

41ST ANNUAL

FLORIDA SCHOOL OF BANKING



*August 1 - 7, 2010
University of Florida
Gainesville, Florida*


FLORIDA BANKERS ASSOCIATION



PURPOSE OF THE SCHOOL

The purpose of the Florida School of Banking is to provide bank personnel at the supervisory and officer level the opportunity to increase their knowledge about the banking industry and the economy. It is conducted on a three-year cycle, and will celebrate its 41st anniversary in 2010. Annual sessions must be taken in sequence, and it is presumed that once students are enrolled in the first year course, they will continue through the second and third years to graduation. Participants completing all three years will receive a good basic introduction to commercial banking and will be awarded a diploma at the graduation ceremony. The School remains current and relevant, as attested by 2,559 graduates, and continues to offer an excellent educational opportunity.

ADMISSION REQUIREMENTS

The Registrar and the school board of directors will decide on all applicants for admission. The following admission requirements are to be met by the first day of the School session. Special circumstances will be considered on an individual basis.

1. To receive the member rate, an applicant must be an employee of a member bank of the Florida Bankers Association, any other out-of-State Bankers Association, or regulatory agency.
2. The applicant must be a high school graduate.
3. The applicant must have had four years of banking experience prior to the opening date of the School. Two years of college education may be substituted for two years of banking experience.
4. All applicants must have the recommendation of a nominating officer authorized by the bank (a signature line is provided on this form).

POLICIES

Registration: Registration fees will include tuition, curriculum and handouts, breakfast and lunch. All Students will register at the J. Wayne Reitz Union Building on the University of Florida campus. The registration desk will be open from 12:00 p.m. to 2:00 p.m. on Sunday, August 1st. **All students must be registered by 2:00 p.m.** Each student will be furnished a notebook containing outlines of courses to be taught during the week, and a parking permit for the designated parking areas. Registration will be at the second floor lobby registration desk.

Cancellations: Any cancellations after July 2, 2010, will have a \$200 processing fee. Cancelling two weeks prior to, or failing to appear at the School will forfeit the entire registration fee.

Attendance Requirements: All applicants will agree to attend all classes during the resident session, and to complete the required work, including home study problems. Senior students may leave campus after the Graduation Ceremony Friday evening. Freshman and Junior students agree to participate in a final examination.

Participants are expected to attend all sessions. Absences may be excused only because of illness, catastrophe or extenuating circumstances, based on a written statement submitted to, and approved by, the School Board prior to or during the School week, and last for no more than one day. Business appointments, member contacts, and travel convenience are not considered "extenuating circumstances". In order to receive credit, absences must be excused. If your absence is unexcused, and you opt to miss class, you will not receive credit for your School week.

Classes: Classes will be held in the J. Wayne Reitz Union. **Third-year classes will begin Sunday at 1:30 p.m.** and the first and second-year classes will begin Monday at 8:30 a.m. A schedule of individual classes will be available to download from the school website three weeks prior to class and given to the student at registration. All sessions will start and dismiss promptly.

Final Examinations: An examination based on the lectures and prepared from questions submitted by the faculty will be taken by Freshman and Junior students on Saturday morning. Senior students will not take a final exam. The school board has determined that it is more beneficial for the Seniors to concentrate completely on the bank simulation and their bank board presentations. Final exam grades will be mailed to students and their sponsoring bank or firm.

Home Study Problems: Between the first and second sessions and between the second and third sessions, students will be assigned three home study problems to be submitted by a specified due date in October, December, and February. **Home study problems are expected to be submitted on time. Students will be automatically dropped from the School if they are submitted thirty days past the assigned due date.** Satisfactory completion of all home study problems is a prerequisite for readmission to subsequent sessions of the School.



Elective Topic Workshop & Prep Session: All Freshman students will attend a prep session on Monday evening to help prepare for future courses during the week. All Freshmen and Juniors will also attend a mini workshop on Tuesday evening on a pertinent banking topic to be determined each year.

Bank Management Simulation: Senior students will divide into "bank teams" as part of the bank management computer simulation. The simulation provides students with an opportunity to examine statistical data and make a series of decisions regarding the operation of a simulated bank. The simulation begins on Sunday afternoon from 1:30 p.m. to 4:30 p.m. and Sunday evening from 7:00 p.m. to 8:30 p.m. Attendance at the computer simulation is required of all Senior students.

