Principles of Banking Certificate Program Course Catalog

Banking Landscape

The banking landscape has changed dramatically over the course of the history of the United States. Banks play an important role in the community and the economy. In this course, you'll learn a brief history of banking, review how a bank works and discuss how banks are influenced by its employees, customers, competitors and regulators.

Learning Objectives:

- Understand how different events in history shaped the banking landscape
- Explain how banks make money
- Understand the role of a bank employee
- Understand customer expectations of a bank
- List different regulators and understand their role
- Learn different types of competition and understand the impact to a bank

Banking Structure

Banks have a unique structure due to their role as a financial intermediary, regulatory requirements and role in the community. There are important decisions to make when organizing a bank and thinking about the services your bank will provide. In this course, we'll learn about the unique structure of a bank as a financial intermediary.

Learning Objectives:

- Understand the role of a bank as financial intermediary
- Understand the purpose of Bank Capital and Capital requirements
- Understand the role of shareholders
- Describe the different types of Holding Companies
- Describe the responsibilities of your Board of Directors
- Describe a typical bank Organizational (Org) Chart
- Describe the three methods the Fed uses to manage monetary policy and how these impacts your bank
- Understand Fed Funds and how a bank utilizes them

Banking Finance

Bank financial statements are widely used by bankers, shareholders, employees, competitors and regulators to review the success and health of the bank. We'll break down some of the basics to give you a better understanding of those financial statements and how a bank balances its role of making money for shareholders, managing risk and serving the community on a day to day basis.
Learning Objectives:

- Understand the role of the bank’s Asset Liability Committee and the concepts of time value of money and matched funding
- Understand how the bank balances goals for income, risk and liquidity
- Understand the types of investments a bank can purchase and why they will buy them
- Understand the basic types of income and expense categories found on a bank’s income statement
- Understand how rates are determined for loans and deposits
- Understand why banks are focused on increasing non-interest income
- Understand how to calculate and understand a few of the most common bank ratios
- Be able to look up your bank’s ratios and compare them to your peer group

Banking Products & Services: Part 1

This course will review a variety of deposit and loan products that the bank offers. We’ll discuss the processes that go into opening these accounts. We’ll also review Trust and Wealth Management products that banks offer.

Learning Objectives:

- Describe features and benefits of deposit products
- Understand the process of opening a deposit account and different types of account ownership
- Describe features and benefits of different types of loan products
- Understand the 5 C’s of credit and the process of opening a loan
- Understand the basic types of wealth management products and the reasons why banks have begun to offer these additional products
- Understand the components of a trust and fiduciary responsibility

Banking Products & Services: Part 2

This course expands on the traditional products discussed in the course Banking Products and Services: Part I and reviews a number of electronic and non-electronic banking products and services. This course reviews traditional banking, cash management (also called treasury management), and international banking services offered by community banks. This course discusses the many different types of payment methods used by customers including cash, checks, cards, electronic payments and mobile wallet.

Learning Objectives:

- Name a variety of electronic and non-electronic banking services that banks offer and understand how they can benefit customers.
- Describe the features of the following payment methods - cash, checks, cards, mobile, and other electronic methods.
• Understand items to review when accepting check deposits.
• Understand a variety of cash management services and how they can benefit a business customer.
• Understand how account analysis works.
• Understand international banking services that your business customer might need.
• Understand how Fintech companies are impacting banking.

**Federal Deposit Insurance Corporation (FDIC)**

The Federal Deposit Insurance Corporation (FDIC) is a U.S. government agency that exists to protect the money people put into banks. This course discusses the basic functions of the FDIC, the rules that apply to different types of deposits, and how to ensure that bank policies and procedures are in compliance with FDIC regulations regarding deposit insurance. This course is intended for deposit account personnel.

**Learning Objectives:**

• Discuss the purpose of the FDIC
• Understand the different types of accounts the FDIC insures
• Ensure your bank’s policies and procedures are in compliance with the FDIC regulations regarding the accounts they insure

**Product Knowledge & Cross-Selling**

As a frontline employee, you are often called upon to open a new account. In this situation, you need an excellent understanding of your bank’s products and services. You have to be able to answer questions. And, of course, you want to provide the best possible customer service. In this course, we will look at how knowledge of your bank’s products and services will help you meet customer needs and build strong customer relationships.

