

# Issues & Answers



March 2024

## Leadership and Networking



*By Glen Simecek,  
President & CEO,  
Washington Bankers  
Association*

A theory of leadership holds that great leaders are born with certain traits and innate characteristics that qualify them to play their essential roles. But that theory never made much sense to the great football coach Vince Lombardi.

“Great leaders aren’t born; they’re made,” he said. “And just like anything else, they’re made through hard work.”

Here at the WBA, we fall squarely in the Lombardi camp. Our educational programs are overflowing with Development Programs and conferences that help aspiring bank leaders develop supervisory skills, management tools, and mentoring techniques to make them more effective in successfully guiding their teams.

As I’ve mentioned in previous columns,

most of those development opportunities will be delivered virtually this year. We made that strategic decision based on recent attendance patterns at our in-person events and the feedback we’ve received from our members.

Yes, sitting at your computer in your office can provide efficient and effective training – we wouldn’t offer our programs that way if it didn’t. But we also recognize that there are trade-offs for this extra convenience, including giving up some advantages of face-to-face interactions with peers. A chance to share “war story” experiences and network brings additional value to the educational experience.

Additionally, we put a lot of stock in the old saying that “all work and no play make Jack a dull boy.” Lombardi’s teams would never have reached their championship peaks if all they did was grind through practice after practice without ever experiencing the enjoyment of the games.

With this in mind, we have created a new

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## Issues & Answers – March 2024

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venue for bankers to recapture some interpersonal benefits of in-person events in a more relaxed and informal setting. We have planned a series of Future Leaders Networking events that will be delivered in Spokane and Seattle. These events will allow participants to meet and mingle with other bankers, learn more about the industry and WBA in an informal setting, and, most of all, have fun.

The events will begin with watch parties for NCAA “March Madness” basketball games on March 12 in Spokane and March 21 in Seattle. In April and May, we’ll offer two exciting workshops, one on “Purpose, Passion, and a Plan” in the WBA offices and the second in conjunction with the Puget Sound Business Journal’s annual “Women Who Lead” Summit. Then, in August, it’s back to the sports field – with tickets included – for a Spokane Indians game and a Seattle Mariners game. We’ll wrap things up in October, with an event to be announced in the coming months.

Registration for each event is \$50, while a package of four events costs only \$150. More information and registration forms are available at [wabankers.com/leaders](http://wabankers.com/leaders). The events promise to be a great way to network with peers and an enjoyable break to help guard against any WBA member banker becoming “dull” from “no play.”

Of course, we also offer education, entertainment, and networking opportunities for those who are already bank leaders. One of the most important of these is our annual Convention, which will be held this year at the beautiful Skamania Lodge in Stevenson, Washington, June 26-28. Once again, this year, WBA will be working with our counterparts in Idaho, Nevada, and Oregon to offer an agenda packed with timely and valuable information and a healthy dose of networking and recreational opportunities.

Registration for the Convention is now open, and remember that your WBA dues provide complimentary registration. So, I hope you make plans for members of your board and leadership team to attend. More information on event and hotel reservations can be found online at [wabankers.com/convention](http://wabankers.com/convention).

Whether you’re a bank leader or looking to become one in the future, WBA is a valuable team member.

### Contact Us

Contact the Washington Bankers Association at 601 Union  
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Call us at (206) 447-1700 and visit us on the  
web at [wabankers.com](http://wabankers.com).

### Connect With Us

Connect with the WBA online by following us on our social  
media accounts.

### On the Cover

An early season azalea blooms in Western Washington, providing  
a bright spot in a rainy season.

*Photo by Megan Managan*

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# The Real Losers in the Reg II Fight



*By Rob Nichols, President & CEO,  
American Bankers Association*

In 2010, the Durbin Amendment was dropped into Dodd-Frank in the dead of night, and without so much as a hearing, the government imposed restrictions and price controls on debit cards and connected checking accounts. Bankers warned

that mega retailers would not pass on any savings at the checkout, and that bank customers would ultimately foot the bill in lost rewards. Both predictions have proven true, but for reasons clear only to the Federal Reserve, the government is poised to double down on this misguided policy with another 30% cut in debit interchange followed by an automatic biannual adjustment. This “one-way ratchet” will continue to hack away at debit programs every two years based on data and a formula of the Fed’s choosing, without public comment.

The Fed is proposing to slash the interchange rate cap from 21 cents to around 14.4 cents—and recent research estimates that this move could reduce interchange revenue for banks by \$3 billion annually. That’s essentially the equivalent of the government reaching into banks’ pockets, taking money allocated to ensuring affordable, seamless, secure banking products and services, and handing it over to the very largest retailers.