Graduation: Graduation for the Senior students will be held at 7:00 p.m. Friday, August 6th. Friends, relatives, and business associates of the graduates are invited to attend. All Freshman and Junior students are expected to attend.

Honor Graduate Award: Each year, the school board chooses one Senior class student to be singled out as the school honor graduate. Criteria for this designation includes: scholastic achievement during the three-year course of study, contribution to and participation in class and prep sessions, and overall personal contribution within the student body. The pool of eligible candidates is composed of those students in the top 10% of their class scholastically. The honor graduate award is announced at the graduation on Friday evening.

Housing: All meals, and classes will be on the University of Florida campus. New for the 2010 session, **each student must make and pay for their own sleeping room reservation** for the week at School. It is recommended that students stay at the Hilton Conference Center, which is in close proximity to Reitz Union and has accommodated our students for several years with much success and reliability. (1714 SW 34th St., Gainesville, FL, 32607, 352-371-3600, www.uf.hilton.com). Please note, however, that this is strictly the decision of each student and their supervisor. A block of rooms has been reserved for your convenience at the rate of \$129 per night for single or double occupancy.

Meals: A variety of eating establishments from fast food to cafeterias will be available for breakfast, lunch, and dinner. The

first official function will be the banquet at 5:30 p.m. Sunday evening, August 1st. The last meal to be served will be a continental breakfast on Saturday, August 7th.

Location: The Florida School of Banking uses the J. Wayne Reitz student union facilities of the University of Florida in Gainesville. The university is approximately 70 miles south of Jacksonville and 140 miles north of Tampa. If traveling by car exit off I-75 at SR 24 (#385, Archer Road), drive east to Gale Lemerand Drive, turn left, go to the light at Museum Road, and turn right. The student union is one block down immediately on the left behind the parking garage.

Attire: The School is conducted in an informal workshop atmosphere. Casual clothes are recommended for wear throughout the week. Students should definitely bring adequate rain gear. Classrooms are air-conditioned so you should bring a sweater.

*"Education is learning
what you didn't even know
you didn't know."
~Daniel J. Boorstin*



*"Learning is what most
adults will do for a living
in the 21st century."
~Perelman*



SCHOOL CURRICULUM

Freshman Class - 34 Instruction Hours

Introduction to Lending 1.5 hours

This course will cover the basis of lending tailored primarily to the non-lending student. Credit scores, debt ratios, and debt service coverage will be discussed and explained. The student will become familiar with the basic aspects of consumer lending.

Economics 101 6.0 hours

This course will help students understand the economy as an exchange system; the role of the federal government and the ways monetary controls are exercised through banking regulations; the role of depository intermediaries in the economy; and the relationship between inflation and economic performance.

The Federal Reserve and Monetary Policy 1.5 hours

This lecture will address the history of central banking in the United States, contrast monetary and fiscal policy, and discuss the tools available to the Fed to implementing monetary policy. The session will include contrasts with central bank practice in other nations, and emphasize current events.

Financial Intermediation & the role of Commercial Banks 1.5 hours

This course will deal with the economic role of financial intermediation in a market economy. The history of money, and the changing role of money as economic systems have evolved and developed, will be highlighted. The importance of financial intermediation for economic growth will be the main topic, along with the respective contributions of commercial banks and other financial market participants.

Understanding Bank Balance Sheets 4.5 hours

The objective of this course is to understand the Balance Sheet and Income Statement of a financial institution. Students will review the categories and make up of the Balance Sheet and understand the impact on the Income Statement and associated risk of each category. The interrelation of the Balance Sheet and Income Statement will be reviewed and accounting transactions that effect both will be discussed. After understanding the Balance Sheet and Income Statement, measures of Bank profitability including return on assets, return on equity, liquidity, capital, past due, classified, non-performing assets, efficiency ratio and loan to deposit ratio will be discussed in detail with examples of how they are calculated.

Maintaining Employee Morale and Motivation in a Turbulent Economy 1.5 hours

The focus of this course will be on laws that affect us in the workplace along with prescriptive measures to ensure compliance of these laws from a Human Resources viewpoint. This course will show how both the employer and the employee have an obligation in the workplace regarding employment law. It will also give an overview of the Role

of Human Resources. You will be presented with a historical perspective of personnel management, then review and discuss the important components of the Human Resources Management functions. This course will also cover Human Resources from the perspective as a partner to management and a strategic player on the leadership team, with an emphasis on how bankers can keep their staff (and themselves) positive and focused in a difficult economy.

