

# Financial Managers update

A publication of the Financial Managers Society

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## Health savings accounts

*Growing number of community institutions launch HSA products*

**A** growing number of community financial institutions are beginning to offer health savings accounts as a strategy for obtaining relatively stable deposits, with the view that such deposits will grow over time.

While the emerging trend appears to be in its early stages, a number of financial officers around the U.S. say they hope to generate increased opportunities to gather deposits, build customer relationships, and cross-sell other profitable products.

A recent online survey

conducted in February by Financial Managers Society found overall that of 317 total respondents at various size financial institutions, 45% already offer HSAs, and another 24% plan to do so in the future. The survey, which included bank, thrift and credit union respondents, focused on FMS' current 1,500 members. (See *FMU*, Feb. 27, 2007 for related details.)

The survey, although not strictly scientific in methodology, does provide a significant anecdotal view of plans by financial institutions

to offer HSAs. Not surprisingly, it found that for the various asset-size categories, a greater percentage of larger institutions currently offer HSAs than those with lesser assets.

### Evolving situation

But the survey also shows an evolving situation. It found that a sizeable number of institutions with fewer than \$500 million in assets also offer such products, or have plans to do so. The data indicates those currently offering HSAs

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## Cutting costs

*Banks must take strategic approach to controlling expenses*

**T**here are a number of practical strategic steps that community financial institutions must take to control and reduce costs, thus alleviating some of today's pressures on bank margins, a banking strategist advises.

Banks continue to experience an earnings squeeze from multiple sides—margins have compressed, fees have decreased, and expenses have risen. And, due to the impact from a flattened Treasury yield curve, there appears to be no immediate end in sight.

Banking strategist Ken Williams, president, KW Financial Solutions, Oregon, Ill., pointed out that based on recent FDIC data for banks with \$100 million to \$1 billion in assets, non-interest expense in 2006 rose by 4%, while net interest margins fell.

### Bottom line

"Really the Fed has more control over your net-interest margins than any bank does, because banks, to maintain competitiveness, follow what the markets are doing," Williams says. "So that leaves

(reducing) non-interest expense—overhead—as a way to increase the bottom line, or at least to maintain a bottom line so that you're not losing ground."

Williams explained that there are three basic ways to approach strategies for cost control:

- Cut expense items.
- Implement price-related action for controlling expenses.
- Invest in operations that result in greater efficiencies.

**continued on page 4**

# Audit committees

## Survey reviews impact of Sarbanes-Oxley on audit committees

A recent survey of public bank audit committee chairs found a number of major ways in which the Sarbanes-Oxley Act has affected relations between public bank audit committees and external audit firms.

The 2007 Public Bank Audit Committee Survey, which was conducted by *Bank Director* and Grant Thornton, studied audit committee chairs at about 400 public financial institutions.

### Modified communications

“Since the implementation of Sarbanes-Oxley, it is now the audit committee that is the client. This change in responsibility along with the PCAOB and SEC calls for robust communications have led audit firms to modify both the content and style of their communications to better meet the needs of the audit committee,” says John Ziegelbauer, national managing partner of Grant Thornton’s financial institutions practice.

The survey found that about one-quarter of institutions studied have changed external audit firms in the past three years. Of those, 55% said that cost was a factor in the change,

and 35% said that they switched at least in part because of the value of the external audit firm’s services. Respondents indicated that quality of service, responsiveness, and poor communication were factors in the decision to change auditors.

To gauge the effect of Sarbanes-Oxley on communication between the audit committee and the external auditor, the survey asked directors to explain how things have changed over the past three years. It found that for 76% of respondents, the amount of communication has increased, and 70% said the quality of communication has improved. Approximately one-quarter of respondents said that the amount and quality of communication have remained the same.

The survey found that 41% of respondents said their internal audit teams, both those that are on staff and those that are outsourced, report directly and only to the audit committee chair, thus meeting the standard of best practice. But 57% said that in addition to reporting to the audit committee, their institution’s audit function also reports to senior management.

