpersonal, communication, problem solving, analyzing, negotiating, influencing, and strategic selling skills. The position offers a competitive salary, bonus potential and additional benefits.

For consideration, please send your resume and cover letter to the following address:

Citizen State Bank, Attn: Human Resources, PO Box 255, Finley, ND 58230 or email [hstromsodt@csbfinley.com](mailto:hstromsodt@csbfinley.com)

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## Business Banking Officer

**American Bank Center** is seeking candidates for Business Banking Officer positions at our Bismarck location and our new location in Mandan. The position is responsible for developing and maintaining relationships with business-based customers. Our Business Banking Officers solicit and originate quality loans, deposits, and special products and services with customers. This position is responsible for developing and maintaining relationships with business-based customers. Our Business Banking Officers solicit and originate quality loans, deposits, and special products and services with customers. This position requires a bachelor's degree in banking, finance, business administration or a related field. Minimum of three to five years related experience preferred, or an acceptable combination of education and experience. American Bank Center offers a competitive compensation and benefit package.

To apply, complete the application form found on our website, [www.weareamerican.com](http://www.weareamerican.com) and send it to:

American Bank Center, Attn: Human Resources, PO Box 2197, Bismarck ND 58502

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## Operations Specialist

Our client, **Intercept EFT** in Fargo, ND, has a career opportunity for a highly motivated individual as their Operations Specialist. This position will be responsible for processing ACH files which include reviewing, meeting deadlines and making adjustments working with clients on questions and other projects as assigned.

Qualifications include two plus years in the financial institutions industry with a background in ACH. The ideal candidate will possess strong analytical and technical abilities along with the ability to work on multiple projects and meet deadlines. Excellent verbal and communication skills are essential to this position. Knowledge of NACHA formats and processing standards preferred.

This position offers a competitive compensation and benefits package and a stable work environment. For consideration, please send a resume to Kari Yonke, [kyonke@eidebailly.com](mailto:kyonke@eidebailly.com)

Equal Employment Opportunity Employer

# CAREER OPPORTUNITIES

## Ag Banking Officer

**American Bank Center** is seeking candidates for an Ag Banking Officer in our Cando location. This position is responsible for developing and maintaining relationships with ag-based customers. Our Ag Banking Officers solicit and originate quality loans, deposits, and special products and services with customers. This position requires a bachelor's degree in banking, finance, business administration or a related field. Minimum of three to five years related experience preferred, or an acceptable combination of education and experience. American Bank Center offers a competitive compensation and benefit package.

To apply, complete the application form found on our website, [www.weareamerican.com](http://www.weareamerican.com), and send to:

American Bank Center, Attn: Human Resources, PO Box 549, Cando, ND 58324

Equal Employment Opportunity Employer

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## President

**Independent Community Banks of North Dakota (ICBND)** is a statewide Association located in Bismarck, ND that is searching for an energetic, dependable and professional leader. The Association enables Independent member banks to profitably and competitively provide quality financial services to the communities and citizens of ND. Candidates must possess: 1) Demonstrated leadership experience and public speaking skills; 2) Excellent marketing and communication skills; 3) An understanding of the legislative process; and 4) A Bachelor's degree in a business or communications related program. Familiarity of the financial services marketplace, including budgeting and long-range forecasts, is preferred. This position offers competitive pay and excellent benefits package.

Please submit a resume and cover letter with salary history by August 15, 2014 to John A. Brown at [johnb@icbnd.com](mailto:johnb@icbnd.com) or mail to ICBND, Attn: John A. Brown, PO Box 6128, Bismarck, ND 58506

Equal Employment Opportunity Employer

## Business Banking Officer

**Starion Financial** has a full-time Business Banking Officer (Commercial Lender) position at our Bismarck bank. Responsibilities include developing and managing commercial banking relationships and generating client prospects through active sales call efforts and community involvement. Qualified applicants will have a bachelor's degree and possess strong financial analysis, customer service and sales skills. Preferred candidates will have a minimum of 5 years of commercial lending experience and a working knowledge of documentation, compliance and regulatory standards. Familiarity with SBA loan programs is a plus, along with proficiency using Microsoft Excel. Successful candidates will portray a professional image in the community, possess a high level of integrity, and desire to be part of a team environment. We offer a competitive salary and incentive plan along with a comprehensive employee benefit package.