Intro. to Bank Investments, Funding & Interest Rate Risk 3.0 hours

This course will be an introduction to the management of a commercial banks balance sheet in the areas of investment securities, funding alternatives and interest rate risk management. Topics will include, types of securities, risk, liquidity, funding alternatives, types of funding vehicles and the issues surrounding interest rate risk management.

Personal Financial Analysis 3.0 hours

This course will cover the aspects and components of a personal financial statement and personal tax return. Discussions on personal asset valuations, liquidity, personal and contingent liabilities will be fully discussed. Additionally, this course will discuss the pertinent components of personal tax returns and their use in determining cash flows, debt service coverage and asset valuations.

Business Continuity Planning 1.5 hours

This course will discuss the very real possibility of disaster preparedness, and business continuity planning, in the Florida environment. Real life scenerios will be discussed to determine what planning was effective, and which strategies should be implemented to safeguard your institution from future impending natural disasters and other events.

Challenges in Commercial Bank Operations 1.5 hours

The purpose of this class is to provide the students an overview of the functions of deposit processing, loan operations, data processing, accounting and finance and their ancillary responsibilities, and to fully discuss how each affect the bank as a whole and its customers.

Technology as Strategy for the Upturn 1.5 hours

In tight times, banks typically get back to basics: reducing expenses and increasing profitability. But these days getting back to basics is not so basic, especially in the face of a unique set of converging challenges: a dismal economy, declining deposit growth, the advent of mobile banking and Web 2.0, and the rise of non-traditional competitors in both banking and payments. So, what to do? The answer is simple but profound, and at its core is technology. Banks that leverage technology wisely will capitalize on growth trends in payments, win the core deposit land grab, and, most important, secure that small percentage of customers who make banks profitable. Join Lee Wetherington for a practical review of the strategies, tactics, and technologies that will help your bank not only survive the downturn but exploit the opportunities it presents.



Leadership & Ethics in Banking 1.5 hours

The purpose of this lecture is to discuss business ethics. The instructor will discuss why ethics are important in business and particularly in the banking industry. A comparison in morality and ethics will be reviewed and students will have an opportunity to consider the influence of ethics upon their day-to-day business dealings. Focus will be given to confidentiality providing the appropriate products and services for customer needs, and avoiding conflict of interest.

Advocacy & Leadership 1.5 hours

This course will enlighten the students about the ever growing importance of advocacy for banking in the political arena. It will show the importance of each individual in the process, and give practical ways and suggestions on how anyone can become involved and make a difference in their industry.

Elective Topic Workshop & Prep Session 4.0 hours

All Freshman students will attend a prep session on Monday evening to help prepare for future courses during the week. The Freshmen and Juniors will also attend a mini workshop on Tuesday evening on a pertinent topic to be determined each year.

Junior Class - 34 Instruction Hours

Bank Compliance: Programs, Prospects, & Partnerships 3.0 hours

Today's banking industry demands a strong commitment to and clear understanding of a variety of laws and regulations. An understanding of the successful bank compliance model will lead to a successful and profitable enterprise. Only through strong commitment and support from the top and buy-in from its various stakeholders can an institution achieve its goals and objectives.

Case Study 1.5 hours

Curriculum to be determined.

Commercial Lending 3.0 hours

This course will expose the student to the broad aspects of commercial lending. The effects of the economy, interest rates, collateral valuation, character and management experience will all be integrated into the commercial lending decision process.

Introduction to Asset Liability Management 3.0 hours

Managing a financial institution in a dynamic economic and competitive environment requires a thorough understanding of a banks' financial position and the impact that the changes in the environment will have on bank performance. The basic concepts of Asset/Liability Management will be presented along with an introduction to the application of those concepts to the management decision process. The student will receive advanced training on this subject in their Senior year.

Commercial Real Estate Lending 3.0 hours

This course will expose non-real estate lenders to the basics of real estate lending, including the collateral, terms, pricing and structure of construction loans, mini-perm loans and long term commercial loans. Students will have a general understanding of the need and organization of the infrastructure necessary to produce a successful commercial real estate lending department within their organization.

Appraisal Review 1.5 hours

This course will cover the legal aspects of the need for qualified appraisals as well as the rules and regulations of the Uniform Standards of Professional Appraisal Practice, (USPAP). Students will understand the need for appraisals as well as the need for an effective appraisal review function upon completion of the course.