Todd Sprang, Grant Thornton’s Midwest regional financial institutions practice leader, pointed out that senior management often lends the appropriate clout to the findings of an internal auditor, who sometimes may not be a department head. In those cases, without senior management authority and backing, the internal auditor may not be able to influence department heads to make necessary changes, he said.

### Risk officers

Finally, the survey indicated that 60% of banks participating in the study said they have a chief risk officer (CRO). Among banks with over \$1 billion in assets, 71% have a CRO, compared with 46% of those with \$1 billion or less in assets.

And of those who have a chief risk officer, 59% say that the officer reports to management, while 40% say the CRO reports to the audit committee, and 17% to the board of directors.

FMS members may review the survey details in the Audit Committees section of the News Archive on the FMS Web site at [www.fmsinc.org](http://www.fmsinc.org). **FMSU**

## Home, sweet home (page)

### *FMS Web site redesigned to be better, faster, easier*

If you’ve not already noticed, we have redesigned our home page on the Web to make things faster, better and easier for you. The FMS home page now has a more user-friendly, streamlined format to provide quicker access, easier navigation, better service, and more benefits. At the same time, you continue to get a regular stream of headlines and links, featuring important industry news, issues and information, all updated on a daily basis and archived.

In fact, the notable changes

on the home page are just the “tip of the iceberg,” as the entire FMS Web site also has been undergoing a thorough redesign. Site visitors are now closer to the essential information they come to find, and have direct access to member resources.

Also, non-members who may want to join FMS in the future can easily learn about FMS benefits, products and services. So if you haven’t viewed our “new look,” then do it now by clicking on [www.fmsinc.org](http://www.fmsinc.org). **FMSU**

Financial Managers

## update

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**Editor:** Tom Lanning  
[toml@fmsinc.org](mailto:toml@fmsinc.org), 312-630-3421

**Production Assistant:** Chad Jordahl  
[chadj@fmsinc.org](mailto:chadj@fmsinc.org), 312-630-3429

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# Industry reactions

## *Banking trade groups raise issues for SEC, PCAOB proposals*

Banking trade groups recently offered critiques in comment letters responding to proposals by the SEC on guidance for section 404, and by the PCAOB on a revised AS5 auditing standard for internal controls reporting.

Additionally, the groups recommended a further postponement in implementation of section 404 compliance for non-accelerated filing companies.

The American Bankers Association (ABA), America's Community Bankers (ACB), and Independent Community Bankers of America (ICBA) each filed comment letters on both the SEC and PCAOB proposals. In general, they praised regulators for trying to improve the rules, but also raised certain objections.

### Practical application

"We continue to have concerns about the practical application of the proposal and the deadline by which smaller companies must implement the proposed guidance to comply with the requirements of section 404," the ABA told the SEC.

It said that its primary concern about implementation involves the uncertainty as to auditor reactions to the combination of the SEC's final management guidance and the PCAOB's final auditing standard.

"The Commission and the PCAOB are proposing important changes that should help streamline both the work and costs of Section 404, while maintaining the integrity of the internal control audit. However, these proposals will only be successful if the auditing firms accept these streamlining efforts," the ABA said.

It raised the issue of what incentive there is under the proposals for audit firms to relinquish more business—even if many clients view such "business" as over-auditing. Thus, it stressed that monitoring actual practice by audit firms will be extremely important in determining the de facto success of the proposed regulatory changes.

Further, the ABA said that the SEC should provide non-accelerated filers with adequate notice so that they are not expected to invest in outdated processes, and to have sufficient time to understand and implement any new guidance.

It recommended a further delay of the 404 compliance date until calendar 2009, so that non-accelerated filers would complete management's certification for calendar year 2009 annual filings and be subject to auditor attestations for calendar 2010.

