

President's Report

Graduate School of Banking & Prochnow Educational Foundation

April 2024

Current, New or Revised Educational Program Updates

Residential Schools:

Applications for GSB residential schools have been mixed. The primary Graduate Banking School is running behind projections, but our spring IT and HR Schools far exceeded budgeted projections and both ended up having a waiting list. We continue to receive inquiries from prospective students about this summer's Graduate Banking School and are narrowing the gap between last year and this year but do have a ways to go. In talking with my colleagues at other graduate banking schools, they are seeing similar declines in enrollment this year and we're all hoping for a surge as we approach our respective enrollment deadlines this spring and summer. We do appreciate the additional marketing and follow-ups from our sponsoring associations for all of GSB's educational programs as it does pay dividends. As for the fall specialty schools, it's still early with about 4-5 months left to enroll but the Financial Managers School is nearing capacity again this year. It's also worth noting that after conversations with the Banker Advisory Board and Curriculum Advisory Committee, we've rebranded the former Sales & Marketing School to the Strategic Marketing School. We paused this program last fall and didn't launch until February and our current enrollments are already close to where we were at this point last year.

Current enrollment as of 3/15/24:

| | <u>3/15/24</u> | <u>Budget</u> | <u>3/15/23</u> |
|---|----------------|---------------|----------------|
| Graduate School Freshmen | 80 | 175 | 97 |
| HR School (April) | 61 | 40 | 54 |
| Bank Technology Management School (April) | 60 | 40 | 52 |
| Digital Banking School (March) | 27 | 40 | 43 |
| Financial Managers School (Sept) | 58 | 45 | 49 |
| Sales & Marketing School (Sept) | 6 | 20 | 8 |
| Bank Technology Security School (Oct) | 3 | 35 | 6 |

A state-by-state enrollment report is posted on the board resource site for this meeting.

Online Seminars:

The GSB Online Seminar Series is running at levels we've seen in the past but is below last year's extraordinary year. Total revenue through 3/15 stands at \$187K which is a 24% decrease compared to this time in FY23 but more comparable to FY22 and FY21. We do have some 1/2-day virtual workshops this spring on critical and timely topics that will help add to revenue. We're a little over halfway to our FY24 revenue goal and continue to receive good marketing support from the 30 participating associations around the country.

GSB & PEF FY2023 Financials & FY2022 Financial Audit

A primary reason for the spring Trustee meeting is to discuss and approve the recent financial review with our accounting firm, Baker Tilly. The review was completed in January/February

and the final FY2023 financial reports are included on the board meeting's resource site. Our lead auditors will also be meeting with the GSB/PEF Finance & Audit Committee prior to this spring's online board meeting to review the final FY2023 financial review results in detail for both GSB and PEF. It was another clean financial review and an overview of the results will be presented to the full board by Baker Tilly representatives at our meeting.

As for FY2024, current combined GSB/PEF assets as of 3/15 are a little more than \$11.1 million which is a new high at this point in the year. The breakdown of current GSB and PEF cash balances and assets as of 3/15 are posted on the board resource site.

GSB/PEF Strategic Plan Activities

GSB staff and key constituent groups continue to work through the strategic priorities within the GSB/PEF Strategic Plan. A few key strategic activities worth noting since our last board meeting in November:

New & Enhanced GSB Learning Management, Delivery & Marketing Platforms

- The technology transition at GSB continues with the final platform onboarded last fall. During the past three years GSB has onboarded a new Learning Management System (Canvas), Customer Relationship Database (Zoho), newly designed and integrated web site (Word Press and Woo Commerce), and most recently our online accounting system (Quickbooks Online). As I've mentioned in the past, this has been a major undertaking for GSB's smaller staff with a major commitment of time and resources that is already paying dividends in improved efficiencies, project management, and outreach efforts to current and prospective customers. We continue to modify and enhance the platforms that we've onboarded but it's sure nice to be in a position of "perfecting" what's in place rather than the multiple steps related to the platform conversions over the past three years. GSB is well positioned for the years ahead with these online tools and resources for staff, faculty, students and constituents.