Retailers will claim that they intend to pass those savings on to consumers. But as we’ve seen in the thirteen years since the original Durbin price caps took effect, those promises ring hollow.

That means that the real losers in this fight will be American consumers.

Not only will consumers not gain the advantage of lower prices in stores, but the Fed’s proposed changes to Regulation II will fundamentally affect the economics of what banks do—and that, in turn, affects the products and services they are able to offer their customers and communities.

Banks use interchange revenue to fund free or low-cost checking accounts and other services that consumers value. Prior to the enactment of the Durbin amendment, for example, many banks offered debit card rewards programs—but those programs were eliminated when the

revenue streams funding them dried up due to government price controls.

These new proposed cuts to interchange revenue will have an even more dire consequence: they will undermine banks’ efforts to foster financial inclusion by providing access to the free and low-cost transaction accounts that help unbanked Americans get their foot in the door – a first but necessary step to true inclusion.

Our colleagues at the CFE Fund, which oversees the Bank On initiative that ABA has proudly championed, recently wrote to the Fed to emphasize what makes the national account standards work: They were designed to address the needs of low- and moderate-income consumers (bill pay, debit card access, ATM access). They were designed to knock down the barriers that keep so many consumers outside the banking system (minimum balance, credit checks, overdraft fees). And, importantly, they were designed to be economically sustainable for banks offering the accounts.

Interchange fees play an important role in that sustainability equation. If banks do not have the revenue streams to support these and other low-cost accounts, they have two options: pass the costs on to consumers or stop offering and/or marketing the product altogether.

Bank On accounts are currently offered by a growing list of banks across the country. And to ensure we can continue that momentum, ABA has been working hard on behalf of its members to elevate these concerns to policymakers. But we can’t do it alone—we need your help. With the Fed recently extending the comment deadline to May 12, ABA is calling on all bankers to share how this change in regulation will affect their bank and their customers. You can send a letter easily through ABA’s grassroots platform, [SecureAmericanOpportunity.com](http://SecureAmericanOpportunity.com).

Banks put interchange to work funding low-cost banking services that help consumers find their way into the regulated banking system—enabling them to take advantage of deposit insurance protections, build credit, and do so many other things that can only happen with a banking relationship.

If the Fed’s Reg II proposal moves ahead, the very largest retailers will pocket that surplus to pad their bottom line—and consumers won’t see a penny of it.

That’s a tradeoff that leaves our country poorer.

**Understanding  
Bank  
Performance**



No one ever failed  
by being really  
good at the  
fundamentals

**Next session begins April 30!**

Learn more and register at [wabankers.com/ubp](http://wabankers.com/ubp)

# Bankers Highlight Need for Financial Education

During the annual Bankers Day on the Hill at the beginning of February, over 60 bankers from across Washington gathered in Olympia to share with lawmakers why financial education is critical for today's students.

The event, which encourages bankers to participate in the legislative process, was hosted at the Association of Washington Business offices, where attendees learned about the latest policy issues impacting the industry.

During the WBA Lobbyists Trent House and Carrie Tellefson briefing, the team shared where lawmakers were in the session process and what some of the top

issues were.

This year, WBA asked the bankers to highlight HB 1915, which would create a new financial education graduation requirement in the state. Bankers shared first-hand anecdotes and information about how financial education is necessary to help students become more robust consumers and ways it benefits the larger economy.

To learn more about WBA Advocacy efforts this year, visit [votervoice.net/wabankers/home](http://votervoice.net/wabankers/home).



## Host Lawmakers at Your Branch This Spring

This spring and summer, the WBA encourages bankers to invite lawmakers to visit your branch or base of operations.

By welcoming a local lawmaker, bankers can learn about the legislative process and meet their local legislators while sharing their organization and work in the community.

To learn more or for help scheduling a visit, email Megan Managan at [megan@wabankers.com](mailto:megan@wabankers.com).



## Events Calendar

**March 12** – Future Leaders Spokane Event

**March 18-20** – ABA Washington Summit; D.C.

**March 21** – Future Leaders Seattle Event

**April 11** – Management Development Program

**April 19** – CBA Annual Conference; Hawaii

**April 24-25** – Virtual Engage Conference

**April 26** – Purpose, Passion & a Plan Future Leaders Event

**April 30** – Understanding Bank Performance

**May 8-10** – IBA, OBA, WBA Agriculture Conference; Idaho

**May 30** – PSBJ Women Who Lead Summit; Seattle

**June 11-14** – ABA Compliance & Risk Conference; Seattle Convention Center

**June 17-21** – DFI Next Generation Financial Leaders Workshop

**June 26-28** – 2024 Annual Convention; Skamania Lodge

**August 6-8** – KBA Fraud Academy

**September 19-20** – Virtual Credit, Lending & Compliance Conference

To register or to learn more about any of the listed events, please visit [www.wabankers.com/calendar](http://www.wabankers.com/calendar).