In its letter to the SEC, the ACB noted that it supports the SEC's proposed interpretive guidance for management to use in evaluating its assessment of internal controls over financial reporting.

However, it also asked that the SEC extend the compliance date for non-accelerated filers for at least an additional year, so that the new rules can be finalized and tested by accelerated filers, regulators and auditors before smaller public firms are required to comply.

The ICBA also recommended at least another year delay for section-404 implementation.

Further, the ICBA also took a somewhat different stance from the other groups. "While the SEC guidance and proposed AS5 may curtail excessive testing of controls and reduce some of the unnecessary documentation required by SOX 404 audits, we still have doubts that it will reduce 404 audit costs, particularly for smaller public companies," it said.

### Quantitative benchmark

The ICBA said that the SEC should propose a quantitative benchmark or goal for the new standard that is tied to a reduction in overall SOX 404 audit costs. "For instance, the SEC should state that the goal is to reduce average internal control audit costs by a certain percentage—say 20%—with a commitment that if the revised standard does not meet that goal, then the standard will be revised further," it said.


"It is too ambiguous for the SEC or the PCAOB to state that the goal is to increase the 'cost effectiveness of the 404 audit' or 'to reduce unnecessary audit procedures,' particularly when there has been no field testing of the new standard and therefore no assurance that it will have any impact," it said.

Further, it recommended that the proposed new rules also should address the issue of bank examination reports when considering the work of others in an audit of internal controls. Bank examiners frequently check and report on internal controls as part of their safety and soundness exams of financial institutions.

"These reports would provide valuable insight into a bank's internal controls and are performed by highly competent and objective examiners," it said. The ICBA believes that such exam reports would be useful evidence for management when conducting an evaluation of internal controls.

Nonetheless, even with a scalable AS5, the ICBA said that it still endorses a small-company exemption from section 404 compliance. It advocates that smaller public companies should be partially or fully exempted from section 404 in order to be competitive with larger firms and foreign competition.

The PCAOB proposal, "An Audit of Internal Control over Financial Reporting that is Integrated with an Audit of Financial Statements," is intended to make compliance with section 404 of SOX less burdensome for smaller companies. Regulatory officials have said that the proposed standard should enable both company management and their external auditors to comply with internal control reporting mandates in a way that overall is more efficient and cost-effective.

FMS members may review the SEC and PCAOB proposals in the financial reporting section of the News Archive on the FMS Web site at [www.fmsinc.org](http://www.fmsinc.org). 

An effective overall strategy generally includes all three approaches, but bankers must understand that the actual mode of implementation may be a big determinant in whether a particular approach is effective.

A typical approach that banks use involves cutting specific expenses, focusing on line items in the chart of accounts, such as energy and phone costs. “That’s the most common method,” Williams said.

Implementing a price action for expense control involves setting a price to drive customers into the least expensive delivery system. For example, some banks offer customers a discount of 25 basis points on a car loan if the customers sign up to get automatic payment for their checking account. This enables the bank to employ a more efficient delivery system.

Investing in certain operations also can result in greater efficiencies. For example, a bank may upgrade its software to allow greater platform efficiencies for tellers, enabling them to save time, money and processing costs. Another example is overdraft protection, where some banks are now considering adding a credit-scoring capability to the programs in order to reduce losses, Williams said.

However, he stressed that there are a number of critical factors that

determine how well any technique works. First, the decision to control expenses must be conducted in a way that is both “top-down and bottom-up.”

“A bank cannot succeed at controlling expenses if they are going after an employee, or berating an employee, for buying too many paper clips—and the CEO drives home in a company-owned Hummer,” Williams said. “It doesn’t work.”

**“It is something you need to look at, and employees need to think about, every day—not once a quarter or once a month.”**

*Ken Williams, President  
KW Financial Solutions  
Oregon, Ill.*

Second, a cost-control campaign must be a daily effort. “It is something you need to look at, and employees need to think about, every day—not once a quarter or once a month,” he said.