FiSim

- The final phases of FiSim 2.0 were implemented at the August 2023 session and some additional improvements, enhancements and fixes that were approved by the board in November are being finalized for the upcoming 2024. A few examples include:
 - Creating a second dashboard page that includes community comparison and performance reports
 - Running a complete audit of reports for accuracy
 - Creating a new regulatory report
 - M&A modifications to include a community-wide scope of tracking possible merger targets
- FiSim faculty are coming to Madison in late May to familiarize themselves with the latest version of FiSim 2.0 ahead of the August session and to build user workshops and support accordingly.
- FiSim Lite has been a part of the original FiSim and FiSim 2.0 scope of work as the Aurum developers have built the newest version with the flexibility of providing an intermediate platform for use at state-level banking schools, college and universities, and possible in-bank use, too. As we discussed, the funding for the initial FiSim Lite version of \$39K was approved in November and the initial testing with the core group of testers that have worked on FiSim and now FiSim Lite started in February as scheduled. With this being the first version of FiSim Lite, there have been some discoveries during testing mostly related to the robust, core databases used within FiSim syncing up with the scaled back version of FiSim Lite. These are fairly easy fixes, but the testing group is also comparing FiSim Lite results with FiSim to make sure results and outcomes of decisions made in the intermediate version are performing as they would expect. After the core testing group wraps up their game testing, we have a few UW faculty, Banker Advisory Board members and other alumni lined up to test FiSim Lite from a "new user" perspective. We expect this testing to begin sometime in April.

- We're finishing up a Statement of Work with Abrigo (company that provides the underlying Foresight ALM for FiSim) that outlines their teaching involvement at GSB along with their ongoing support of FiSim and FiSim Lite. As was mentioned at last November's board meeting, Abrigo launched a new ALM 3-4 years ago and may sunset Foresight at some point but there's nothing definitive yet. If they do, we still have the Foresight code that's used as the underlying ALM so FiSim would still operate as it does today. Abrigo has visited with us about converting to the new ALM but in preliminary conversations with our current FiSim software administrators at Aurum, we believe FiSim would be better served in the long run to have its own internal engine and no longer be dependent on a 3rd party software. Again, this was all discussed during last November's board meeting but want to provide an update on this partnership with Abrigo. They have been a very good and active partner with GSB participating in both online and residential educational programs along with their ongoing support of FiSim since the purchase and transition four years ago.

GSB Marketing & Outreach

- In 2024 we reallocated a majority percentage of our advertising budget from print to digital, with an emphasis on targeted LinkedIn and Google advertising. Initial results have been positive - for example, we saw a 74% increase in unique LinkedIn page visitors and 303 new LinkedIn followers in the past 90 days.
- We continue to have good success with the new Zoho CRM for lead follow-up; typically, inquiries received through our website are followed up with same day -- and prospective students from the Central States who inquire about GSB are sent an email that includes school details and an introduction to the Banker Advisory Board representative in their state, who is also copied on the message. Interested bankers can also schedule time with Kathy to have questions answered by booking directly into her calendar (via Calendly) using a link provided in the introductory email.

In-State Alumni Program

- After conversations with the Illinois Bankers Association over the past year to brainstorm ideas, we have officially held our first-ever joint GSB/IBA event. At the IBA's suggestion we were part of their Future Leaders Alliance lunch at the IBA ONE Conference in early March. GSB was able to invite alumni to the lunch to network with the future leaders and, if they stayed for the conference, were eligible for a 10% discount. There were about 60 combined attendees at the lunch and both GSB and IBA were extremely pleased with the outcome. There was time for GSB to provide an update on GSB educational programs, Randy shared his thoughts on GSB and his leadership role, and GSB alumnus, Betsy Johnson, shared how her GSB education has really helped to shape her career and leadership at the bank, the association and the industry. Given the audience and the outcome, we plan to make this an annual event and look forward to considering similar opportunities with other GSB sponsoring associations.

GSB Sponsorships of State Association Events

- GSB continues its active involvement in several state association events and conferences that feed into GSB educational offerings. These include state conventions along with conferences targeted to key GSB audiences like HR, IT, cybersecurity, marketing, sales, CFO, women in banking and young/emerging leader programs. Many participating associations develop "sponsor packages" for GSB which allows us to participate at multiple SBA conferences/events in a specific state at a discount compared to purchasing individually.