# Elevating Women in Banking: The Transformative Power of She Gets It

In the dynamic world of banking, where innovation meets tradition, the role of women is evolving. Amidst these changes, the need for platforms that empower, educate, and connect women in banking has never been more critical. This is where AmyK's She Gets It program steps in, offering inspiration and empowerment for women bankers looking to elevate their careers to new heights.

## A Tailored Experience for Women in Banking

Banking is not just a numbers game; it's a people business. Women bring unique perspectives, skills, and values to the table, which are essential for the inclusive growth of the banking sector. However, the path to leadership and success in this male-dominated industry is fraught with challenges. AmyK's She Gets It program is meticulously designed to address these challenges head-on, providing women with the tools, knowledge, and network they need to thrive.

## Empowerment Through Education and Skills Development

One of the core pillars of the She Gets It program is its focus on education and skills development. These sessions are not just theoretical but practical, actionable, and directly applicable to daily banking



operations and long-term career growth. Participants will gain insights that can transform their approach to banking, leadership, and personal development by attending.

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## Meet and Mingle at Future Leaders Networking Series

Thanks to the new Future Leaders Networking Series, the WBA offers several exciting opportunities to network, learn, and engage in the upcoming months.

First, basketball enthusiasts can merge their love of the game with networking at a basketball watch party on March 12, 2024, in Spokane. Held at the Steam Plant downtown, this event features the chance to network with fellow bankers while watching the Zags or playing a variety of fun and interactive games available on-site. It's an excellent occasion for bankers to relax, enjoy the games, and casually network with peers in a festive environment.

On March 21, bankers are invited to head to Victory Hall, just across the street from T-Mobile Park, starting at 5 p.m., for a March Madness watch party with food and fun.

In April, we'll host a more formal educational opportunity in Seattle on April 26.

Banker Kelli Nielsen will lead a workshop titled "Passion, Purpose, and a Plan" at the WBA Office

from 9 a.m. to 12:30 p.m. This session is invaluable for bankers looking to align their personal goals with their professional trajectory. With lunch included, attendees can make meaningful connections while learning to navigate their careers with intention.

Finally, the Puget Sound Business Journal's Women Who Lead Summit is taking place on May 30, 2024, and is a must-attend event for those in the banking sector looking to make significant strides in leadership.

Before the Summit begins, WBA will host a networking lunch from 11:30 a.m. to 12:45 p.m. at the Seattle Convention Center. It's an exclusive opportunity for bankers to connect with fellow professionals, share insights, and create alliances that could shape the future of their careers. After the luncheon, we'll all head to the Summit for the rest of the afternoon.

These events have been designed to offer a diverse mix of casual and formal settings for bankers to broaden their horizons.

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### Networking: A Community of Support and Opportunity

Networking is a powerful tool for career advancement, and the She Gets It program recognizes this. The program creates a supportive environment where women can connect, share experiences, and build lasting relationships. These connections go beyond professional networking; they foster a community of mentors, allies, and friends who can support and inspire one another on their career journeys.

### Leadership Development for the Future

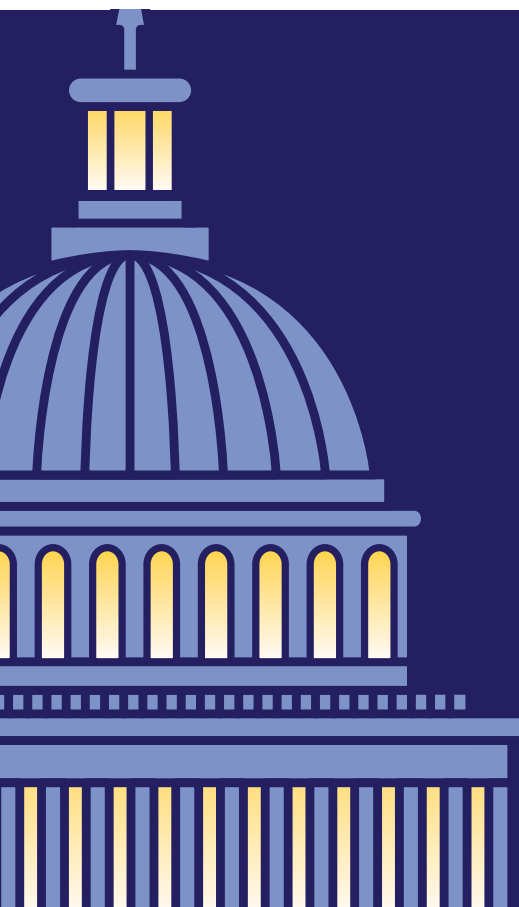
Banking needs leaders who are skilled in financial management and visionary, empathetic, and inclusive. The She Gets It program strongly emphasizes leadership development, preparing women to take on senior roles within their organizations and the industry at large. Through workshops and seminars led by seasoned professionals, participants will explore what it

means to be a leader and how to embody those qualities in their careers and beyond.