**Learning Objectives:**

• Identify customer needs
• Use Customer Pathways to identify products and services for customers
• Use the Product Recommendation Grid

**Course Outline:**

• Meeting Needs and Exceeding Expectations
• Identify Customer Needs
  o The power of active listening
  o Who is taking care of our customers’ financial needs?
• Know Your Bank’s Products and Services
  o Assignment
  o Product competitiveness
• Customer Pathways
  o Talking to customers
Compliance Laws & Regulations

Banking laws and regulations have existed for nearly a century. It is important bankers are aware of these regulations in order to follow the bank's policies and procedures for complying with the rules. In this course, we'll discuss compliance laws and regulations related to deposit accounts, loans, fair lending, the Bank Secrecy Act, and other general areas of banking.

Learning Objectives:

- Have a general understanding of the various federal compliance regulations related to deposit accounts and loans.
- Understand the laws related to providing fair and equal credit to consumers.
- Know the basics of the Bank Secrecy Act.
- Recognize the various compliance regulations related to different areas within banking.

CAMELS

The Uniform Financial Institution Rating System (UFIRS), more commonly known as CAMELS rating, is an internal rating system used by the banking regulators for assessing the soundness of financial institutions on a uniform basis. The system also helps identify institutions requiring closer supervisory attention. This course describes each of the six components of the CAMELS rating and the principal evaluation factors that relate to each component.

Learning Objectives:

- Know what comprises the component and composite ratings.
- Define what each of the components for the CAMELS ratings are.
- Understand the assessment factors for each component.

Course Outline:

- Ratings
- Capital Adequacy
- Asset Quality
- Management
- Earnings
- Liquidity
- Sensitivity to Market Risks
- Exam Report
Safeguarding Customer Information

This course will review the role of banks in protecting its customer’s financial information. We'll look at what is considered nonpublic personal information, the places that you are exposed to this information and the steps you and your bank take to protect it. We'll look at processes that are in place within your bank office, and your online and mobile banking to safeguard information. In addition, we'll review processes that your bank takes to safeguard its own assets and the economy.

Learning Objectives:

- Key pieces of the GLBA legislation to protect customers’ nonpublic personal information.
- Difference between public and non-public personal information.
- Define confidentiality and understand why it’s important as a bank employee.
- Steps banks take to safeguard customer information.
- Steps banks take to educate customers on safeguarding their information.
- Ways a bank safeguard’s its assets through sound vendor management.
- Ways a bank safeguard’s the economy through business contingency plans in the event of a disaster and incident response plans in the event of a security breach.

Physical Security

Banks are responsible for putting in place controls to protect personnel, assets, hardware, programs, networks and information from physical circumstances and events that could cause loss or damage to the bank or its customers. This course will discuss an overview of the bank’s security program, physical security controls put into place at a bank, robbery and other violence, and disaster recovery programs.

Learning Objectives:

- Know the purpose of a bank security program and the information to be included in the program
- Identify the various types of physical controls the bank may have in place to protect its information
- Understand the different types of robberies and how to react if one occurs at your bank
- Acknowledge that banks have a disaster recovery plan in place

Banking Fraud

This course will review different types of fraud that affect the banking industry. It will discuss counterfeiting, check fraud, identity theft, insider fraud, elder abuse and cybercrime. Included are steps the bank may take to prevent customer fraud along with resources to assist its customers in prevention and identity theft recovery.
Learning Objectives:

- Describe features in cash and checks that prevent counterfeiting
- Describe different types of check fraud and ways to prevent it
- Understand cybersecurity fraud schemes and ways to protect the customer's and bank's information.
- Understand the role of the bank in preventing identity theft, elder abuse, insider fraud and educating customers on fraud schemes.
- Identify a few resources to educate consumers on fraud.