Apply on-line at [www.starionfinancial.com](http://www.starionfinancial.com)

Equal Employment Opportunity Employer

Member FDIC

## Director of Marketing

**United Community Bank** in Minot is seeking qualified candidates for a Director of Marketing. The Director of Marketing job responsibilities include the planning of all Marketing, Advertising, Public Relations, Event Planning, and Donor Relation activities for all four branches of United Community Bank. Candidate must have a Bachelor's Degree in Marketing or related field. Prior Marketing and Management experience is preferred. Candidate must have excellent interpersonal skills and possess strong organizational and time management skills. Extensive Computer Skills are also required.

Send Resumes to: United Community Bank, Attn: Chelsea, 925 20th Ave SW, Minot ND 58701. Or email to: [ckirkhammer@ucbnd.com](mailto:ckirkhammer@ucbnd.com).

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**COMING EVENTS:**
**TELEPHONE/WEBCAST SEMINARS:**

- Aug 5: Wire Transfer Compliance  
 Aug 6: Medallion & Signature Guarantee Rules & Risks  
 Aug 7: ACH Specialist Series: Federal Government ACH Payments: Reclamations & Garnishments  
 Aug 12: Conducting an HR Audit: Compliance Risks, Audit Areas & Best Practices  
 Aug 13: Regulatory Implications of FFIEC Authentication Guidance  
 Aug 14: Compliance Series: Red Flags for ID Theft, Bribery & Privacy  
 Aug 18: Buy, Sell, or Remain Independent: Three Community Bank Strategies for Each  
 Aug 19: Call Report Preparation: Advanced Lending Schedules & Issues: OREO, Participations, TDRs, Commitments, Insiders  
 Aug 21: Risk Management Series: The Importance of Developing a Capital & Contingency Plan  
 Aug 25: GFE & HUD-1 Now: Dealing with Current Forms, Current Challenges & Regulator Hot Buttons  
 Aug 26: Health Care Reform 2014-2015: Overview, Status & Impact  
 Aug 28: Mastering Business Development, Part II: Proven Techniques for Handling Objections, Gaining Referrals & Promoting Your Bank  
 Sept 3: Clarifying Signature Card Confusion - Personal & Business Accounts: Compliance, Account Titling & Ownership  
 Sept 4: The New Security Officer: Responsibilities, Best Practices & Skill-Building Tools  
 Sept 5: Decision Roadmap for the New TILA/RESPA Integrated Disclosure Forms  
 Sept 8: managing maturing HELOCs: New Interagency Guidance, Special Regulation Z Requirements & Compliance  
 Sept 9: Detecting & Preventing a Corporate Account Takeover  
 Sept 11: Countdown to Basel III: Deadline for Community Bank Compliance: January 2015

- Sept 16: Writing Effective Credit Memos & Loan Narratives  
 Sept 17: Auditing Social Media: Planning & Risk Control Matrices  
 Sept 18: Electronic Business Records: 7-Step Strategy for Effective & Compliant Record Management  
 Sept 23: Director Series: The Role of the Board in the Examination Process  
 Sept 24: Understanding Title Insurance Policies & Commitments  
 Sept 25: Are You Protecting Your SBA Guaranty  
 Sept 30: Commercial Loan Grading: Methodology, Credit Risk & Examiner Perspective

**LIVE SEMINARS:**

- Aug 17-19: ICBND 47th Annual Convention, Ramkota Hotel, Bismarck  
 Sept 9: Energy Summit, Ramkota Hotel, Bismarck  
 Sept 10: ACH Audit Compliance Workshop, ICBND Office, Bismarck  
 Sept 16-17: ICBND Community Bankers for Compliance, Radisson Hotel, Bismarck  
 Sept 22-25: Fall Frontline - Deposit Documentation & Titling, Gladstone Inn, Jamestown, Grand International Inn, Grand Forks, Grand Hotel, Minot, Seven Seas, Mandan  
 Oct 3: Emerging Leaders Fall Meeting, Underwood

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The *Community Banker* can be an effective advertising vehicle for companies marketing to the financial industry. If your company would like more information on how to place an ad in the *Community Banker*, please contact Kyndra Gagne or Wendy Ruud at 701-258-7121.

**ICBND Directory**


INDEPENDENT COMMUNITY BANKS  
of NORTH DAKOTA

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Summer Hours  
 (Memorial - Labor Day)  
 Mon-Fri  
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