### Why Bankers Should Attend

Attending AmyK's She Gets It program is more than just an educational opportunity; it's a chance to be part of a movement towards a more inclusive and equitable banking industry. Participants will leave with not just knowledge and skills but also with the confidence and support network needed to achieve their career goals. Whether you're an emerging professional or a seasoned executive, the program offers something valuable for every woman in banking.

By focusing on empowerment, education, networking, and leadership development, this program offers a comprehensive platform for growth and success. As the banking industry continues to evolve, women's voices and leadership will be pivotal in shaping its future. The She Gets It program is the perfect stepping stone for women ready to take their careers to the next level and drive the change they wish to see in the banking sector.



# WASHINGTON SUMMIT

March 18 – 20, 2024

Marriott Marquis, Washington, DC

With the flood of regulatory changes facing banks in 2024, make sure your voice is heard by policymakers in Washington.

Join us in person at the ABA Washington Summit to advocate for the industry, prepare your bank for what's ahead and unite with fellow bankers.

**Registration is free for all bankers** — Don't miss your chance to connect!

[aba.com/SummitSBA](https://aba.com/SummitSBA)



American  
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## HomeStreet Announces 2023 Volunteer Totals

In early 2024, HomeStreet Bank announced that employees in the year prior had volunteered more than 2,300 hours to help give back to local communities.

The bank provides Community Service PTO to encourage employees to volunteer during the workday.

Employees spent 8,500 hours volunteering with local organizations outside of work time, volunteering to build affordable housing, clean up neighborhoods, and serve on boards and committees.



## Banner Bank Branch Earns Burlington Chamber Award of Excellence

The Burlington Chamber of Commerce recently named the Banner Bank branch there the Business of the Year.

During the annual Awards of Excellence event hosted by the Chamber, the bank was honored for its work in the community and with local clients.

## U.S. Bank Celebrates Skyway Resource Center Groundbreaking

This winter, U.S. Bank in Seattle celebrated the groundbreaking of the new Skyway Resource Center.

The bank donated the land and buildings to the community to create a space to unite the community. The Renton Innovation Zone Partnership and King County Housing Authority worked with the bank to provide resources and strategic vision.



## First Financial Northwest Bank Supports Local Events

The First Financial Northwest Bank team recently participated in local community events.



Saundra Clark and Patrick Reid participated in a Woodinville Wine Country event.



## U.S. Bank Volunteers at Food Lifeline

The U.S. Bank Seattle team recently spent a day volunteering at Food Lifeline.

The group helped organize and package food donated to those in need in the community.



## KeyBank Donates to Junior Achievement of Oregon and SW Washington

In January, KeyBank announced a \$225,000 donation to Junior Achievement of Oregon and SW Washington to expand the JA Capstone Program.

The funding will help update the Portland facilities and spearhead a new initiative to serve more Oregon and Washington youth through the JA BizTown and JA Finance Park, which offers experiential learning for students.



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### Washington Trust Bank Attends Bellevue Affordable Housing Groundbreaking

The Washington Trust Bank Bellevue team recently participated in the groundbreaking of a new affordable housing project in downtown Bellevue.

The bank joined Amazon, W.G. Clark Construction, Johnson & Carr, and the City of Bellevue on the Terrapin Apartment project.

Located in a transit-oriented neighborhood, the development will provide 155 affordable housing units for those in the community.



### KeyBank Volunteers with United Way of Pierce County

The KeyBank East Pierce and Emerald Coast teams recently volunteered with United Way of Pierce County and other organizations to unload, organize, and assemble hygiene kits, create notecards, and make blankets for those in need.

The group helped assemble 3,000 hygiene kits, 115 fleece blankets, and hundreds of notecards of encouragement for the Pierce County Homeless Point in Time County.

### 1st Security Bank of Washington Announces Food Drive Totals

Each winter, the 1st Security Bank of Washington team hosts a food drive, collecting non-perishable food items and



donations to help those in need.

This year, the bank announced it collected 400 pounds of food and \$1,625 toward the effort.

“This incredible act of generosity showcases the power of community and the impact we can make on food security,” said the bank on social media. “We recognize food’s vital role in ensuring a secure and healthy community. Together, we are making a difference.”