He cited this example. At a small community bank, the employees’ restrooms had signs inside that said “turn off the light switch.” Ironically, however, Williams explained to the bank’s CEO that since the lights were

fluorescent, the energy cost generated by turning them on and off repeatedly was actually more expensive on a daily basis than just leaving them on for 24 hours.

## Saving pennies

The bank’s CEO said he already knew this, but replied that was not the point. The real objective was to cause employees, a couple of times per day, to think about why they were turning the light off, thus reinforcing in their minds the goal of trying to save money—even if they perceived that it was for just pennies.

Third, banks should set up “employee teams,” where groups of employees review expenses and work on expense control. “If the employees do it, it’s not like the president putting out a memo,” Williams explained. “This is where everybody’s on board—it’s a team effort and everyone has ownership of the process.”

He recommended that members of the employee team only stay on the committee for six months to a year, in order to have some turnover among members, thus generating fresh ideas. The team’s mission is to manage the expense control process, but its authority is limited to making recommendations, since some ideas could run afoul of the bank’s strategic goals.

“This team would report to no one less than a CEO or CFO,” Williams said. “They’ve got to report **continued on page 7**

## Targeting expenses

### *Strategist suggests several ways to cut costs*

Banking strategist Ken Williams, president, KW Financial Solutions, Oregon, Ill., pointed out a number of ways that community institutions have cut costs.

He cited phone audits, which should be done every three years, and property tax costs.

Williams advised that bankers challenge a property tax reassessment on the next tax bill. “When I see banks challenge their assessments, I see that work just about every time,” he said. “Seldom do businesses challenge.”

Further, he pointed out that employee wages and salaries are the largest single non-interest expense that a bank has—and also the toughest to try to reduce. “But really what you should measure is not the number of people

you have, but what they do—their productivity,” he said.

Finally, he urged that bankers be careful not to waive fees unnecessarily. “Banks waive a lot of fees when they don’t have to,” he said.

The basic problem is that a teller who has the authority to waive fees doesn’t want a customer to be upset. “And they’ll waive all these fees all the time,” he said.

The solution is for banks to elevate the fee-waiving authority by one staff level. Requiring customers who request a waiver to be referred to the tellers’ supervisor will often decrease the number granted, he pointed out.

These and other similar techniques can reduce costs if appropriately applied, he said. **FMU**

include: institutions with under \$100 million in assets, 32%; \$100 million to \$249 million assets, 41%; and \$250 million to \$499 million assets, 38%.

And significantly, within those three asset categories, between 23% and 30% of additional respondents that are not currently offering HSA products say their institutions plan to do so in the future.

In general, HSAs include these features:

- Employees can open the accounts directly.
- Contributions from third parties are possible.
- Money in the account can earn a return that is tax-free.
- Unused monies at the year's end can be rolled over.
- If employees leave an employer, they can take the money with them, similar to a 401-K.

Such accounts were initially created following passage of the 2003 Medicare act, and are designed to offer the nation's employers a way to reduce spiraling health insurance costs. Under the law, an HSA is basically a consumer-directed health care account, coupled with a high-deductible health plan. Such an account may be used to pay for medical, dental, vision and other qualified expenses—but it differs from other health plans such as flexible spending and health reimbursement accounts.

Bankers at a number of institutions around the U.S. say their HSA product offerings are still in the early stages of development and marketing. Significantly, they note that front-line staffers are finding that customers need to be educated about such products, even though they may have been exposed to previous media publicity about HSAs.

"It's not going as well as we would like," says Darrell Blocker, CFO at \$250-million-asset Springs Valley Bank & Trust, Jasper, Ind. "We hope 2007 generates a lot more (deposit accounts)," he said.

The bank anticipated that the first year of the product offering would

involve a learning curve, but HSAs are simply "not going as quickly as we had hoped." One reason is the "learning curve" necessary for both bank customers and insurance agents that represent the product, Blocker said.