Loan Policy and Loan Review 3.0 hours

This class contains two components - loan policy and loan review. Both components will be discussed in a context that integrates each aspect into the lending process. Suitable loan policy directives, loan classification methodology will be formulated.

Bank Sim: Bringing it all Together 1.5 hours

This course prepares students for the Bank Sim component of their Senior year.

Recession: The Who, What, When, Where & Why 1.5 hours

This course will discuss what factors have lead to the current recession. Emphasis will be placed on the financial sector, but the influence of other events will also be explained. The class will cover past and present government policy responses to the worsening recession and financial crisis. The response of the Federal Reserve and how the Federal Reserve has changed its policies as the crisis unfolded will play a key role in the class.

Financial Statement Analysis 6.0 hours

This course focuses on using financial statement data to make judgments about a business's financial condition. Although the emphasis is on ratio analysis, other techniques such as Du Pont, common size, and percentage change analyses also are covered. Finally, the impact of debt financing on a business as expected profitability and risk are discussed.

Role of Bank Technology in a Recovery 3.0 hours

Frightened consumers are looking for a safe place to bank and for meaning beyond a balance update. Half of small and medium-size businesses (SMBs)—in response to tightening standards and changing terms—are either seeking a new bank or considering a switch, and 80% more adopted remote deposit in 2009. So, while the big boys are consumed with consolidation and survival, and community-bank peers are frozen in wait-and-see fear, it's time to make a move. Join Lee Wetherington for a look at the road ahead and how to leverage technology to cut costs, boost efficiency, and exploit once-in-a-lifetime opportunities now before us.



Elective Topic Workshop 2.0 hours

All Freshman students will attend a prep session Monday evening to help prepare for future courses during the week. The Freshmen and Juniors will also attend a mini workshop on Tuesday evening on a pertinent topic to be determined each year.

Senior Class - 36 Instruction Hours

Bank Management Computer Simulation 22.5 hours

This course is the culmination of the previous two years of study, and takes up the majority of the Senior class curriculum, and time spent by the students. Students will be divided in bank teams of 4-5 members each and compete in a realistic banking community that exists only in cyberspace. They compete against each other for deposits, loans, etc.; much like in any typical city. The class instructor throws variables into the mix each day, such as fluctuating interest rates, loan losses, etc. Students are expected to follow all regulatory compliance issues when making each of their decisions.

Community Banking Outlook: 2010 and Beyond 1.5 hours

As a result of numerous failures, TARP, special assessments, commercial real estate meltdown and difficult regulatory exams, the community banking landscape has dramatically changed. This session will address the current market's impact on all aspects of community bank valuation including investor and shareholder focus. This session will also focus on some successful capital raising strategies that can help maintain or achieve a strong capital position and take advantage of the opportunities to increase shareholder value.

Asset Liability Management 3.0 hours

This course will give a comprehensive presentation of the total asset/liability management process including the measurement and management of liquidity, interest rate risk and capital adequacy. A discussion of balance sheet and off balance sheet strategies will be included. Case Studies will be presented which will allow the student to apply the basic concepts and develop strategies in a comprehensive management decision process.

Surviving 2010: Capital, Liquidity & Loan Workouts 1.5 hours

Surviving this "Perfect Storm" is our challenge for 2010. The combination of a serious net interest margin decline and our real estate loan problems is providing our industry our most challenging year since the mid-1980's and understanding how Capital, Liquidity, and Loan Workouts impact our survival is the message from this session. Participants will review the role of wholesale funding, the errors being made in problem loan resolution, the latest guidance on Liquidity, and the role of a Contingency Plan in today's difficult environment.

Prudent Bank Investing in Troubled Times 1.5 hours

This lecture is designed to acquaint the student with the basic fundamentals and function of the banks bond portfolio; liquidity versus earnings, pricing and yields of bonds, types of acceptable

investments eligible for bank portfolios, convexity in mortgage backed securities, and finally duration as an indicator of interest rate risk.

Leadership 1.5 hours

This course will explore the insights and characteristics of noted leaders from history as well as contemporary examples. Among the concepts to be discussed will be: servant leadership, accountability and integrity, team building and challenges to successful leadership. Participants will be challenged to set personal leadership goals for their community role as well as their banking career.

