



Lending to Non-Profit Organizations, Municipalities & Other Governmental Units



March 4, 2020
CBAI Headquarters
Springfield, IL

Introduction

In most community banking environments, lenders receive loan requests from various types of borrowers. Unlike lenders in large financial institutions who may specialize in specific types of loans, community bank lenders must be generalists and have a broad base knowledge of lending to different types of borrowers. This course is designed to provide community bankers with the skills necessary to analyze non-traditional borrowers such as non-profit organizations, municipalities and other governmental units. As one banker recently commented, "I don't routinely seek information on how to analyze specialized borrowers like non-profit organizations or governmental units because they are not a common borrower at our bank. However, when I receive a request from them, I really need to know how in a hurry." This course is developed to meet the skills necessary to analyze these types of specialized borrowers for bankers who do not see these types of borrowers frequently. The following sections provide an overview of what is covered in this one-day session.

Who Should Attend?

This seminar benefits commercial loan officers, consumer loan officers, senior credit officers, loan review officers, compliance officers, branch managers, credit analysts and loan support personnel.

Course Descriptions

LENDING TO MUNICIPALITIES & OTHER GOVERNMENTAL UNITS

The purpose of this course is focus on the major credit factors that should be examined to predict the repayment capability of a Municipality or other Governmental Unit. We explore the unique approach to determine the credit-worthiness of governmental units by requiring the appropriate information and how to use financial data and other information to effectively underwrite this type of borrower. Also, participants are able to identify opportunities to market the proper type of credit facilities to local governments. Upon completion of this course, the participant understands:

- Different types of local government structures in the U.S. in order to determine potential creditworthy government structures
- Financial statements of governmental units
- Common ratios used to determine the financial strength of governmental units
- How to complete a review and financial analysis of a municipal's financial statement
- Common sources of revenue for governmental units
- Identification of costs and expenses of government units
- Credit facilities suited to meet the various needs of governmental units'
- How to locate and use publicly available information to assist in the analysis of municipal

Additionally, many financial institutions find that having a relationship with local municipalities can create significant goodwill in the community, which can translate into more business from consumers and businesses in the area.

LENDING TO NON-PROFIT ORGANIZATIONS

Since the goal of an NPO is having resources sufficient to meet its objectives of providing a social service or need, cash is more important than profitability. As such, the skills required to understand and underwrite the risks involved in this type of lending is quite different from analyzing profit oriented organizations. Terminology commonly used to describe an NPO's operations and the accounts on the financial statements are unlike the terminology and accounts found on the financial statements of a traditional for-profit organization. This course is designed to introduce participants to the various types of NPOs and present appropriate methods of analyzing and lending to these types of entities. It highlights a religious organization, a private school and a non-profit service provider. Topics to be covered include:

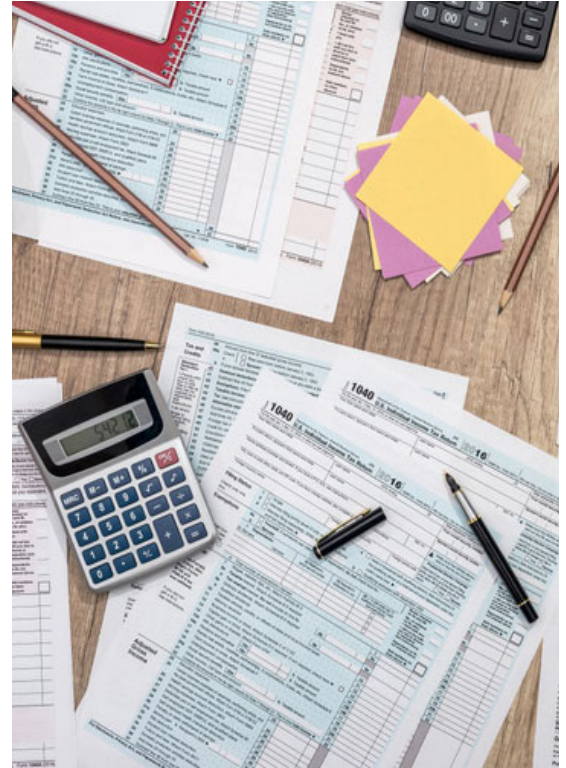
- Understanding the financial statement components of an NPO and their meaning
- Understanding the layout of NPOs' financial statements utilizing accounting principles governing the presentation of financial data of NPOs
- Identifying the basic information required to analyze various types of NPOs and identifying risk factors commonly found in NPOs
- Identifying key financial ratios utilized to analyze NPO and their respective interpretations
- Structuring loans to NPOs in order to minimize the risks associated with this type of lending.

After completion of this session, the participants' knowledge of NPOs is enhanced and should improve the credit underwriting quality of this specialized form of lending.

About the Presenter

Jeffery Johnson, president and founder of Bankers Insight Group, Atlanta, Georgia, has more than 36 years' experience in the banking field. He began as management trainee and was promoted to group vice president for South Trust Bank, Atlanta. Johnson also was senior vice president and commercial banking division manager for Citizens Trust Bank, Atlanta. He has taught AIB classes and lending seminars for several community and state banking associations and private banks. He has also presented lending seminars in Singapore. He has been a training professional and consultant for nearly 20 years.

Johnson is a graduate of Morehouse College, Atlanta; John Carroll University in University Heights, Ohio; and the Prochnow Graduate School of Banking, Madison, Wisconsin. He received graduate certification in bank management from Wharton School of Business at the University Pennsylvania, Philadelphia.



Registration Fees

Fees include hand-out materials, refreshment breaks, and lunch. An income-tax deduction may be allowed for educational expenses undertaken to maintain or improve professional skills.

Cancellation Policy

Registrants cancelling two days prior to each seminar receive 100% refund; one day prior, 50%; the day of the seminar, no refund. **All cancellations must be made in writing prior to the seminar day. Invoices and training materials will be sent to all "no shows."**

CBAI MEMBER

| | |
|------------------------------|-------|
| First Registration | \$265 |
| Each Additional Person | \$245 |

**PROSPECTIVE MEMBER

| | |
|------------------------------|-------|
| First Registration | \$465 |
| Each Additional Person | \$445 |

CDD members receive a 10% discount.

***Only financial institutions/firms eligible for CBAI membership.*

Registration Form

LENDING TO NON-PROFIT ORGANIZATIONS, MUNICIPALITIES AND OTHER GOVERNMENTAL UNITS

March 4, 2020, CBAI Headquarters, Springfield

Please Print

Name of Bank _____

Address _____

City, State, Zip _____

Tel. No. _____

Name/Title _____

E-Mail _____

(E-mail is required for registration).

Name/Title _____

E-Mail _____

(E-mail is required for registration).

I have special needs, please contact me before the seminar.

Please select your payment method.

Check Enclosed

Check in Mail

Pay at Door

Credit Card*

****If you are paying by credit card, please fill out the following information. (Visa, MasterCard & Discover accepted).***

Name as It Reads on Card _____

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Billing Address of Card _____

Card Number _____ Exp. Date _____



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901 Community Drive
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(800) 736-2224
(217) 529-2265

Date and Location

March 4, 2020

SHAZAM Education Center

CBAI Headquarters

901 Community Drive

Springfield, IL

217/529-2265

Agenda

Registration begins at 8:30 a.m. The seminar runs from 9 a.m. to approximately 4 p.m. each day. Continental breakfast and lunch provided.

Continuing Education

CBAI is a registered Public Accounting Continuing Professional Education (CPE) provider by the Illinois Department of Financial and Professional Regulation.

For More Information

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