### Peoples Bank Earns Chamber Stowe Award

During the Burlington Chamber of Commerce’s annual Awards of Excellence, Peoples Name was named the winner of the Stowe Award.

The award is nominated by the public and given to a local business that has belonged to the Chamber for at least 10 years and has significantly impacted the community. The bank is the title sponsor of the Chamber’s annual Berry Dairy Days festival, which allows the festival to be accessible to the public.

### HomeStreet Bank Branch Hosts Empowering Women Workshop

The HomeStreet Bank West Seattle Branch recently hosted another Empowering Women Workshop with the West Seattle Chamber of Commerce and Senior Center of West Seattle.

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## Industry News

### New Hires

Elisabeth Holt  
Branch Manager at Baker Boyer Bank

Jorge Alvarez  
Retail Branch Manager at First Fed Bank

### Promotions

Janet Silcott  
Senior Vice President and Marketing Director at Kitsap Bank

James Anderson  
Vice President and Chief Technology Officer at Kitsap Bank

Bonnie Totten  
Human Resources Business Partner at First Fed Bank

Dan Gaulke  
President at Yakima Federal Savings

Have Industry News to share with WBA? Email [megan@wabankers.com](mailto:megan@wabankers.com) or call (206) 344-3472.



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This event featured Stephanie Sato of Synchronous Hypnosis to learn how to break financial habits, create new routines, and train the brain.

### Olympia Federal Savings Donates to Morningside

Olympia Federal Savings announced in January that its monthly Two Cent program partner, Morningside, received \$2,620.

The donation will help provide training, coaching, and employment services to people with disabilities.



### JPMorgan Chase Participates in Ethiopian Village Homeownership Fair

JPMorgan Chase in Seattle participated in a homeownership fair at Ethiopian Village this winter.

The building provides low-income units to seniors and was opened last year through a partnership with Human-Good and the Ethiopian Community in Seattle.



### Washington Trust Bank Donates to Trinity Catholic School

Washington Trust Bank announced a \$5,000 donation to Trinity Catholic School in late January.

The school has operated since 1969 and provides both before and after-school childcare and programs for pre-K to 8th-grade students.

More than 85 percent of students attend with help from the school's scholarship fund.



### Commencement Bank Attend Horizon Economic Forecast Breakfast

The Commencement Bank team recently attended the 2024 Horizon Economic Forecast Breakfast.

The group learned with fellow business community members and from the Tacoma-Pierce County Chamber of Commerce.



### KeyBank Donates \$240,000 Grant to YWCA

KeyBank announced in February that it made a \$240,000 grant to YWCA.

The funding will provide three years of operations to the child advocacy program at YWCA Pathways for Women, an emergency shelter in Lynnwood.

Pathways for Women serves unhoused adult women and those with children under 18. It has 13 units, offers 45-day emergency housing plus services, and is the only shelter in South Snohomish County open 24 hours, 365 days a year.

The Child Advocacy Program is part of the YWCA wrap-around services to help residents achieve long-term stability. The grant will allow the program to expand its focus to help youth improve their well-being and heal from trauma.

"It's critical to help our most vulnerable neighbors as they navigate their next steps," said Matt Hill, KeyBank's Market President and Commercial Banking Sales Leader for the Seattle Cascades. "We are proud to support the YWCA as they provide the stability and safety that can help reduce the long-term impacts of trauma experienced by the children served and break the intergenerational cycle of poverty through increased educational opportunities and school engagement."



### Washington Trust Bank Supports Operation Sack Lunch of Seattle

Washington Trust Bank recently announced that it made a \$25,000 donation to Operation Sack Lunch (OSL) of Seattle.

The organization works to create an equitable food system for all, providing nutritious, culturally relevant, and medically sensitive meals to those struggling with hunger in King County.

Operation Sack Lunch recently moved into a new location with a 13,000-square-foot kitchen facility, and the donation will be used to purchase kitchen equipment.

During the 2023 34th Annual Thanksgiving Feast, OSL provided 4,800 meals and prepared 2,700 "for later" gourmet sandwiches.

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### First Fed Bank Supports Lydia Place Hearts for Housing Gala

The First Fed Bank team donned masks and attended the annual Lydia Place Hearts for Housing Masquerade Gala and Auction.

The event raises money for the organization that disrupts the cycle of homelessness and promotes independence in the Bellingham area.



### Bank of America Volunteers Create Valentine Cards

Before Valentine's Day, the Seattle and Bellevue teams got together to create over 1,550 Valentine's Day cards for kids at Seattle Children's Hospital.



### Olympia Federal Savings Celebrates Big Brothers Big Sisters of SW Washington

Olympia Federal Savings joined the celebration of 40 years for Big Brothers Big Sisters of SW Washington.

The event included a lunch and honored the non-profit's work for the last four decades.



### KeyBank Announces \$200,000 Grant to Vine Maple Place

Early this year, KeyBank announced it was making a \$200,000 grant to Vine Maple Place to support the Family Hope Centers in Maple Valley and Kent.

The centers promote housing stability and family support for the Stable Families Program, which helps single-parent families who are homeless or in danger of becoming unhoused. The grant will allow the program to add capacity and extend its reach by nearly 50 percent.

"Here at KeyBank, our aim is to help our communities thrive, and it's a privilege to lend a hand to some of our most vulnerable neighbors as they navigate their next steps," said Matt Hill, KeyBank's Market President for Seattle Cascades. "We know that stable housing is the foundation upon which successful lives are built and are impressed by the work that Vine Maple Place is doing with this proven program to help set these families on the path to a brighter future with an integrated model that addresses emotional, physical, and financial needs."

### JPMorgan Chase Donates to Seattle Restored and Downtown Revitalization

In early February, JPMorgan Chase announced a \$200,000 investment into Seattle Restored and downtown revitalization.

The funding will be provided to the Seattle Restored retail program, which includes the Seattle Good Business Network and is focused on growing businesses, including supporting Black, indigenous, women, and other entrepreneurs of color.

"JPMorgan Chase is excited to support the Seattle Good Business Network and the City of Seattle and believes our investment will be impactful on multiple levels. Our grant will encourage more visitors to downtown Seattle and surrounding neighborhoods, and it will provide an opportunity for entrepreneurs, particularly Black, Indigenous, and people of color, to access new markets through the program's affordable space and technical assistance. Small businesses create jobs and help communities thrive. They are the catalyst for change and the foundation for a positive and resilient future. We hope our involvement will encourage other civic partners to join in this effort," said Kerri Schroeder, JPMorgan Chase Pacific Northwest Regional Chair and Region Manager.

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# Fraud Prevention and Detection: Empowering Clients Through Education



By Terri Luttrell, Compliance and Engagement Director, Abrigo

Today's financial transactions happen at the speed of a click, and the threat of fraud looms more prominently than ever. Fraud schemes, evolving with technology, are more sophisticated and more complex to detect.

As custodians of their money and stewards of their trust, financial institutions play a crucial role in safeguarding their customers and members from falling victim to fraud in financial services. While fraud detection software and robust security measures are essential, educating clients on fraud prevention is equally important.

## Why educate bank/credit union clients on fraud?

The increasingly digital nature of financial transactions and the growing prevalence of fraud require consumers and businesses alike to be equipped with the knowledge to navigate day-to-day business securely.

The Federal Trade Commission (FTC) reports that U.S. consumers lost more than \$7 billion during the first three quarters of 2023, up 5% compared to the same period in 2022. Check fraud alone, the most significant current fraud threat, is projected to create losses of \$24 billion in 2024.

Fraudsters have adjusted their tactics as technology has changed. From check washing, phishing emails, and pig butchering to identity theft, fraudsters are employing a variety of tactics to exploit unsuspecting victims who use traditional and emerging forms of banking. As financial transactions become increasingly digital, consumers and businesses must be equipped with the knowledge to navigate day-to-day business securely. At the same time, it is important not to deter clients from using digital banking methods for daily transactions.

Effective fraud risk management includes detection and fraud monitoring that should consider customer or member history and behavior. It also requires processes and systems that enable timely and effective responses to fraud. The OCC has said that customer education on fraud risks and prevention is an example of the preventive controls that should be deployed in combination with detective controls as part of sound fraud risk management.

The stakes for financial institutions to protect customers and members are higher than ever. Fraud-related losses, reputation damage, and added expenses all affect the bottom line.

In an unprecedented move, the New York Attorney General recently filed a lawsuit against Citibank for failing to protect clients from hackers and scammers, citing that Citibank was responsible for millions of dollars in fraud losses to clients.

## What should client fraud education include?

Financial institutions should take the initiative to provide clients with valuable knowledge to protect their identity and

finances by implementing a fraud education program. What should a financial institution's fraud education program include? Start with these seven key takeaways:

**Recognize phishing attempts:** Clients should understand common tactics used in phishing and exercise caution with emails by checking the sender's address for anything unusual. Clients should know to be cautious if they receive an unscheduled or unexpected email. Advise them not to click on any links or attachments, to close the email, and to verify its legitimacy when unsure. Clients should also protect themselves by not clicking on pop-ups claiming their computer is infected, as they may be installing malicious software (malware) on their devices.

Clients should also be wary of social media scams. While interacting with friends and family online can be a fun pastime, social platforms are a feeding ground for fraudsters. According to the FTC, \$2.7 billion was lost to fraud through social media between January 2021 and June 2023. Romance scams, fake profiles, and deepfakes are growing at an alarming rate. Consumers must understand these tactics.

**Protect personal information:** Clients should create a strong password by incorporating a mix of letters, numbers, and characters. Explain the importance of avoiding easily predictable passwords like birthdays, children's names, or home addresses. Advise clients to change their passwords regularly and refrain from using the same password across multiple accounts. Clients should know to maintain confidentiality by not sharing their passwords or any personal information online or over the phone with others.

**Monitor account activity:** Clients should frequently check their credit reports, online balances, and account statements to spot any fraudulent activity and report it immediately to their financial institution. Highlight the significance of setting up transaction alerts for immediate notification of any suspicious activity.

**Use secure networks:** Emphasize the dangers of conducting financial transactions on public Wi-Fi networks and encourage using secure and private networks when accessing online banking or making transactions. Educate clients on how to avoid fraudulent websites by understanding what is authentic and secure. When conducting financial transactions online, clients should look for a lock icon on the browser's status bar or a Web site URL that begins with "https:" rather than "http:" (the "s" means secure).

**Use multi-factor authentication:** Advocate for your clients to adopt multi-factor authentication (MFA) to add an extra layer of security. Guide customers on how to enable and use MFA features for their accounts.

**Remember to log off:** Bank customers and credit union members should sign off secured networks when they have finished online banking or other sensitive websites. It is also important to log off their computer to prevent unauthorized access to your information and files.

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**WBA Endorsed Provider: Vericast**

# What's in Store for 2024: New Vericast Report Presents 7 Pivotal Marketing Insights

*By Matthew Tilley, Executive Director, Content Marketing, Vericast*

Agility and innovation in a marketing landscape that continues to adapt more rapidly each year can be a struggle for brands. Discerning hype from reality and balancing what matters most to customers with business needs is always top-of-mind.

Based on results from our business survey and consumer survey, Vericast's latest TrendWatch report, "Navigating 2024: Key Insights and Strategies for Next-Gen Marketing," provides actionable information to help brands achieve value-driven marketing success.

Here's a snapshot of what to expect from the report:

## **Streamlined Vendors and Value-Driven Strategies Define Success**

There is a growing trend among advertisers to streamline operations and seek more thoughtful partnerships with specialized vendors for better outcomes. It's all about working smarter, not harder. In an era of rapid market changes and constrained budgets, marketers are opting for smarter collaboration, choosing fewer, specialized vendors to meet complex demands with strategic agility.

## **Back to Basics: Embracing Fundamental Consumer Trends**

In 2024, aligning marketing strategies with consumer expectations regarding value, cultural relevance, and savings will be critical for business growth and customer loyalty.

## **Balancing Genuine Engagement With Efficient Productivity**

In the complex state of marketing, the question remains: Can technological advances such as artificial intelligence/machine learning elevate marketing effectiveness, or is the human element still the key differentiator? The industry expresses mixed feelings

about AI/ML, with 84% acknowledging its productivity benefits, and 46% insisting on the irreplaceable value of human interaction for authenticity.

## **The Rise of Contextual Commerce**

Contextual commerce will prove to be a cornerstone strategy in 2024. This trend suggests an industry-wide demand for more personalized, location-based, and platform-integrated shopping experiences that align closely with consumer activities and preferences. Despite some consumer reservations, particularly with in-store technology, this represents a broader shift toward more targeted and seamless interactions.

### **Immersive Retail Experiences in the Spotlight**

A clear emphasis on immersive, personalized shopping experiences is emerging. While technology paves the way for tailored consumer interactions, retailers must also consider the diverse comfort levels with in-store technology and privacy to successfully engage customers across all demographics.

## **The Value-Exchange Creativity Challenge**

The drive to creatively provide value for consumer insights will be a focal point for marketers in the coming years. As companies fine-tune their strategies to align with consumer expectations, the emphasis is on delivering compelling services and rewards that respect privacy while enhancing the customer experience.

## **The Hype Machine Goes Into Overdrive**

The marketing industry is set to confront an intensified hype cycle, with emerging technologies and trends generating both excitement and anxiety. Marketers are challenged with discerning the real value behind the buzz to effectively leverage these trends for genuine growth and engagement.

*For a more immersive experience, explore our marketing outlook for the year, "Navigating 2024: Key Insights and Strategies for Next-Gen Marketing."*



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Learn about new and emerging threats: Keep clients informed about fraud trends and tactics. Provide resources and updates on new threats, ensuring customers can stay ahead of evolving risks. The U.S. senior population, those over 60 years of age, are particularly vulnerable, and education efforts should have specific resources for this segment of clients.

Fraud is a persistent threat that continues to grow, and education is a powerful weapon. Financial institutions have the unique opportunity to be both trusted partners and educators, guiding their clients toward safer financial practices.

### Ways financial institutions can provide fraud education

So, how do banks and credit unions go about teaching customers and members the actions they can take to head off and detect fraud? There are various methods to educate clients and build on that trusted advisor relationship. Some options include:

- In-person fraud prevention seminars, either held at a branch location or a local community center. These events are a great way to show leadership and support to the community while having face time with customers, members, and prospects and maximizing time spent.
- Website pop-ups and fraud-warning messaging embedded in transactions. These electronic flags can be ongoing reminders that banking transactions deserve careful attention.
- Emailed newsletters, blogs, and printed materials such as flyers and posters. Educational material can be broadly focused on fraud prevention or target groups specifically vulnerable, such as older adults or younger people.

Tap into anti-fraud resources offered by other organizations. The FTC and the OCC have resources available for financial institutions to use for client education, and so do other agencies and groups.

- The FDIC has a fraud education web page for students, parents, and teachers to help young people learn ways to protect themselves and to quiz youngsters on spot-

ting scams.

- The Consumer Financial Protection Bureau has free downloadable resources financial institutions could provide to customers or members to help them prevent fraud. One resource helps people plan so that diminished capacity and illness don't make them more vulnerable to fraud. Another helps banks and credit unions explain how having a trusted contact can help protect financial well-being.
- The AARP has a program partnering with financial institutions to educate older customers about online banking and fraud to boost trust in the financial institution and prevent losses.

Find out how other financial institutions across the country handle fraud education and adapt the ideas for your customers or members. For example, Regions Bank offers small businesses tips on preventing fraud on its website, and it describes fraud training small firms can offer themselves to prevent and more quickly detect fraud. Its tips for businesses include:

- Teaching employees to spot the signs of business email compromise and phishing attempts.
- Encouraging employees to stop, question, and verify a change or payment using known contact information before they complete a transaction or take other actions.
- Setting up checks and balances for internal processes to make it more difficult for fraudsters to succeed.

### Foster awareness and resilience

By fostering a culture of awareness and resilience, financial institutions can fortify the trust that forms the foundation of their relationship with clients. As we navigate the growing threat of fraud, education can serve as a significant tool to fight against hard dollar losses for both the clients and the financial institution.

*Terri Luttrell is a seasoned AML professional and former director and AML/OFAC officer with over 20 years in the banking industry, working both in medium and large community and commercial banks ranging from \$2 billion to \$330 billion in asset size.*



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### Washington Trust Bank Volunteers at Fire and Ice Gala for Boy Scouts

Washington Trust Bank's Spokane team members recently spent an evening volunteering at the Fire and Ice Gala for the Boy Scouts of the Inland Northwest.



### Baker Boyer Bank Volunteers at Christian Aid Center

The Baker Boyer Bank team recently volunteered at the Christian Aid Center, where the group prepared, cooked, and served food to those in need.

"We believe in giving back and providing regular opportunities for employees to volunteer in the communities they serve," said the bank on social media.

The organization serves two meals a day annually and relies on volunteers to help make it possible.



### StateBank Northwest Donates to Childhood Cancer Coalition

StateBank Northwest recently hosted a fundraiser for the Childhood Cancer Coalition, asking employees and customers to donate.

The bank surpassed its goal of \$3,000, raising over \$6,000 to help the organization, which offers support, advocacy, and research for children with cancer.

### Mountain Pacific Bank Leader Earns Award

Mark Duffy, the president and CEO of Mountain Pacific



Bank, was recently named the Daily Herald and Economic Alliance of Snohomish County's John M. Fluke Sr. Award winner.

The award is given to a leader who has demonstrated outstanding commitment and dedication to improving local communities and driving economic growth.

"On behalf of the entire Mountain Pacific Bank family, we extend our congratulations to Mark for this well-deserved recognition. We are grateful for his leadership and his positive impact on our communities each day," said the bank.



### U.S. Bank Attends Mount Vernon Chamber of Commerce Event

The U.S. Bank team in Skagit County recently presented and attended the Latino Business Leaders meeting for the Mount Vernon Chamber of Commerce.

The bank shared information on financing and expanding businesses at the Center of Inclusive Entrepreneurship and NW Agriculture Business Center.



### Washington Trust Donates to United Way of King County

Washington Trust Bank recently announced a donation to United Way of King County in Seattle.

The funds will help support the African American Leadership Forum, a movement of African American leaders and stewards in the Seattle area working together to revitalize and sustain communities.

*If you have bank news to share, please email it to Megan Managan at [megan@wabankers.com](mailto:megan@wabankers.com).*