

# President's Report

## Graduate School of Banking & Prochnow Educational Foundation

July 2023

### **Current, New or Revised Educational Program Updates**

#### **Residential Schools:**

This year's total enrollment for the primary graduate banking school program is just shy of 500 students. While this remains a high number, our freshmen enrollment fell short of our target of 190 incoming students and has a current total of 174. We were also expecting more junior and senior students who sat out a year to return in 2023. While some completed the necessary projects and did return, it was below our targeted estimates. Our junior class currently has 176 (estimated 185) and the senior class currently has 146 (estimated 162). Interest in the graduate banking school program remains high and the student experience satisfaction scores are also very high.

The FR enrollment at the start of the year was at a 10-year high but slowed in the spring as the market tightened and earnings, investments and risk management were in the spotlight. We have heard from prospects that decided to postpone starting until next year and our new database will aid our marketing tactics in this recruiting effort.

On the bright side, enrollment in the GSB specialty schools has been very strong this year. Our three spring specialty schools all exceeded budgeted projections. The fall specialty schools are faring well with the Financial Managers School at capacity with 65 students (budgeted 45) and applications continue to come in for the IT Security and Sales & Marketing School. The diversification of GSB educational programs pays dividends not only by bringing multiple audiences and expanding GSB's outreach, but also financially in our diversified revenue streams.

Current enrollment as of June 30 for each program are:

	<u>6/30/23</u>	<u>Budget</u>	<u>6/30/22</u>
Graduate School Freshmen	174	190	196
HR School (spring)	54	40	50
Bank Technology Management School (spring)	52	40	37
Digital Banking School (spring)	43	40	41
Bank Technology Security School (fall)	17	35	22
Financial Managers School (fall)	65	45	65
Sales & Marketing School (fall)	14	30	20
Strategic HR Forum (fall)	8	15	10

State-by-state enrollment reports for each program are posted on the board resource site so you can see how your state is doing for each program compared to previous years.

#### **Online Seminars:**

The GSB Online Seminar Series is another bright spot for GSB this year and continues to be a great outreach for the School. We appreciate the support of the nearly 30 participating state bankers associations around the country that promote our online seminars to their members. Revenue through 5/31 is at its highest level in 3 years (\$351k) with net revenue up 33% (about \$50k) over last year. We have a strong program lineup this fall that should help keep us on this upward trajectory and exceeding our 2023 budgeted goal.

### **GSB/SBA Co-Sponsored Programs:**

This year we have made the shift from offering our co-sponsored workshops as in-person programs with individual states to virtual co-sponsored workshops hosted by multiple states. This was primarily due to the declining ROI over the past few years but we are still honoring the in-person workshops that were already scheduled for 2023 prior to this decision being made. Either way, these workshops are a great outreach for the School and a way of for sponsoring associations to showcase their partnership with GSB. To date, we've had approximately 125 banks participate in the in-person or virtual workshops this year and we typically have had about 150 banks participate for an entire year so we're definitely running ahead in this area.

### **GSB & PEF FY2022 Financials**

As of 5/31/23, the combined cash and investment accounts balance for GSB and PEF was \$10.7 million which is down about \$100k from last year primarily due to the year over year decline in the PEF portfolio assets. Current abbreviated financials of the School and Foundation through a little more than half of the fiscal year (as of 5/31/23) are included on the board meeting resource site and will be reviewed by the Finance & Audit Committee and presented to the full board at our upcoming meeting. In addition, Joe Zabratanski and Mike Hull from Donaldson Capital Management will be joining us in person at the board meeting to provide an update on the PEF portfolio.

### **GSB Constituent Meetings in Madison – August Session**

GSB staff looks forward to hosting two of our primary constituent groups in Madison again this year. This is a great way for some of our key constituents to network with each other, attend classes, and connect with students from their respective state.

Banker Advisory Board Meeting: August 6-8

Education Directors Forum: August 7-9

We ask each Trustee to encourage staff from their education department to attend the Annual Education Directors Forum so they can see GSB "in action" along with observing faculty and classes on topics that could also be beneficial in their home state.

### **GSB Technology Transition**

As I've shared with the board at previous meetings over the past three years, GSB staff have been working with a local software management company in transitioning our core technology platforms to newer, more modern approaches related to student/faculty/alumni/prospect management, learning management platforms that support virtual and in person delivery, and digital/web marketing. These newer platforms have been implemented and continue to be enhanced to meet staff and organizational objectives. Staff has spent a tremendous amount of time throughout this major technology transition process and are to be commended for the extra time and effort above and beyond their daily work with students, faculty, alumni, prospects and our various educational programs. We now have our final step of updating our accounting system to an online platform that will integrate with our website, payment processor, and database. This portion is scheduled to be completed this fall.

### **GSB/PEF Strategic Plan**

Given the number of newer Trustees on the board, we're going to spend some additional time during our upcoming meeting reviewing the strategic plan. An updated version is included on the board meeting resource site. The discussion will include an update on key strategies and recent activities, FiSim 2.0 status and next steps, and GSB/PEF financial history. I'm looking forward to an open discussion on GSB and PEF strategic activities and financial performance as we continue to execute the key strategies identified a few years ago and will set us on a continued path for excellence in the future.