## Core deposits

Having launched its HSA product a little more than a year ago, the bank is hopeful that HSAs will provide a significant portion of core deposits in the future. The product is tiered, offering the most competitive rates for the top balance tier. Customers can implement transactions with either checks or debit cards, he said.

**"It's a good opportunity to raise deposits. We've had a lot of inquiries—that's what leads us to think it would be a good deposit generator."**

*Todd Heilman, CFO  
Western State Bank  
Devils Lake, N.D.*

Additionally, the bank has an insurance department that offers health-related insurance for customers. The insurance package includes a "non-compete" clause as part of the agreement for insurance agents who represent the bank's offering, in order to ensure their motivation.

Further, the bank uses HSA Solutions, Warsaw, Ind., as its third-party administrator that takes care of backroom paperwork related to HSAs. The responsibility for ensuring that money from HSA accounts is spent only on qualified medical expenses rests with the customers, not the bank, Blocker said.

Elsewhere, Todd Heilman, CFO at \$300-million-asset Western State Bank, Devils Lake, N.D., basically agreed that one of the current challenges involves educating customers who are new to HSAs.

"They may not be as educated about the product as we originally

thought," Heilman said. Front-line staffers are finding that while many customers have heard of HSAs, they really don't understand what they are or how they work. "That's kind of what we're working with right now," he added.

The bank started offering the product in this mostly rural community of 10,000 persons at the beginning of 2007. The product is similar to a checking account, featuring tiers based on deposit balances with rates currently offering 2% to 3.5%. Debit cards enable customers to make their transactions.

From a strategic standpoint, the bank launched HSAs because it felt there would be a strong need in this market. "It's kind of a hot product out there right now," said Heilman, "and we didn't want to be coming in after the fact." He noted that several competitors also are launching HSAs.

"And it's a good opportunity to raise deposits," he said. "We've had a lot of inquiries—that's what leads us to think it would be a good deposit generator."

Typical customers are those associated with small businesses that want to make the HSA alternative available to them. "Based on the inquiries that we've had, that's what we've seen," he said.

So far, the bank has mostly focused its marketing on existing customers through mailings and internal bank signage. It expects to use other media after the product has been around for awhile, he said.

Heilman said that his bank considers HSAs to be an opportunity that eventually will be emphasized more than some of its other products.

Nancy Dunham, controller at \$450-million-asset Illinois National Bank, Springfield, Ill., says this is the second year that her institution has been offering HSAs.

So far, customers have opened about 175 accounts, generating \$400,000 in deposits. The strategy includes: no fees or minimum opening balance requirements; a tiered rate structure for amounts below and above \$5,000 balances; and debit cards, but with no transaction limit, Dunham said.

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# Regulatory and Accounting Checklist

These proposals may be accessed through the FMS Web site at [www.fmsinc.org](http://www.fmsinc.org). Go to the Members Only section and follow the Regulations/Proposals link for direct access to the following documents.

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## Supervisory Guidance for Basel II

Comments due: May 29, 2007

FDIC/Fed/OCC/OTS: The federal banking agencies are seeking comment on three proposed supervisory guidance documents related to the September 2006 proposal on new risk-based capital requirements for large, internationally active banking organizations.

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## Privacy Notices

Comments due: 60 days after publication in *Federal Register*

FDIC/Fed/NCUA/OCC/OTS/SEC: Federal banking regulators proposed amendments to their rules that implement the privacy provisions of the Gramm-Leach-Bliley Act. The rules require institutions to provide initial and annual privacy notices to customers.

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## Sub-prime Mortgage Lending

Comments due: 60 days after publication in *Federal Register*

FDIC/Fed/NCUA/OCC/OTS: Federal banking regulators issued a proposed statement on sub-prime mortgage lending to address risks related to certain ARM products. The proposal addresses concerns that sub-prime products may pose an elevated credit risk.

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## Subordinated Debt Securities

No comments necessary: Rule is final

OTS: The OTS issued a final rule on subordinated debt securities and mandatorily redeemable preferred stock. The rule updates OTS regulations that require a savings association to obtain approval before it may include such securities in supplementary capital.

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## Basel 1-A

Comments closed: March 26, 2007

FDIC/Fed/OCC/OTS: The FDIC board proposed an interagency rule that would provide a new option for how most banks and thrifts in the U.S. calculate their minimum risk-based capital requirements. It would be available to all banks except the largest and most complex.

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## Basel II

Comments closed: March 26, 2007

Fed/FDIC/OCC/OTS: The banking agencies announced an interagency notice of proposed rulemaking for large, internationally active U.S. banking organizations. The proposed rule would require such institutions to enhance the measurement and management of their risks, including credit risk and operational risk.

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## Bank Broker Provisions

Comments closed: March 26, 2007

Fed/SEC: The Federal Reserve and SEC proposed joint rules concerning bank broker provisions of the Gramm-Leach-Bliley Act. The proposed rules would define certain statutory terms for third-party brokerage, trust and fiduciary activities, safekeeping and custody, and sweep accounts.

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## Insured Deposits at Large Banks

Comments closed: March 13, 2007

FDIC: The FDIC proposed improvements to the process of determining the insurance status of depositors of larger institutions in the event of a failure. The FDIC's ability to rapidly determine the insured status of such accounts is essential to resolving bank failures in the least disruptive fashion.

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## FAS 133

Comments closed: March 2, 2007

FASB: The FASB proposed changes to FAS 133 that would require improved disclosures for derivatives and hedging activities. The requirements would become effective for financial statements issued for fiscal years and interim periods ending after Dec. 15, 2007.

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## Auditing Standard

Comments closed: Feb. 26, 2007

PCAOB: The PCAOB proposed a revised auditing standard for internal control reporting, which would replace Auditing Standard No. 2. The proposed standard is a principles-based approach designed to focus auditors on the most important issues.

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## Section 404

Comments closed: Feb. 26, 2007

SEC: The SEC proposed interpretative guidance for management to improve section 404 implementation. Under the proposal, executives would evaluate the design of financial controls that might present the risk of having a material impact on financial statements.

to the key person who can implement those objectives.”

Fourth, the team should organize the institution’s expenses into three categories: uncontrollable; controllable long-term; and controllable short-term.

Williams said that “uncontrollable” expenses are those that the bank cannot change, and therefore would be a waste of time for the team to consider. He cited payroll taxes and deposit insurance as examples. The team should not spend much time on these, since there is little payoff in cost reductions for doing so.

### Controllable expenses

Controllable, long-term expenses are those that usually require more than a year to manage. Examples include expenses involving data processing, third-party vendors, salaries, core processing, and leasing a branch or building, he said.

In contrast, controllable short-term expenses require less than a year to manage. They generally include travel and entertainment, legal, recording of mortgages and deeds, credit bureau, phone, repair, and

maintenance. “The bulk of your chart of accounts will be in your short-term, controllable expense,” Williams said.

Once the three categories have been organized, the priority of attack includes the controllable short-term and controllable long-term items. “The biggest bang for your buck is going to be the short-term list, and you start with the highest expense,” he said.

**“The biggest bang for your buck is going to be the short-term list, and you start with the highest expense.”**

*Ken Williams, President  
KW Financial Solutions  
Oregon, Ill.*

Fifth, in analyzing and managing all of the expenses, banks should use data based on an expense-to-earning-assets ratio, which is a stable figure and can be used to generate trend lines for comparison. It is preferable to using expense data as a percent of income

or percent of total expenses, because those numbers can change year to year, he said.

Williams pointed out that for typical financial institutions, regulatory data indicate that the ratio of non-interest expenses to earning assets is about 3.50 to 3.58 basis points, and this level has been fairly consistent over time.

Sixth, it’s important that banks “do not net fees to expenses.” Many times, in the chart of accounts at community banks, fees are deducted from expenses. “So when you see expense, all you see is the net expense figure,” Williams said. “Now that doesn’t tell you if that expense is good or bad.”

Thus, it’s essential for banks to separate their expenses into raw data from fees, so that fees are not deducted from expenses—this mistaken approach does not tell what the real expenses are. “I see it happen all the time,” he added.

Looking at the big picture, Williams noted that banks have seen record profitability from 2000 to 2006. But he cautioned against complacency and encouraged a continued emphasis on expense control.

The highest performance banks manage margins, non-interest income fees, and expenses, he said. **FNU**

Typically the customers are those that work for small businesses. The bank launched the product after companies requested it, based on problems they were having with health insurance costs.

### Small businesses

Some firms contribute matching amounts into employee accounts. In most cases, the funds are deposited directly from payroll into employees’ HSAs accounts. The responsibility for appropriate medical-related use of the accounts rests with the customers, Dunham explained.

Significantly, a key part of the bank’s strategy involves cross-selling customers and helping the small-business employers. “If we can get the companies that are doing these transaction accounts—you know, the regular checking account, or whatever—that’s what we’re looking for,” she said. “It’s not just making money on HSAs.”

Looking to the future, she compared HSAs to IRAs,

suggesting that once customers open such accounts, the expectation is that they tend not to move their money out of the bank—and such accounts will build up over time.

Elaine Scharpen, CFO at \$125-million-assets First National Bank, Cannon Falls, Minn., said her institution has offered HSAs for about a year.

The bank views such accounts as a profitable way to build customer relationships, cross sell, and generate funds. “A lot of our marketing is done to try to create relationships,” Scharpen said.

Although no advertising has been done so far, the customers who have inquired about HSAs seem to have favorable impressions. The accounts utilize debit cards and pay interest at about 3.5%, which is generally above savings account rates. No minimum balance is required, but average account balances have been running at about \$2,000, she said.

Interested FMS members may review the FMS survey data on HSAs in the Financial Managers Society category of the News Archive on the FMS Web site at [www.fmsinc.org](http://www.fmsinc.org). **FNU**

## 2007 Calendar

### Workshops

#### Kansas City, MO

|             |             |  |
|-------------|-------------|--|
| April 23-24 | <b>New!</b> | Best Practices in Credit Risk Management |
| April 24-25 |             | ALM Basics                               |
| April 25-26 |             | Accounting Basics                        |
| April 26-27 |             | ALM Model Validation                     |

#### Providence, RI

|           |             |  |
|-----------|-------------|--|
| May 14    | <b>New!</b> | Loan Pricing                           |
| May 15    | <b>New!</b> | Deposit Pricing                        |
| May 15-16 |             | Profitability Measurement Fundamentals |
| May 16-17 | <b>New!</b> | Investment Portfolio Analytics         |
| May 17    | <b>New!</b> | Third Party Vendor Management          |

### Webinars

|                     |   |
|---------------------|---|
| April 4, 11, 18, 25 | FAS 109 for Community<br>Financial Institutions |
| May 3, 10, 17       | Growing Core Deposits                           |

### Conference

#### Grapevine (Dallas), TX

|            |                                |
|------------|--------------------------------|
| June 24-26 | The Finance & Accounting Forum |
|------------|--------------------------------|

### School

#### Madison, WI

|                 |                           |
|-----------------|---------------------------|
| September 23-28 | Financial Managers School |
|-----------------|---------------------------|

For more information, visit [www.fmsinc.org/education](http://www.fmsinc.org/education)

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- Accounting For Stock Based Compensation
- FAS 133/149: Accounting for Derivative Instruments and Hedging Activities
- Accounting for Credit Unions

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