Bank Pricing 1.5 hours

How to Make a Presentation 3.0 hours

This course will teach students the finer points of public speaking. Posture, voice inflection, body movements, eye contact, dress, topic content, and attitude will be among the many issues reviewed. After finishing this course the student will be better equipped to prepare and make a presentation to their bank's board of directors, or any other group of people.

*"Formal education
will make you a living,
self education will make
you a fortune"*

~Jim Rohn



*"Education costs money,
but then so does ignorance."*

~Sir Claus Moser



What bank presidents and past graduates are saying about the Florida School of Banking

"The Florida School of Banking is one of the best investments we have made. We expect our bankers to bring home ideas that improve our profitability and culture and in recent years the return on investment has been excellent. The curriculum is such that individuals from various banking disciplines can gain a broad perspective that improves their confidence and individual contribution to our organization."

Matt Brown
President & CEO
 Premier Bank, Tallahassee

"As a recent graduate of the Florida School of Banking, I am very grateful for the opportunity that I was given to participate in the program. This school does a great job of providing curriculum that pertains to the current changes that we are facing in our industry, while continuing to teach the building blocks of banking. The courses are taught by a group of reputable and knowledgeable instructors. The information obtained while attending the school has given me the tools to be more successful in my job while providing a better understanding of the bank as a whole. This has given me a greater appreciation and understanding of the roles of others within the organization.

The school is also a great social experience which provides the opportunity to network and become acquainted with bankers throughout the state. I am certain that the contacts and friends that I have gained through this experience will be beneficial to me as I continue my career in banking. I whole-heartedly recommend the Florida School of Banking for anyone looking to enhance their career in banking and make themselves more valuable to their organization."

Jason Langworthy
Consumer/Commercial Lender
 Perkins State Bank, Chiefland

**2010
 Florida School of Banking
 Board of Directors**

❖
Rick A. Simpson
 Senior Class and School Director
President & Chief Credit Officer
 Legacy Bank, Boca Raton

❖
Bruce A. Naylor
 Junior Class Director
President & CEO
 Columbia Bank, Lake City

❖
John M. "Jack" Barrett
 Associate Director
President & CEO
 First Citrus Bank, Tampa

❖
Peter J. Brokaw
 School Administrator
Senior Vice President of Education
 Florida Bankers Association, Tallahassee

❖
Abigail H. Howard
 School Registrar
Professional Development Coordinator
 Florida Bankers Association, Tallahassee

Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female	Age: <input type="checkbox"/> 21-30 <input type="checkbox"/> 31-40 <input type="checkbox"/> 41-50 <input type="checkbox"/> Over 50
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Total Years in Banking

less than 5 years 5-10 years 10+ years

Primary Banking Experience:

<input type="checkbox"/> Branch Banking Sales	<input type="checkbox"/> Commercial Lending	<input type="checkbox"/> Information Technology	<input type="checkbox"/> Accounting
<input type="checkbox"/> Branch Banking Lending	<input type="checkbox"/> Consumer Lending	<input type="checkbox"/> Data Processing	<input type="checkbox"/> Auditing
<input type="checkbox"/> Marketing	<input type="checkbox"/> Personnel/HR	<input type="checkbox"/> Operations	<input type="checkbox"/> Regulatory Agency
<input type="checkbox"/> Consultant to Bank	<input type="checkbox"/> Other: _____		

Educational Background:

<input type="checkbox"/> High School	<input type="checkbox"/> College (circle level completed) 1 2 3 4	<input type="checkbox"/> Bachelor's Degree/Business
<input type="checkbox"/> Master's Degree	<input type="checkbox"/> Law Degree	

Total Assets of Bank:

\$0 - \$150 Million \$150M - \$1.5 Billion Over \$1.5 Billion

In making application for admission to the 2010 session of the FBA Florida School of Banking, I am aware that, if accepted, I am required to attend all classes and lectures, plus satisfactorily complete all assigned home study problems. I understand that I am strongly encouraged to live in the Hilton Conference Center. The admission policy of the Florida School of Banking assures equal opportunity for all qualified persons without regard to race, sex, color, creed, national origin, or age.

Signature of Applicant _____ Date _____

My signature gives full permission to the FBA Florida School of Banking officials to release my final exam results to the nominating officer listed on the other side of this form.

For School Registrar Use Only

Order #: _____ **Reg. Batch:** _____

Date: _____ **Amount:** _____ **Email Confirm:** _____

CEO: _____

Comments: