

ISCPA

IOWA SOCIETY OF CPAs

FINANCIAL *INSTITUTIONS* CONFERENCE

May 28 | 8 a.m.- 4:35 p.m. | 8 hrs CPE

***Welcome to the 2026 ISCPA Financial
Institutions Conference!***

FINANCIAL INSTITUTIONS CONFERENCE

May 28 | West Des Moines Marriott | 8 hrs CPE

ISCPA
IOWA SOCIETY OF CPAs

8-8:10 a.m. | ISCPA update and welcome messages

Lindsey Haley | ISCPA Director of Membership and Business Development

Michael Holdren | ISCPA Financial Institutions Committee Chair | Eide Bailly LLP

8:10-9:10 a.m. | Economic Update

*Dr. Tom Root, Ph.D.
Drake University*

9:10-9:25 a.m. | Break

9:25-10:25 a.m. | 2026 Tax Update for Financial Institutions

*Rachel Scheve and Kimberly Wernimont
RSM US LLP*

10:25- 10:35 a.m. | Break

10:35-11:35 a.m. | AI in Banking: Industry Leader Perspectives

Derek Baker | Mills Marketing

Ben Currie | TruBank (Moderator)

Tim Dively | CLA

Shawn Laird | Federal Home Loan Bank of Des Moines

Eric Pulse | Eide Bailly

11:35 a.m.-12:20 p.m. | Lunch

Concord CD

12:20-1:20 p.m. | The Regulatory Landscape: Insights from Experts

James Johnson | Iowa Division of Banking

Chad Jorgensen | Federal Reserve Bank of Chicago

Chris Kumpf | Iowa Division of Credit Unions

David Redenbaugh | FDIC

Jenna Siberz | KPMG (Moderator)

1:20-1:30 p.m. | Break

1:30-2:20 p.m. | Ethical AI Practices: Ensuring Responsible Use

John Higgins

Higgins Advisory LLC

2:20-2:30 p.m. | Break

2:30-3:30 p.m. | Confessions of an Internal Auditor: What We're Really Seeing in the Field

Jamie Cornish | Federal Home Loan Bank of Des Moines

David Heneke | CLA

Michael Yung | West Bank (Moderator)

3:30-3:45 p.m. | Break

Reminder for in-person attendees: Sign the afternoon attendance sheets.

3:45-4:35 p.m. | Financial Institutions Fighting Fraud

Adam Gregg and Jenica Lensmeyer

Iowa Bankers Association

Special thanks...

Thank you to the **2025-2026 ISCPA Financial Institutions Committee!** We appreciate your time and commitment to developing a top-notch conference for your peers.

Stephanie Brady | RSM US LLP, Des Moines

Ben Currie | TruBank, Indianola

Michael Holdren | Eide Bailly LLP, Des Moines | **Committee Chair**

Adam Johanson | Deloitte, Des Moines

Jeff Konrad | Deloitte, Des Moines

Laura Meier | Federal Home Loan Bank of Des Moines, Des Moines | **ISCPA Board of Directors liaison**

Grant Rolfes | CLA, Des Moines

Jean Scherr | West Bank, West Des Moines

Jenna Siberz | KPMG, Des Moines

Heather Stumpf | GreenState Credit Union, North Liberty

Mitch Van Kley | Iowa Bankers Insurance and Services, Johnston

Michael Yung | West Bank, West Des Moines

Want to see your name on this list? Visit www.iacpa.org/committees to join.



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As part of our commitment to providing ongoing learning opportunities, we have designed a comprehensive series to help you expand your knowledge and skills. As an ISCPA member, you have access to 12+ hours of CPE at no charge. **Check out the series at www.iacpa.org/freecpe**

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Financial Institutions Conference (IN-PERSON ATTENDANCE) (FIC)

Dates: 05/28/26 to 05/28/26

Technical: 7.00 CPE: 8.00 Non Technical: 1.00 Ethics: 1.00

Facility: West Des Moines Marriott
 1250 Jordan Creek Pkwy
 West Des Moines, IA 50266-5825

Leader 1 Derek Baker
 Leader 2 Jamie L. Cornish, CPA
 Leader 3 Benjamin E. Currie
 Leader 4 Tim Dively
 Leader 5 Adam Gregg
 Leader 6 David Heneke, CPA, CISA
 Leader 7 John H. Higgins, CPA,CITP
 Leader 8 James Johnson
 Leader 9 Chad Jorgensen
 Leader 10 Chris Kumpf, CSCUE
 Leader 11 Shawn Laird
 Leader 12 Jenica Lensmeyer
 Leader 13 Eric Pulse
 Leader 14 David Redenbaugh, MBA, CFE, CAMS
 Leader 15 Tom Root, Ph.D.
 Leader 16 Rachel A. Scheve
 Leader 17 Jenna M. Siberz, MAcc
 Leader 18 Kimberly K. Wernimont
 Leader 19 Michael Yung

1) Albaugh, Krista A.	Federal Home Loan Bank of Des Moines - Des Moines, IA 50309-2803
2) Brady, Stephanie	RSM US LLP - Des Moines, IA 50309-2372
3) Brown, Hugh D.	Central State Bank - Muscatine, IA 52761-3880
4) Burch, Sebrina J.	Federal Home Loan Bank of Des Moines - Des Moines, IA 50309-2803
5) Clausen, Justin	Ames National Corporation - Ames, IA 50010-6151
6) Cox, Dorothy	Central State Bank - Muscatine, IA 52761-3880
7) Cox, Shannon H.	RSM US LLP - Des Moines, IA 50309-2372
8) Currie, Benjamin E.	TruBank - Indianola, IA 50125-1463
9) Dlouhy, Kyle E.	Central Bank - Wauke, IA 50263-5047
10) Gilbert, Chris	Malvern, IA 51551
11) Grubic, Fallyn R.	MidWestOne Bank - Iowa City, IA 52244-1700
12) Halverson, Kelli L.	Protiviti - Ankeny, IA 50023-9419
13) Handlos, Heidi A.	Federal Home Loan Bank of Des Moines - Des Moines, IA 50309-2803
14) Hauser, Michael T.	RSM US LLP - Des Moines, IA 50309-2372
15) Holdren, Michael R.	Eide Bailly LLP - Des Moines, IA 50309-3982
16) Huegerich, Matt T.	KPMG LLP - Des Moines, IA 50309-2578
17) Johanson, Adam	Deloitte & Touche LLP - Des Moines, IA 50309-3903
18) Johnson, Susan M.	Taylor Ridge, IL 61284

19) Jones, Melissa K.	First Security Bank & Trust - Charles City, IA 50616-2217
20) Konrad, Jeff A.	Deloitte & Touche LLP - Des Moines, IA 50309-3903
21) Kooiker, Evan N.	Farmers Trust & Savings Bank - Spencer, IA 51301
22) Lahr, Rosanne K.	Fidelity Bank & Trust - Dubuque, IA 52002-2892
23) Meier, Laura L.	Federal Home Loan Bank of Des Moines - Des Moines, IA 50309-2803
24) Mertz, Nathan G.	Commercial Savings Bank - Carroll, IA 51401-0277
25) Olson, Caleb H.	Eide Bailly LLP - Des Moines, IA 50309-3982
26) Overmohle, Tyler J.	Federal Home Loan Bank of Des Moines - Des Moines, IA 50309-2803
27) Pieper, Weston C.	Eide Bailly LLP - Des Moines, IA 50309-3982
28) Remus, Eric	CliftonLarsonAllen LLP - Des Moines, IA 50309-8009
29) Rolfes, Grant A.	CliftonLarsonAllen LLP - Des Moines, IA 50309-8009
30) Scherr, Jean R.	West Bank - West Des Moines, IA 50266-1121
31) Scheve, Rachel A.	RSM US LLP - Des Moines, IA 50309-2372
32) Schmidt, Kelli J.	KPMG LLP - Des Moines, IA 50309-2578
33) Schoening, Clark	Wells Fargo Bank Iowa N A - Des Moines, IA 50309-3605
34) Siberz, Jenna M.	KPMG LLP - Des Moines, IA 50309-2578
35) Silver, Danielle M.	Deere & Company - Ankeny, IA 50021-6870
36) Soppe, Annabelle L.	Busey Bank - Champaign, IL 61820
37) Stumpf, Heather K.	GreenState Credit Union - North Liberty, IA 52317-6508
38) Triplett, Jeffrey P.	Iowa City, IA 52245-9239
39) Van Kley, Mitch C.	Iowa Bankers Insurance and Services - Johnston, IA 50131-6210
40) Wampler, Emily	RSM US LLP - Des Moines, IA 50309-2372
41) Wernimont, Kimberly K.	RSM US LLP - Des Moines, IA 50309-2372
42) Wheelan, Cheryl M.	Fidelity Bank & Trust - Waverly, IA 50677
43) White, Brian J.	John Deere Financial - Johnston, IA 50131-6600
44) Wierson, Craig E.	Waukee, IA 50263-7545
45) Yung, Michael	West Bank - West Des Moines, IA 50266-1121

Financial Institutions Conference (WEBCAST ATTENDANCE) (FIC-WEB)

Dates: 05/28/26 to 05/28/26

Technical: 7.00 CPE: 8.00 Non Technical: 1.00 Ethics: 1.00

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Leader 11 Shawn Laird
Leader 12 Jenica Lensmeyer
Leader 13 Eric Pulse
Leader 14 David Redenbaugh, MBA, CFE, CAMS
Leader 15 Tom Root, Ph.D.
Leader 16 Rachel A. Scheve
Leader 17 Jenna M. Siberz, MAcc
Leader 18 Kimberly K. Wernimont
Leader 19 Michael Yung

1) Aryal, Sailu	Dupaco Community Credit Union - Dubuque, IA 52001-0179
2) Babcock, Hollie L.	Green Belt Bank & Trust - Iowa Falls, IA 50126-2251
3) Bonander, Alexander S.	Security Savings Bank - Larchwood, IA 51241
4) Danielson, Carla M.	Greater Iowa Credit Union - Ames, IA 50010-8783
5) Duit, Kelli E.	Collins Community Credit Union - Cedar Rapids, IA 52410-0500
6) Felderman, Emily A.	Dupaco Community Credit Union - Dubuque, IA 52001-0179
7) Goldsmith, Lauren E.	Wells Fargo - West Des Moines, IA 50266-8211
8) Haight, Michael G.	Iowa State Bank - Orange City, IA 51041-0170
9) Huang, Jason B.	Federal Home Loan Bank of Des Moines - Des Moines, IA 50309-2803
10) Impecoven, Brent A.	Security Savings Bank - Larchwood, IA 51241
11) Majors, Kimberly A.	Federal Home Loan Bank of Des Moines - Des Moines, IA 50309-2803
12) Mead, Suzanne M.	Farmers Savings Bank - Marshalltown, IA 50158-5845
13) Mino, Ashley A.	Bighthouse Financial - Salix, IA 51052-8149
14) Mount, Jennifer L.	Veridian Credit Union - Waterloo, IA 50704-6000
15) Muhlbauer, Dawn E.	Decorah Bank & Trust - Decorah, IA 52101-0380
16) Nepple, Stacey R.	Iowa Savings Bank - Carroll, IA 51401-2248
17) Nielsen, Sarah N.	First Citizens Bank - Mason City, IA 50401-4650
18) Puhl, Kelly L.	Security National Corporation - Sioux City, IA 51102-0147
19) Reuter, Jacob M.	Ohnward Bancshares Inc - Maquoketa, IA 52060-2310

- 20) Taubert, Jessica
- 21) Torgerson, Greg R.
- 22) Vokac, Trudy A.
- 23) Whitlow, Todd J.

- Security Savings Bank - Larchwood, IA 51241
- BankIowa - Independence, IA 50644-0229
- Dupaco Community Credit Union - Dubuque, IA 52002-2273
- Anderson Lower Whitlow PC - Bettendorf, IA 52722-4941

CPA IMPACT

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Scan to learn more



Leadership Academy
2026 - 2027

ISCPA's premier leadership experience designed to develop the next generation of Iowa CPA leaders.



What's included:

OCTOBER 2026

Two-Day Leadership Immersion Workshop led by Jon Lokhorst

FEBRUARY 2027

High School Accounting Showcase: Volunteer experience

NOVEMBER 2026

Leadership progress check-in led by Jon Lokhorst

MAY 2027

Graduation ceremony and recognition at the ISCPA Leadership Summit

JANUARY 2027

Iowa CPA Day at the Capitol

18 hours CPE included
Limited to 25 participants
Reserve your spot by September 1, 2026



MEMBERSHIP PERK ALERT!

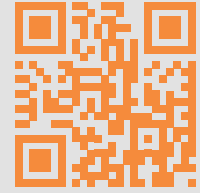
FREE CPE for ISCPA Members.

As part of our commitment to providing ongoing learning opportunities, we have designed a comprehensive series to help you expand your knowledge and skills.



TIME TO RENEW YOUR MEMBERSHIP

Renew now to unlock FREE CPE worth more than your dues! Plus access premier learning, networking, and volunteer opportunities. Don't miss out!



Thursday, September 24 | 5-8:30 p.m

SAVE THE DATE!

This event is ISCPA's biggest night of the year! The Circle of Excellence awards is a celebration of the profession and our members. This is your night to shine and our chance to recognize successful Exam candidates, new CPAs, scholarship recipients, and award winners. Social hour, dinner and awards combine to make this special event one you won't want to miss.



CPA III IMPACT

Leadership Academy 2026 - 2027



TECHNOLOGY CONFERENCE

June 8-9 | Live Virtual Conference



ISCPA community connections

CONVERSATION & COLLABORATION

- June 5 | West Des Moines
- June 16 | Oskaloosa
- June 17 | Atlantic
- June 19 | Spencer
- June 25 | Marion



ISCPA LINK

Make connections!

Engage others in conversations from your members-only online community, **ISCPA Link**. Join discussions, post questions, add resources and find events from this valuable source of information.



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Meet the speakers

Derek Baker is the EVP, Growth and Innovation, with Mills Marketing. With an emphasis on strategic growth, Derek's extensive banking and marketing background gives him unique perspective on understanding audience behaviors and how to build marketing strategies to match growth goals. Derek is a regular speaker and frequent attendee at industry conferences and seminars across the United States. His experience includes VP, Branch Manager with Lincoln Savings Bank; Branch Sales Manager with Bank of the West and Assistant Store Manager with Wells Fargo Bank. He specializes in digital strategy, strategic planning, campaign implementation, organizational growth, and increasing brand awareness.

Jamie Cornish is the Chief Audit Executive with the Federal Home Loan Bank of Des Moines (FHLB). In this role, Jamie reports directly to the audit committee of the board and is a member of the executive team. Jamie has more than 13 years of professional experience and oversees the bank's internal audit department. An Iowa native, Jamie is a graduate from the University of Northern Iowa with degrees in Accounting and Economics. She is a member of the American Institute of Certified Public Accountants (AICPA), a member of the Iowa Society of Certified Public Accountants (ISCPA) and an audit committee member for the Des Moines Public Schools.

Ben Currie, CPA, is the CFO of TruBank, where he leads and is responsible for the bank's budget, accounting, project and vendor management. Ben also manages TruBank's marketing efforts across its eight different branches. Prior to TruBank, Ben worked at RSM US LLP in Des Moines and at People Inc (formerly Meredith Corporation). Ben is a graduate from Iowa State University with a double major in accounting and finance and minor in turf grass management. In the community, he is the president of the Iowa chapter of the American Marketing Association Iowa, serves on the Iowa Society of CPAs Financial Institutions Committee and the Iowa CPA Education Foundation Advisory Committee, teaches Junior Achievement to area elementary students, and is treasurer for his church's Finance & Administration Committee.

Tim Dively is the National Digital Director with CLA's Financial Services Practice. Tim is based in CLA's Charlotte, North Carolina office and joined CLA in 2023 with experience in IT, operations, cybersecurity, data analytics, artificial intelligence, automation, organizational change management, M&A, and digital strategic planning/implementations in both the insurance and banking industries. He began his career leading various technology areas of a large insurance company in their Wisconsin office before moving over to financial services industry as the SVP, Chief Technology, Operating, & Security Officer at a community financial institution.

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Adam Gregg is the President and CEO of the Iowa Bankers Association. Prior to joining the Iowa Bankers Association, he served as the Lieutenant Governor of Iowa from May of 2017 through September of 2024. He previously served as the Iowa State Public Defender, served in the Governor's Office as the legislative liaison and policy advisor, and practiced at the BrownWinick law firm. He was the Republican nominee for Attorney General in 2014. He is a graduate of Drake Law School and Central College in Pella.

David Heneke is a Principal with CLA in the financial institutions group, where he is primarily dedicated to financial statement audits, internal audits, merger and acquisition consulting, and ACL/ALM model validations. David began his career with CLA in 2005, and has spent his entire career working with financial institutions.

John Higgins is a strategic adviser to CPAs and the CPA profession in all aspects of leveraging technology. He has authored and presented CPE programs for thousands of CPAs over the past 25 years on technology and practice management issues. John's primary qualification is his passion for helping CPAs achieve greater success by leveraging technology. He has facilitated hundreds of planning sessions and retreats to develop strategic plans, technology plans, paperless work flow design, innovative client services and more. He is a nationally recognized speaker and author on technology issues impacting the CPA profession, and the host of Document Management to Go (DMS2Go) a monthly podcast sponsored by CPA Technology magazine. He is a member of the AICPA Business & Industry Hall of Fame, past chair of the Michigan Association of CPAs, past member of the AICPA Council and CPE Advisory Committee and recipient of the MACPA Innovative User of Technology award. John resides in Rochester, Michigan with his wife and their two children.

James Johnson was appointed by Iowa Governor Kim Reynolds as the Superintendent of Banking in January 2024. He is President and CEO of PCSB Bank, a \$300 million, family-owned community bank located in Clarinda, Iowa. He also serves on the board of PCSB Bank. James has been active in the banking industry in many capacities, including serving on the board of the Iowa Bankers Association and as a past member and chairman of the Iowa Bankers Association Ag Committee. James grew up on a family farm near Gravity, Iowa. He graduated magna cum laude from Northwest Missouri State University with a Bachelor of Science degree in Agricultural Business. He is a graduate of the Graduate School of Banking at the University of Colorado-Boulder, where he served as both Class Representative and Alumni Advisor. Outside of his banking responsibilities, Johnson also serves on the board of directors at the Bedford Community School District, President of the Bedford Youth Sports non-profit little league program, Secretary of the New Market Church of Christ board, and is involved in coaching and officiating numerous local youth sports teams.

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Chad Jorgensen is a Senior Supervision Manager with the Federal Reserve Bank of Chicago (Des Moines office) with a focus on regional and community bank divisions. In his role, he has a portfolio of state member banks, large and/or complex holding companies, and a team of examiners which report to him. Responsibilities include: serving as a point-of-contact, monitoring the financial condition of his portfolio, ensuring that examination/inspection activities are consistent with the organization's risk profile, and overseeing the performance management and career development of his team. He received a B.S. in finance from Iowa State University in 1998. Chad and his wife have the delight of raising three boys in Grimes, Iowa.

Chris Kumpf serves as a Senior Examiner and Capital Markets Specialist with the Iowa Division of Credit Unions (Division). Leveraging his extensive background, he leads regulatory examinations for the state's largest and most complex credit unions. In addition to his role as lead examiner, Chris conducts in-depth assessments of asset/liability management (ALM) programs and facilitates internal training initiatives for the Division. Chris joined the Division in May 1999 after earning a Bachelor's degree in accounting from the University of Northern Iowa. Throughout his tenure, he has progressively advanced through roles including Field Examiner and Problem Case Officer before assuming his current senior position. He actively contributes to the Division's broader operational enhancements by serving on numerous internal and external committees, including the NASCUS Accreditation Review, Business Continuity and Improvements, and MERIT Examination committees.

Shawn Laird is the Information Technology Director at Federal Home Loan Bank of Des Moines (FHLB). He has been with FHLB since 1999.

Jenica Lensmeyer is the Vice President of Marketing and Industry Relations at the Iowa Bankers Association. Prior to her current role, she spent over a decade in association advocacy and government relations. Her expansive experience in advocacy and communications fuels her passion for finding effective ways to influence leaders and tell the story of Iowa's banking industry. She has been with the Iowa Bankers Association for ten years. She is a graduate of Iowa State University and holds a Master's in Public Administration from Drake University. She serves on the Innovate to Motivate® advisory committee representing the nation's most experienced corporate and association public affairs professionals. Jenica grew up in Westside, Iowa and is passionate about economic development in rural communities. In addition to her career involvement, she enjoys spending time with her husband and their three children. She is an active community volunteer and currently serves on the boards of both Variety - the Children's Charity of Iowa and Junior Achievement of Central Iowa.

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Eric Pulse is the Principal-in-Charge with Eide Bailly and has almost 30 years of experience in public accounting and consulting. He leads Eide Bailly's Risk Advisory Services practice and specializes in providing information technology, risk advisory, AI, and cybersecurity consulting services to a variety of industries, including banking, healthcare, insurance, retail, manufacturing, and governments. He advises Eide Bailly clients on how to keep their valuable data secure in a world of increasingly sophisticated cyber threats, especially surrounding emerging technology such as AI. With his many years of experience, Eric has become a true thought leader in the culture of cybersecurity and AI.

David Redenbaugh is a Field Supervisor for the FDIC's field office in West Des Moines. He spent 12 years as a bank examiner in Los Angeles where he gained extensive experience examining troubled banks in the aftermath of the savings and loan crisis, served as examiner-in-charge of multi-billion dollar banks, and conducted complex money laundering investigations which led to enforcement actions. He spent 10 years as a supervisory examiner in Lexington, Kentucky beginning in 2005, leading a team of bank examiners in conducting examinations in central and eastern Kentucky. He served as Examiner-in-Charge at numerous troubled banks in Kentucky during the 2008 financial crisis. David has served the FDIC's West Des Moines office for the past 11 years where he leads 24 examiners in supervising safety and soundness at 73 state nonmember banks. He has taught fraud investigation techniques to examiners from the federal and state regulatory agencies for the Federal Financial Institutions Examination Council for the past 20 years. David is a graduate of California State Polytechnic University-Pomona with a BS in Business Administration, the Graduate School of Banking at the University of Wisconsin-Madison, and the University of Massachusetts-Amherst with an MBA. He is a Certified Fraud Examiner and a Certified Anti-Money Laundering Specialist.

Tom Root, Ph.D., is the Associate Dean of Academic Affairs and an Associate Professor of Finance for the Zimpleman College of Business at Drake University. He holds four degrees from the University of Kansas including a Ph.D. in Economics which he obtained in 1998. He has been teaching in the primary area of finance since joining Drake in the fall of 1999. During this time, he has demonstrated success as both an instructor and researcher by earning the Graduate Teaching Award, and the College of Business Harry Wolk Research Award. Prof. Root has been published in numerous academic journals such as *Energy Economics*, *Quarterly Journal of Finance and Accounting*, *Journal of Business and Behavioral Sciences*, *Journal of International Technology and Information Management*, *Applied Financial Economics*, and the *International Review of Financial Analysis*. Additionally, he maintains a close connection to the private sector through consulting and development of certificate programs taught to area business leaders through Drake's Center for Professional Studies. Dr. Root also has held a visiting professorship at Makerere University Business School (MUBS) in Uganda and has been active in developing a deep partnership between MUBS and Drake.



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Rachel Scheve, CPA, is a Partner, Tax Service, for RSM US LLP in Des Moines. She has over 20 years of public accounting experience and provides tax services to middle market clients, including federal and state tax compliance, tax planning and research, FASB Accounting Standards Codification Topic 740 analysis, tax accounting method changes, tax reform implementation and other tax reporting. She works with clients primarily in the financial services industry, as well as with high-net-worth individuals.

Jenna Siberz, CPA, is an Audit Partner in KPMG's Des Moines financial services practice. She has more than 17 years of experience providing financial statement audits, audits of internal control and attestation services to national banking clients, community banking clients and finance and mortgage banking clients.

Kimberly Wernimont, CPA, is a Senior Director, Tax Services, for RSM US LLP in Des Moines. She provides tax and accounting services to financial institution clients, primarily in retail and commercial banking. Her experience includes both C and S corporation financial institutions. She is responsible for providing a variety of tax compliance, tax planning, and related services, including ASC 740 tax provisions. Kimberly also provides tax compliance and planning services for trusts and high-net-worth individuals. Kimberly has over 15 years of experience in public accounting working on financial institutions, including both public and private companies.

Michael Yung, CPA, is the Vice President and Controller at West Bank. He is responsible for overseeing financial reporting, SOX controls and implementation of emerging accounting guidance. He is also a member of the ISCPA Financial Institutions Committee. Prior to joining West Bank, he worked in the assurance services practice at EY, and was responsible for auditing financial institutions.

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Economic Update

Dr. Tom Root, Ph.D.

ECONOMIC UPDATE

Iowa Society of CPAs

Tom Root, PhD

May 28, 2026

Drake
UNIVERSITY

Zimpleman
College of Business

drake.edu/zimpleman

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REAL GDP ANNUALIZED % CHANGE (TABLE 1)

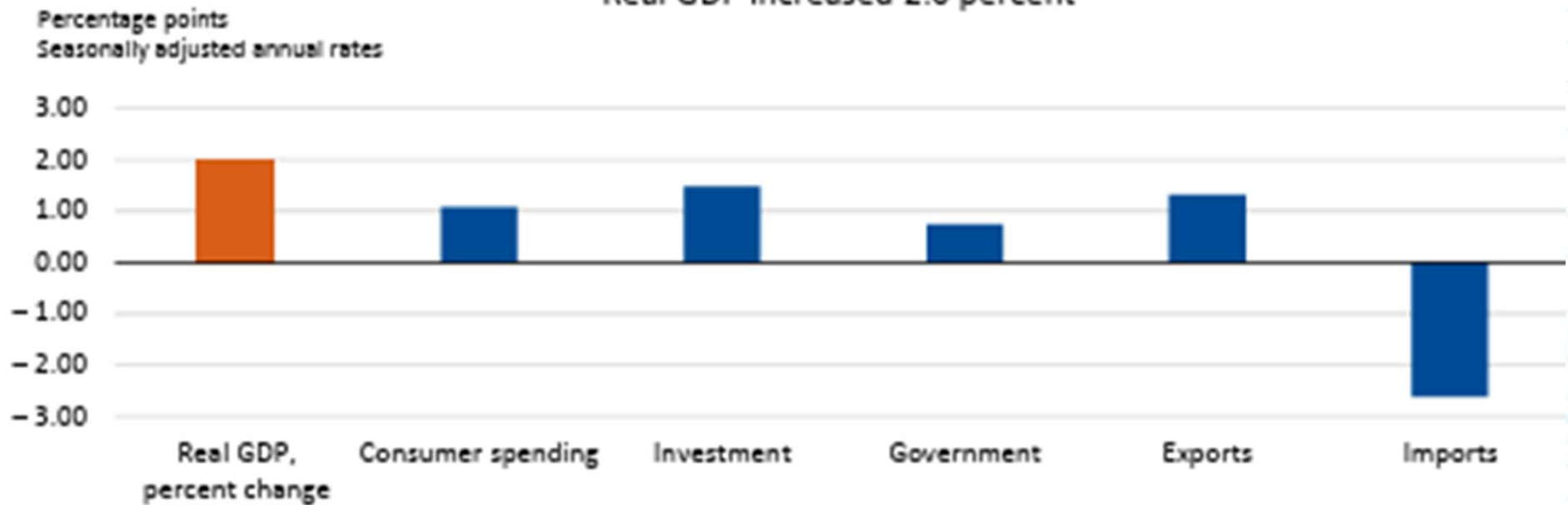
	1 st Qtr 2024	2 nd Qtr 2024	3 rd Qtr 2024	4 th Qtr 2024	1 st Qtr 2025	2 nd Qtr 2025	3 rd Qtr 2025	4 th Qtr 2025	1 st Qtr 2026
GDP	1.4	3.0	3.1	2.4	-0.6	3.8	4.4	0.5	2.0
Consump	1.5	2.8	3.7	4.0	0.5	2.5	3.5	1.9	1.6
Goods	-2.3	3.0	5.6	6.2	0.2	2.2	3.0	0.3	-0.1
Services	3.3	2.7	2.8	3.0	0.8	2.6	3.6	2.7	2.4
Investment	4.4	8.3	0.8	-5.6	23.3	-13.8	0.0	2.3	8.7
Fxd Invst	7.0	2.3	2.1	-1.1	7.1	4.4	0.8	1.5	6.2
Res	16.0	-2.8	-4.3	5.5	-1.0	-5.1	-7.1	-1.7	-8.0
Exports	1.6	1.0	9.6	-0.2	0.2	-1.8	9.6	-3.2	12.9
Imports	6.1	7.6	10.7	-1.9	38.0	-29.3	8.5	-1.0	21.4
Gov't	1.8	3.1	5.1	3.1	-1.0	-0.1	2.2	-5.6	4.4

REAL GDP CONTRIBUTIONS TO GROWTH (TABLE 2)

	1 st Qtr 2024	2 nd Qtr 2024	3 rd Qtr 2024	4 th Qtr 2024	1 st Qtr 2025	2 nd Qtr 2025	3 rd Qtr 2025	4 th Qtr 2025	1 st Qtr 2026
GDP	1.4	3.0	3.1	2.4	-0.6	3.8	4.4	0.5	2.0
Consump	0.98	1.90	2.48	2.70	0.42	1.68	2.34	1.3	1.08
Goods	-0.51	0.63	1.18	1.3	0.04	0.47	0.64	0.06	-0.03
Services	1.49	1.27	1.31	1.41	0.37	1.21	1.70	1.23	1.11
Investment	0.77	1.47	0.16	-1.03	3.79	-2.66	0.03	0.4	1.48
Fxe Invest	1.19	0.42	0.38	-0.020	1.21	0.77	0.15	0.26	1.08
Nonresid	0.59	0.53	0.55	-0.41	1.24	0.98	0.44	0.33	1.39
Invent	-0.42	1.05	-.22	-0.84	2.58	-3.44	-0.12	0.14	0.40
Residel	0.59	-0.11	-0.18	0.22	-0.04	-0.21	-0.29	-0.06	-0.31
Exports	0.17	0.12	1.01	-0.01	0.02	-0.20	1.00	-0.35	1.32
Imports	-0.82	-1.01	-1.44	0.27	-4.7	5.03	0.62	0.13	-2.62
Gov't	0.31	0.52	0.86	0.52	-0.17	-0.01	0.38	-.99	.73

Contributions to the Percent Change in Real GDP, 2026:Q1

Real GDP increased 2.0 percent



GDP Gross domestic product

Note. Imports are a subtraction in the calculation of GDP. An increase in imports results in a negative contribution, and a decrease in imports results in a positive contribution to GDP.

U.S. Bureau of Economic Analysis

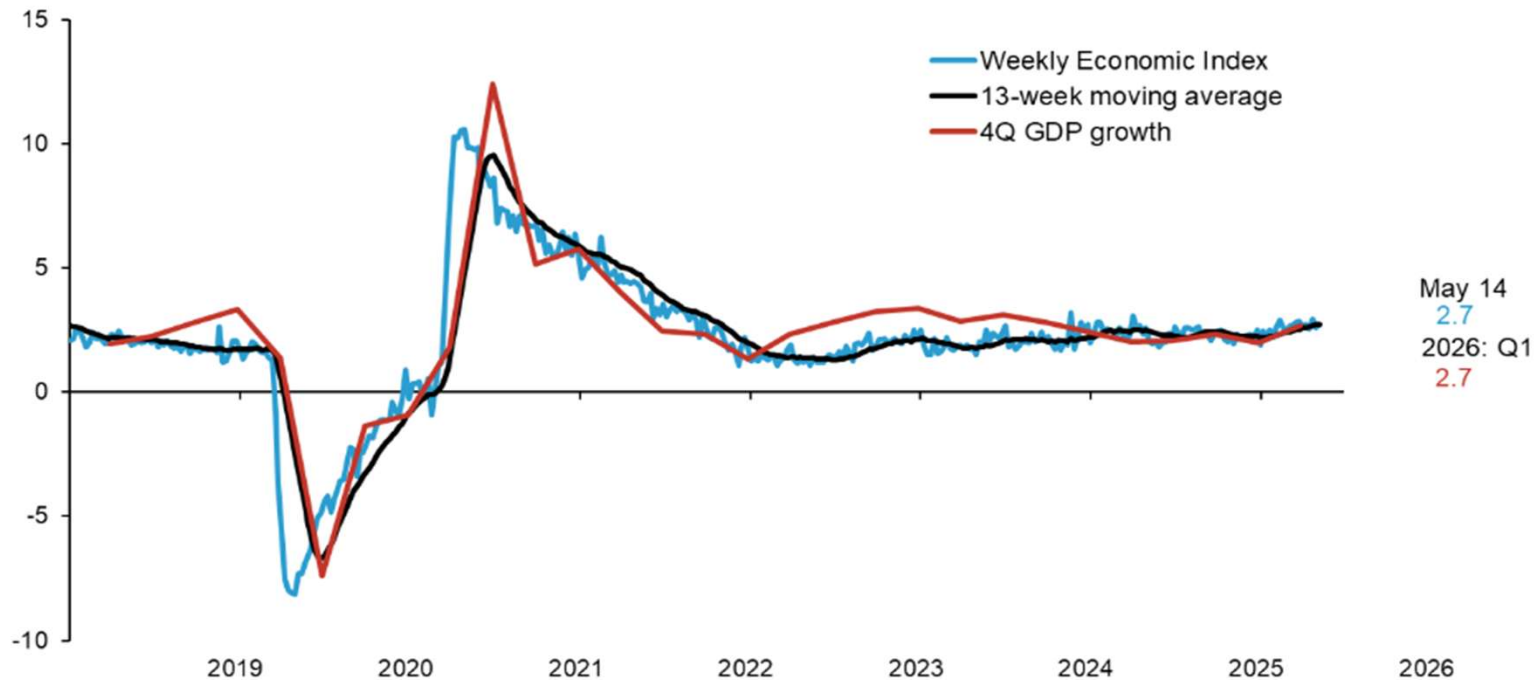
KEY INCREASES AND DECREASES

- **Consumer Spending**
 - Health Care services
- **Investment**
 - Equipment – computers and peripheral equipment
 - Inventories – retail and wholesale trade
 - Residential Structures – decreases in new single family homes and brokers commissions
 - Nonresidential Structures – decrease in manufacturing structures
- **Government**
 - Nondefense Federal Spending – increased compensation offsetting fall shutdown

WEEKLY ECONOMIC INDEX

Weekly Economic Index, 2019–present

Percent



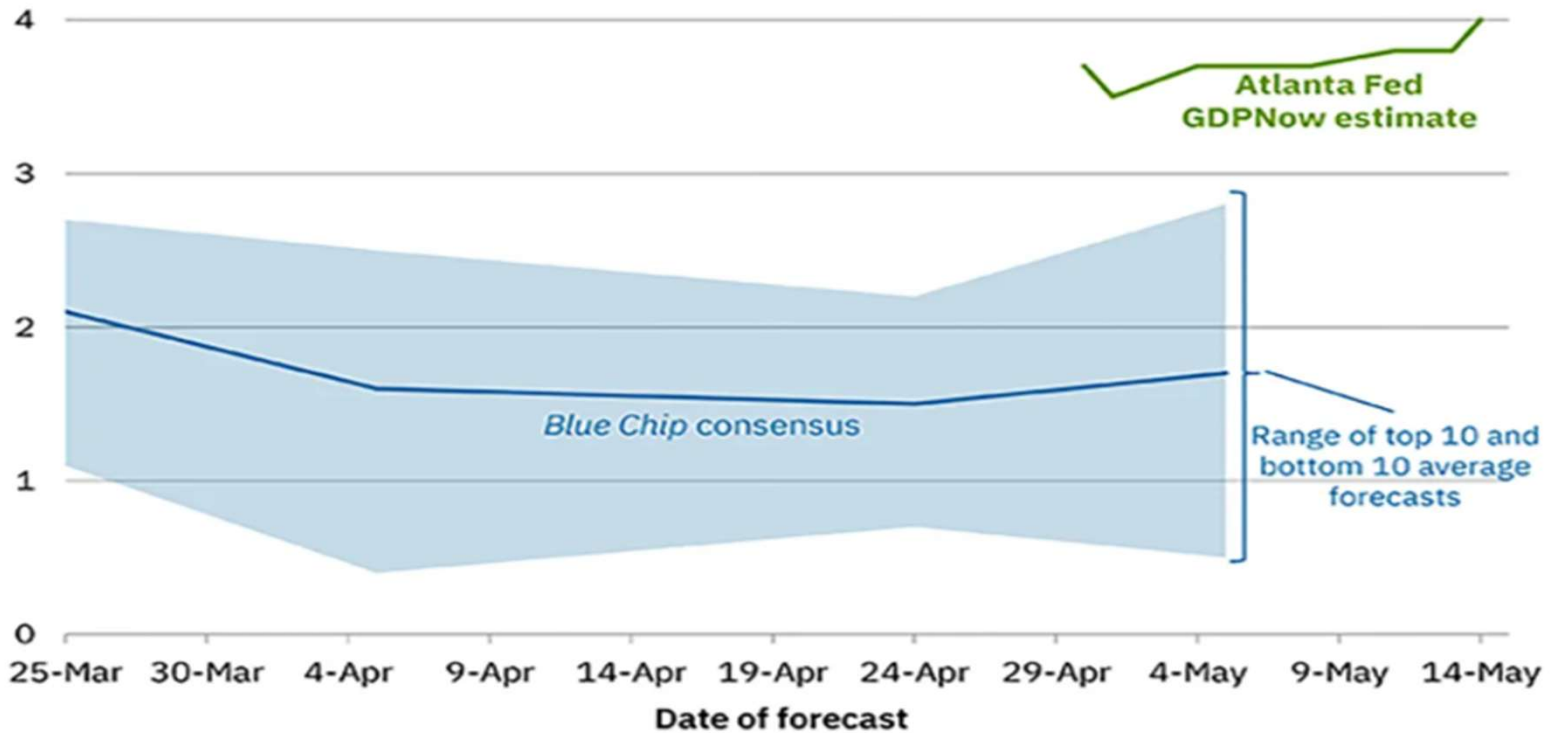
NOTE: Annual real GDP growth (four-quarter moving average) is based on the latest quarterly GDP data release from the Bureau of Economic Analysis.

SOURCES: Authors' calculations based on data from Haver Analytics, Redbook Research, Rasmussen Reports, the Association of American Railroads and Booth Financial Consulting.

Federal Reserve Bank of Dallas

GDP NOW FORECAST 2026 Q 2 4.0 (MAY 14TH)%

Quarterly percent change (SAAR)

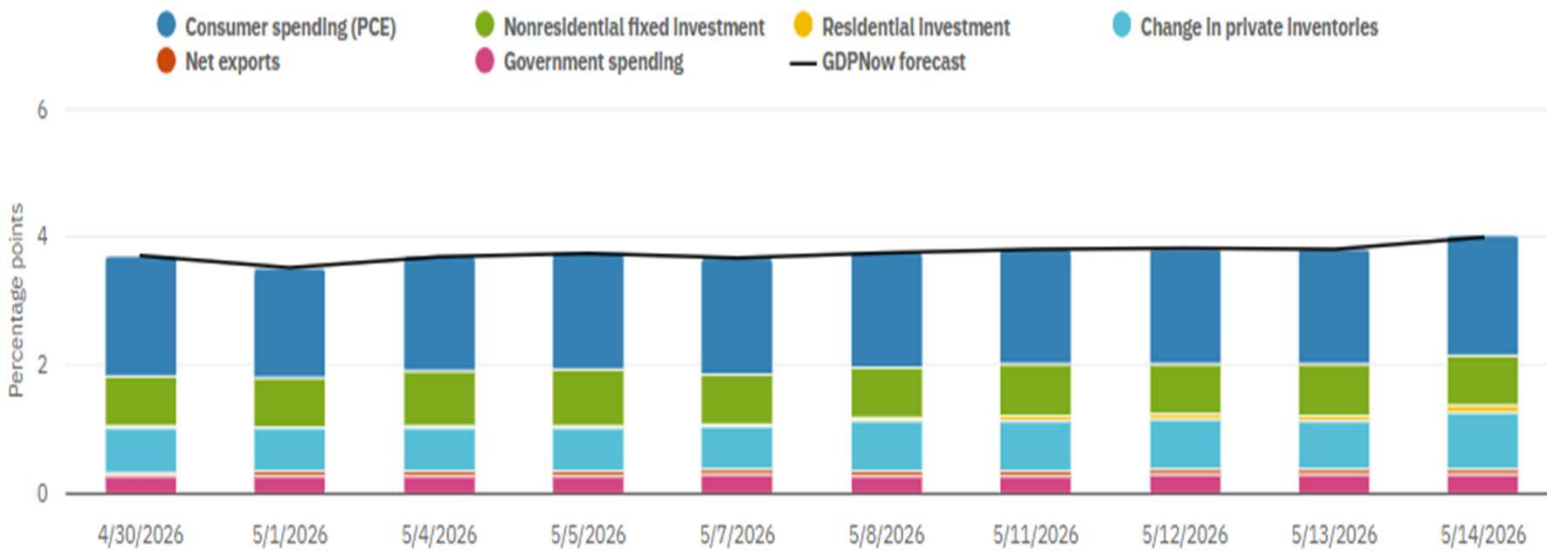


Sources: Blue Chip Economic Indicators and Blue Chip Financial Forecasts

Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the Blue Chip survey.

Subcomponent contributions to GDPNow real GDP growth forecasts

☰ Export

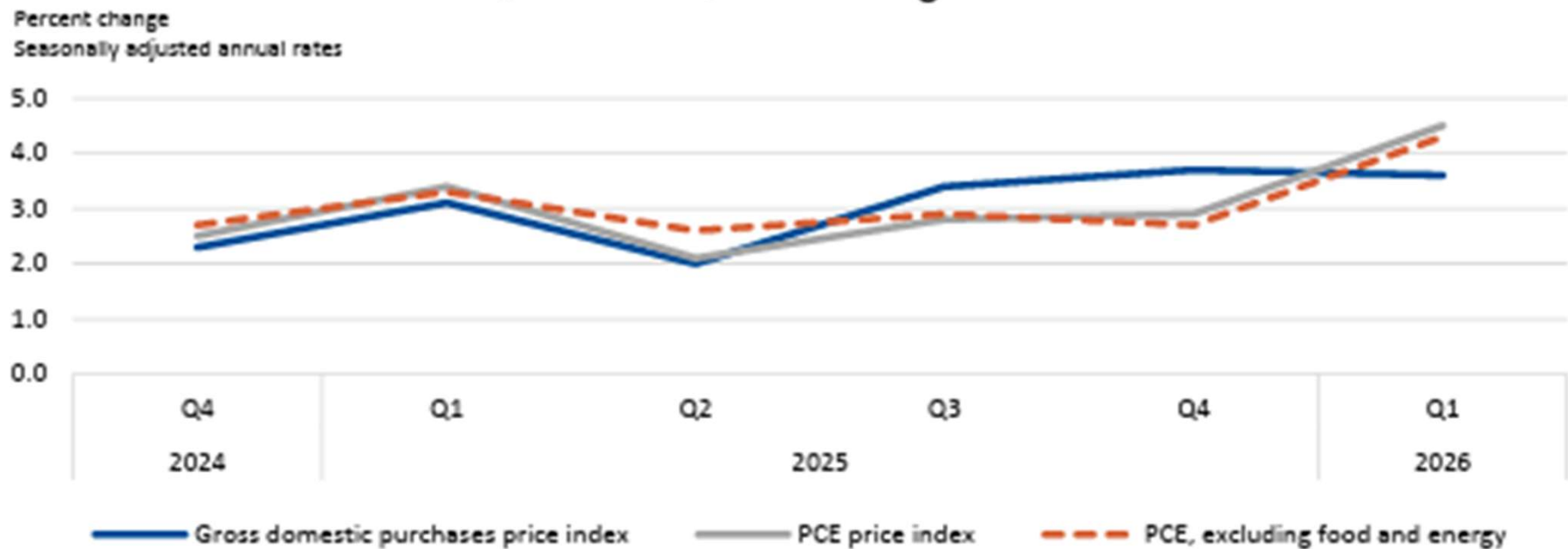


Consumer Spending	1.87%
Non Res Fxd Invest	0.79%
Chge Priv Invent	0.90%
Gov't Spending	0.27%
Net Exports	0.09%
Res Invest	0.09%

Source: Atlanta Fed

PRICES FROM GDP REPORT

Quarter-to-Quarter Change in Prices



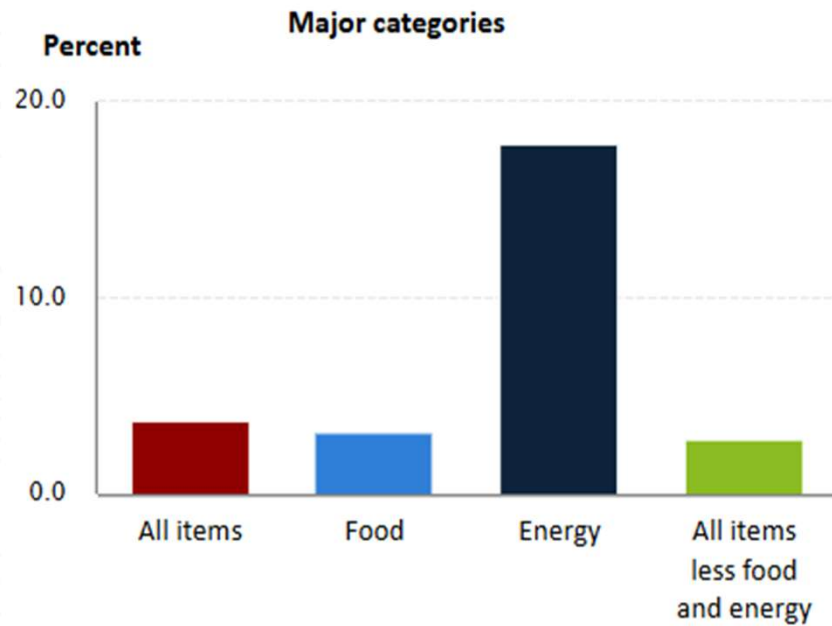
PCE Personal consumption expenditures **3.7%**
U.S. Bureau of Economic Analysis

4.5%

4.3%

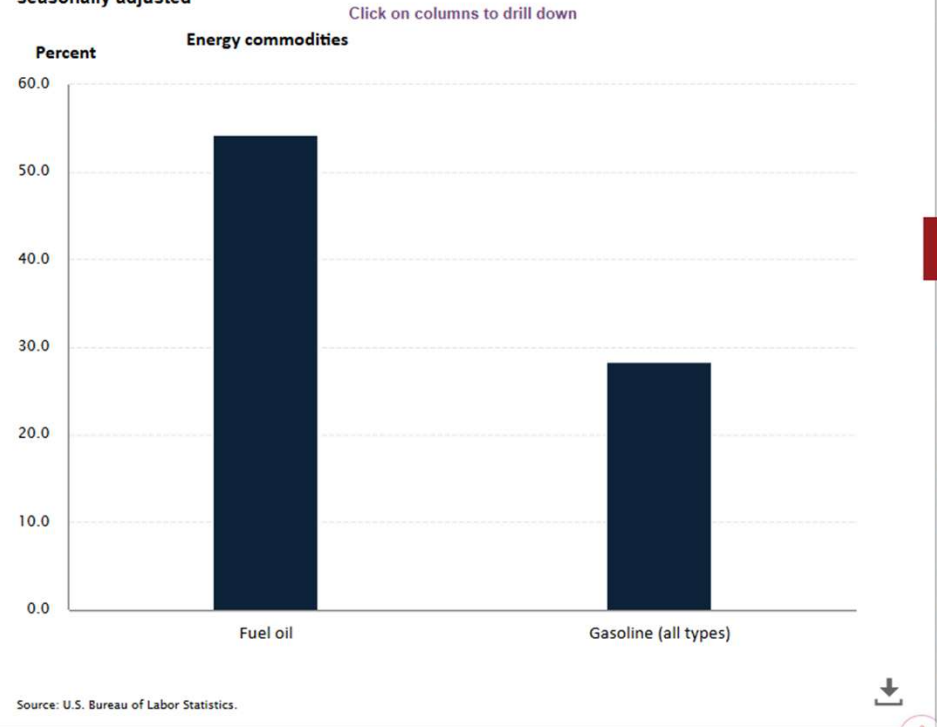
CPI 12 MO 3.8% APRIL 0.6% ENERGY 17.9%

12-month percentage change, Consumer Price Index, selected categories, April 2026, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

12-month percentage change, Consumer Price Index, selected categories, April 2026, not seasonally adjusted

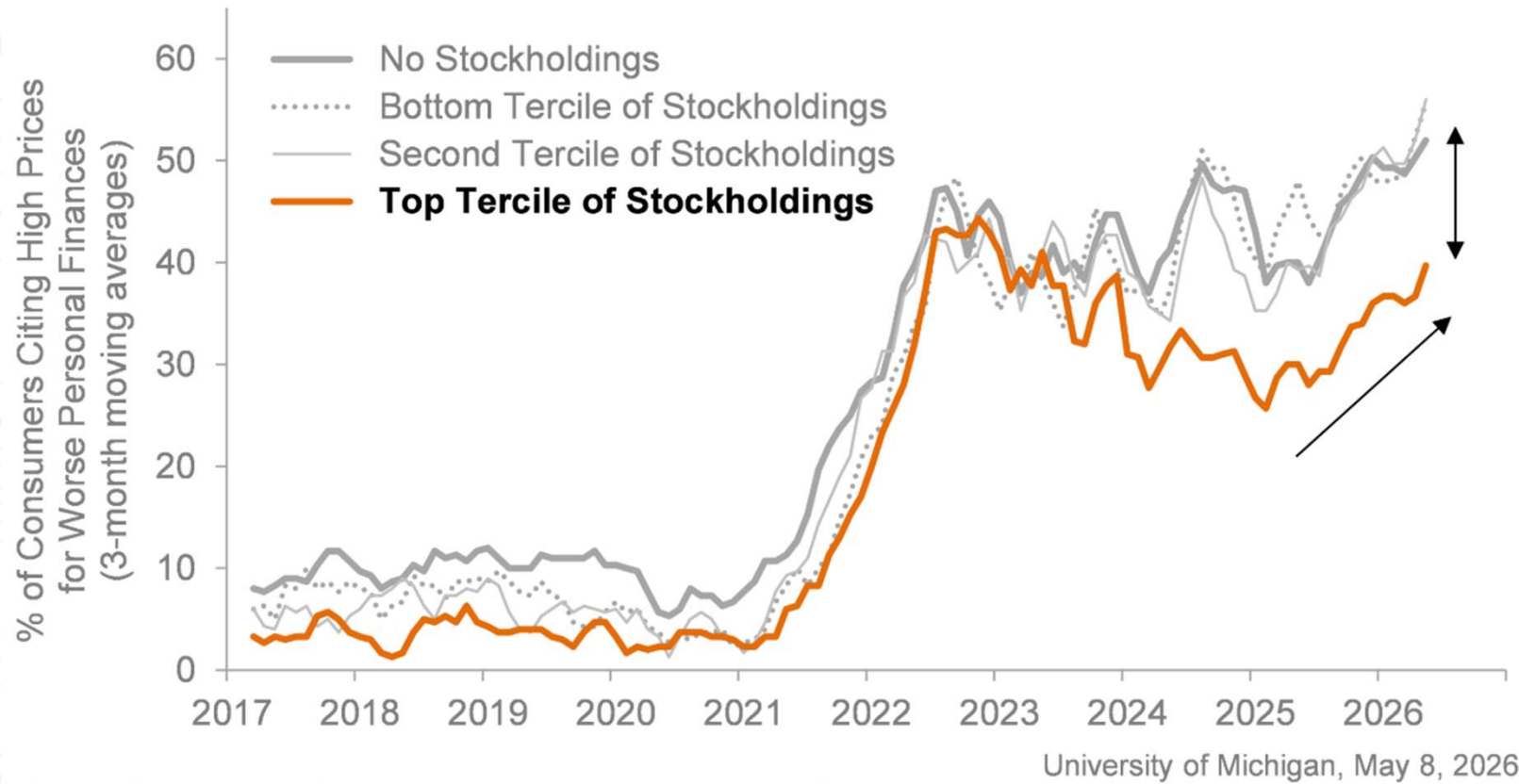


Source: U.S. Bureau of Labor Statistics.

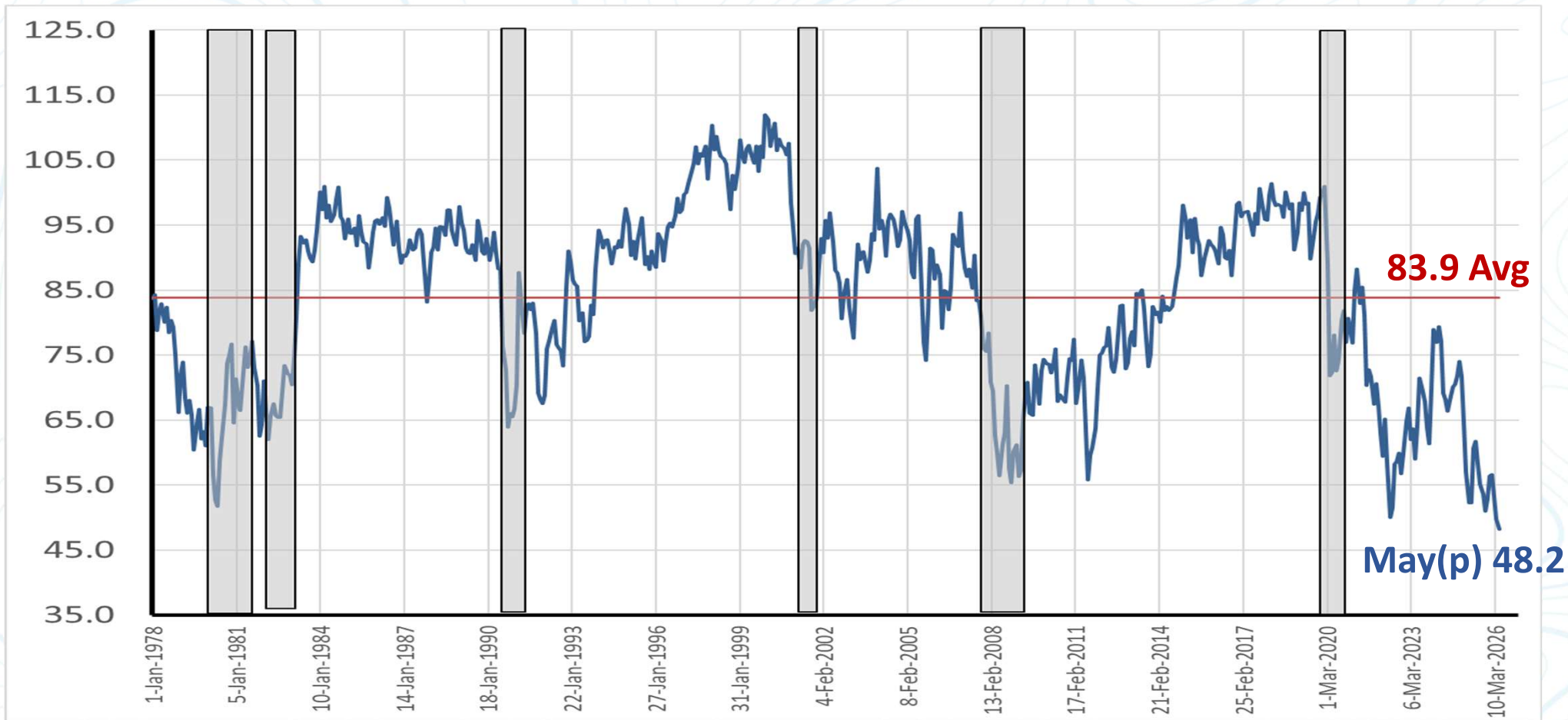
CPI DATA (APRIL 2026)

	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	12 mo % change
All items	0.3	0.2	0.3	0.9	0.6	3.8
Food	0.7	0.2	0.4	0	0.5	3.2
Food at home	0.6	0.2	0.4	-0.2	0.7	2.9
Food away from home(1)	0.7	0.1	0.3	0.2	0.2	3.6
Energy	0.3	-1.5	0.6	10.9	3.8	17.9
Energy commodities	-0.3	-3.3	1.1	21.3	5.6	29.2
Gasoline (all types)	-0.3	-3.2	0.8	21.2	5.4	28.4
Fuel oil	-0.8	-5.7	11.1	30.7	5.8	54.3
Energy services	1	0.2	0.2	0.4	1.6	5.4
Electricity	0.2	-0.1	-0.7	0.8	2.1	6.1
Utility (piped) gas service	3.7	1	3.1	-0.9	-0.1	3
All items less food and energy	0.2	0.3	0.2	0.2	0.4	2.8
Commodities less food and energy commodities	0	0	0.1	0.1	0	1.1
Services less energy services	0.3	0.4	0.3	0.2	0.5	3.3
Shelter	0.4	0.2	0.2	0.3	0.6	3.3
Transportation services	0.4	1.4	0.2	0.6	0.3	4.3
Medical care services	0.4	0.3	0.6	0	0	3.2

Concerns Over High Prices Climbing for All but Remain Far More Moderate for Wealthy Consumers



U OF MICHIGAN CONSUMER SENTIMENT



FRED



— Consumer Loans: Credit Cards and Other Revolving Plans, All Commercial Banks



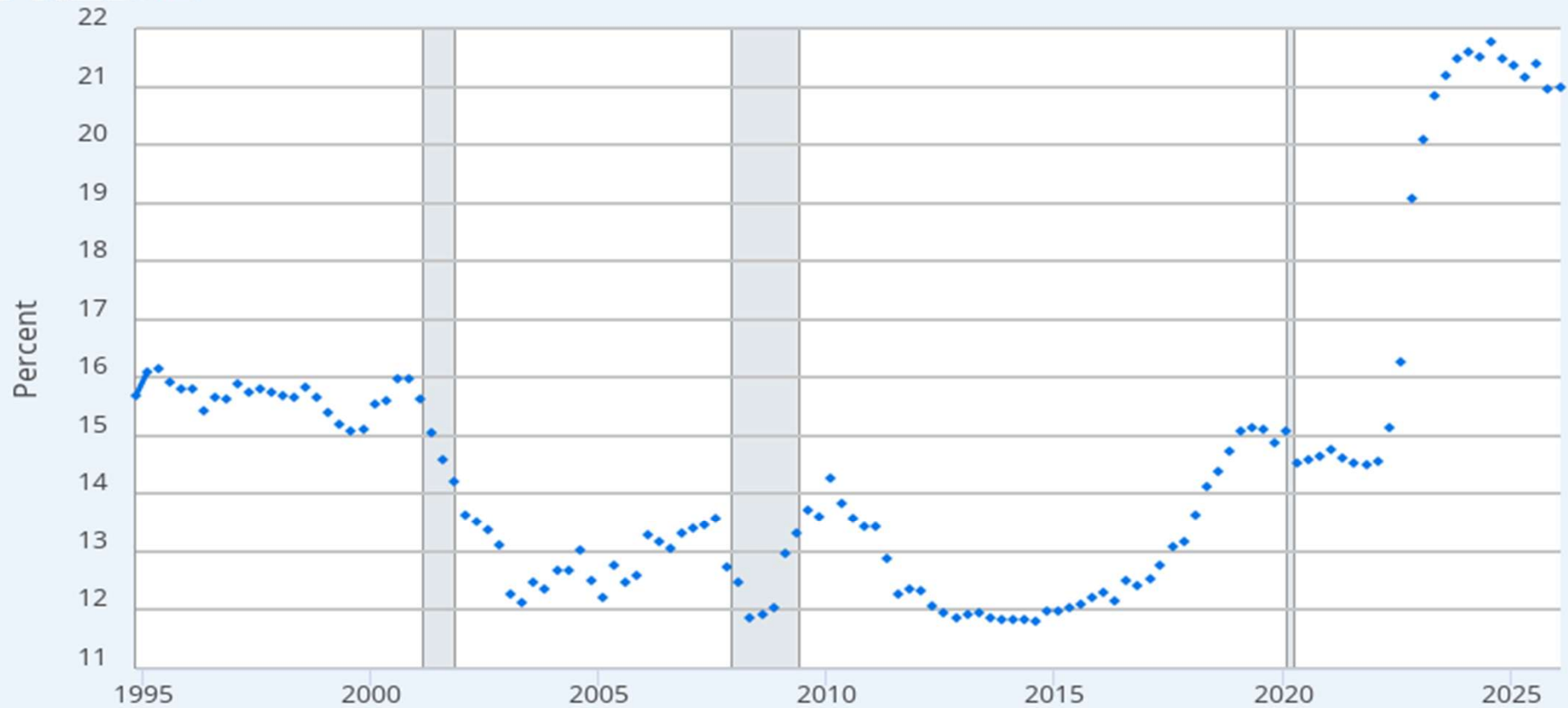
Source: Board of Governors of the Federal Reserve System (US) via FRED®

Shaded areas indicate U.S. recessions.

myf.red/g/1Wbc9

FRED 

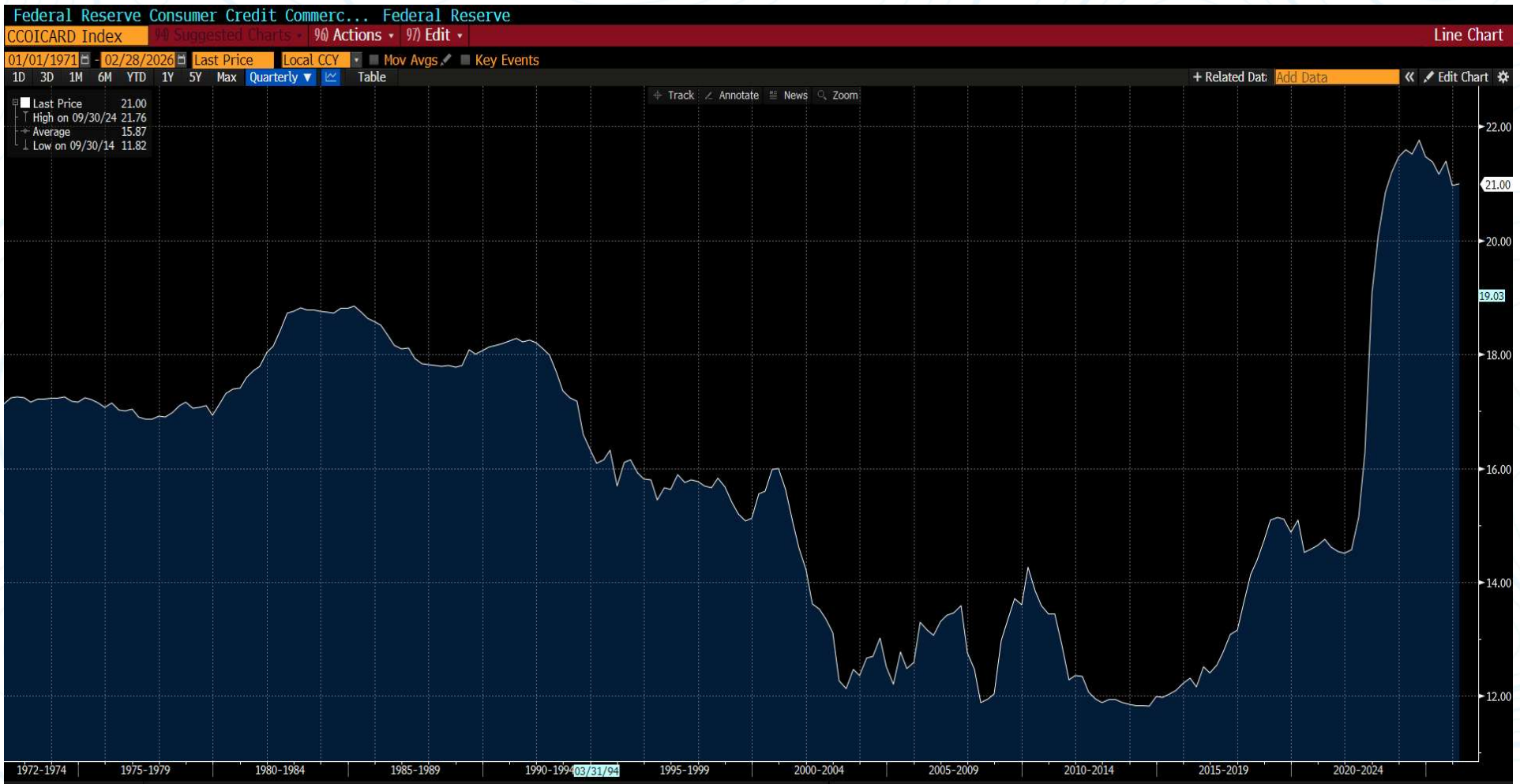
Commercial Bank Interest Rate on Credit Card Plans, All Accounts



Source: Board of Governors of the Federal Reserve System (US) via FRED®

Shaded areas indicate U.S. recessions.

myf.red/g/1Wbdd



EMPLOYMENT

	Change from Previous Month			12 mo Change
	Feb 2026	March 2026	April 2026	April 25 – April 26
Total Nonfarm Employment	-156,000	185,000	115,000	251,000
Goods Producing	-21,000	33,000	10,000	-32,000
Construction	-21,000	16,000	9,000	50,000
Manufacturing	1,000	15,000	-2,000	-26,000
Service Producing	-127,000	157,000	113,000	543,000
Retail Trade	-30,000	18,600	21,800	4,700
Transportation	-45,500	21,500	30,300	-71,440
Education and Health	-49,000	91,000	46,000	618,000
Government	-8,000	-5,000	-8,000	-260,000

Chart 1. Unemployment rate, seasonally adjusted, April 2024 – April 2026

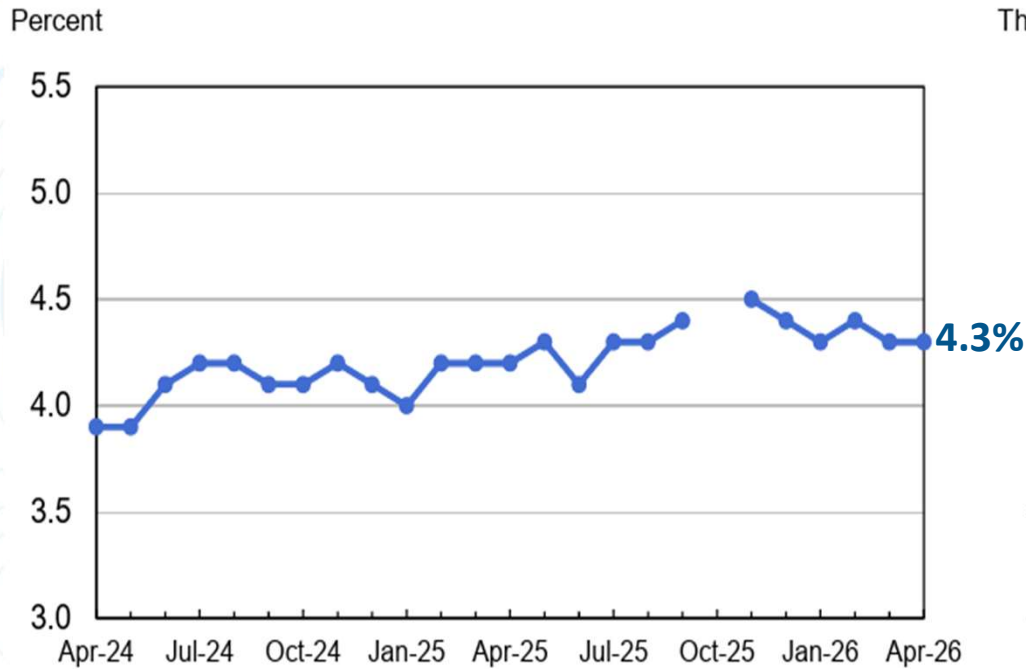
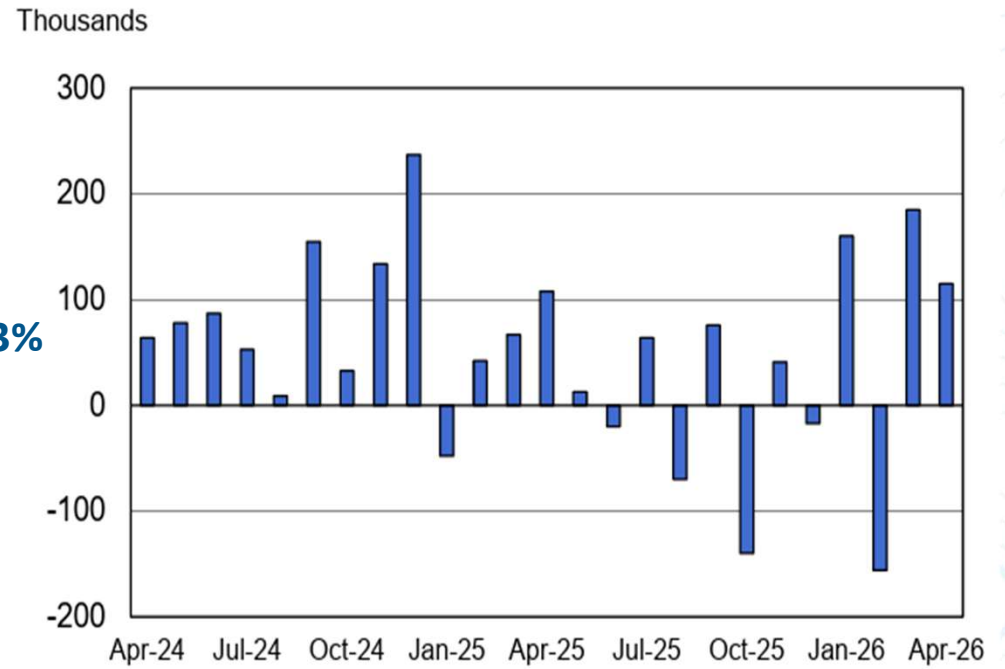


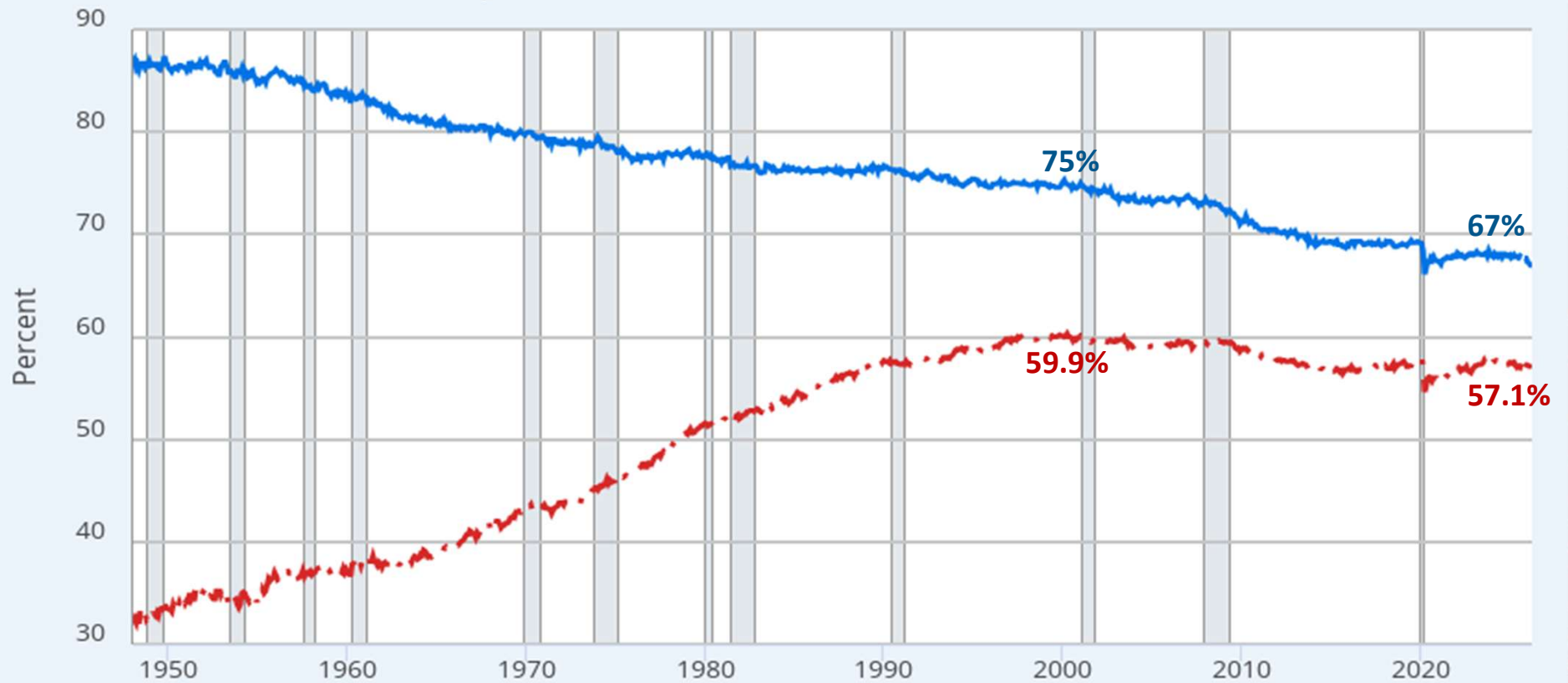
Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, April 2024 – April 2026



Note: Data for October 2025 were not collected due to the federal government shutdown.

FRED

— Labor Force Participation Rate - Men
— Labor Force Participation Rate - Women



Source: U.S. Bureau of Labor Statistics via FRED®

Shaded areas indicate U.S. recessions.

myf.red/g/1WbUX

1 QTR 2026 EARNINGS RELEASES

S&P 500 y/y earnings by sector										
Sector	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	FY25	FY26E
Consumer Discretionary	10.0%	7.3%	9.7%	0.1%	38.4%	5.8%	4.6%	15.9%	6.9%	12.4%
Consumer Staples	-5.4%	1.4%	1.6%	4.5%	6.0%	4.7%	6.9%	7.7%	1.0%	6.1%
Energy	-16.5%	-18.4%	-1.5%	3.6%	-3.9%	91.1%	60.6%	53.0%	-8.7%	46.1%
Financials	5.4%	14.2%	25.0%	9.5%	23.9%	6.7%	2.8%	9.1%	13.3%	11.5%
Health Care	46.6%	8.9%	5.2%	1.5%	-5.0%	6.7%	10.3%	17.1%	13.9%	6.1%
Industrials	11.2%	4.5%	23.7%	17.6%	11.7%	9.1%	14.8%	3.6%	14.2%	11.0%
Materials	1.0%	-1.5%	20.2%	13.0%	35.0%	30.7%	37.5%	37.6%	0.8%	36.0%
Real Estate	-7.0%	2.0%	22.8%	2.0%	15.4%	5.9%	3.6%	4.8%	5.2%	6.4%
Technology	18.1%	25.0%	30.8%	34.1%	51.9%	53.1%	46.4%	38.0%	27.7%	46.2%
Communication Services	31.1%	52.4%	-6.6%	13.3%	55.1%	8.6%	51.3%	10.4%	17.4%	23.1%
Utilities	6.1%	-1.5%	3.7%	-0.7%	10.2%	12.3%	7.0%	19.8%	3.9%	10.7%
S&P 500	13.7%	13.8%	14.9%	14.1%	27.8%	22.0%	23.5%	21.0%	14.0%	22.6%

Source: Charles Schwab, LSEG I/B/E/S, as of 5/1/2026.

SHIFTING YIELD CURVES & INCREASING INTEREST RATES



FED FUND RATE FORECASTS

APRIL

MAY 21

CME FEDWATCH TOOL - CONDITIONAL MEETING PROBABILITIES							
MEETING DATE	225-250	250-275	275-300	300-325	325-350	350-375	375-400
4/29/2026	0.0%	0.0%	0.0%	0.0%	0.0%	98.4%	1.6%
6/17/2026	0.0%	0.0%	0.0%	0.0%	5.6%	92.9%	1.5%
7/29/2026	0.0%	0.0%	0.0%	0.2%	9.4%	89.0%	1.4%
9/16/2026	0.0%	0.0%	0.0%	0.9%	15.4%	82.4%	1.3%
10/28/2026	0.0%	0.0%	0.1%	1.6%	18.4%	78.8%	1.2%
12/9/2026	0.0%	0.0%	0.4%	4.8%	30.0%	63.8%	1.0%
1/27/2027	0.0%	0.0%	0.6%	6.3%	31.9%	60.2%	0.9%
3/17/2027	0.0%	0.1%	1.0%	8.0%	33.9%	56.2%	0.9%
4/28/2027	0.0%	0.1%	1.2%	8.8%	34.6%	54.4%	0.8%
6/9/2027	0.0%	0.3%	2.4%	12.7%	37.5%	46.4%	0.7%
7/28/2027	0.0%	0.5%	3.5%	15.4%	38.5%	41.4%	0.6%
9/15/2027	0.2%	1.2%	6.3%	20.8%	39.2%	31.9%	0.5%
10/27/2027	0.1%	1.2%	6.2%	20.5%	38.8%	32.0%	1.2%
12/8/2027	0.7%	3.8%	13.7%	30.1%	35.2%	15.8%	0.6%

CME FEDWATCH TOOL - CONDITIONAL MEETING PROBABILITIES									
MEETING DATE	275-300	300-325	325-350	350-375	375-400	400-425	425-450	450-475	475-500
6/17/2026	0.0%	0.0%	0.0%	99.5%	0.5%	0.0%	0.0%	0.0%	0.0%
7/29/2026	0.0%	0.0%	0.0%	84.6%	15.3%	0.1%	0.0%	0.0%	0.0%
9/16/2026	0.0%	0.0%	0.0%	63.9%	32.3%	3.8%	0.0%	0.0%	0.0%
10/28/2026	0.0%	0.0%	0.0%	54.0%	37.2%	8.2%	0.6%	0.0%	0.0%
12/9/2026	0.0%	0.0%	0.0%	39.5%	41.7%	16.0%	2.7%	0.2%	0.0%
1/27/2027	0.0%	0.0%	0.0%	32.7%	41.3%	20.4%	4.9%	0.6%	0.0%
3/17/2027	0.0%	0.0%	0.0%	25.4%	39.4%	25.1%	8.4%	1.6%	0.2%
4/28/2027	0.0%	0.0%	0.0%	22.4%	37.8%	26.7%	10.3%	2.4%	0.3%
6/9/2027	0.0%	0.0%	0.0%	22.2%	37.6%	26.9%	10.5%	2.4%	0.3%
7/28/2027	0.0%	0.0%	0.0%	22.2%	37.6%	26.9%	10.5%	2.4%	0.3%
9/15/2027	0.0%	0.0%	1.7%	23.4%	36.8%	25.6%	9.9%	2.3%	0.3%
10/27/2027	0.0%	0.6%	9.2%	28.0%	32.9%	20.2%	7.3%	1.6%	0.2%
12/8/2027	0.2%	3.1%	14.7%	29.5%	29.2%	16.4%	5.6%	1.2%	0.2%

KEY CHANGES AT FEDERAL RESERVE

- **Kevin Warsh – Incoming Chairman**
 - Board member 2006-2011
 - Approved for BOG yesterday 51-45 Senate Vote
 - Eliminating forward guidance / less communication
 - Shrinking the balance sheet
 - Focus on interest rates – decrease other activities
- **Chairman Powell Staying on as Fed Governor until Jan 2028**

CONFIDENCE IN FINANCIAL INSTITUTIONS

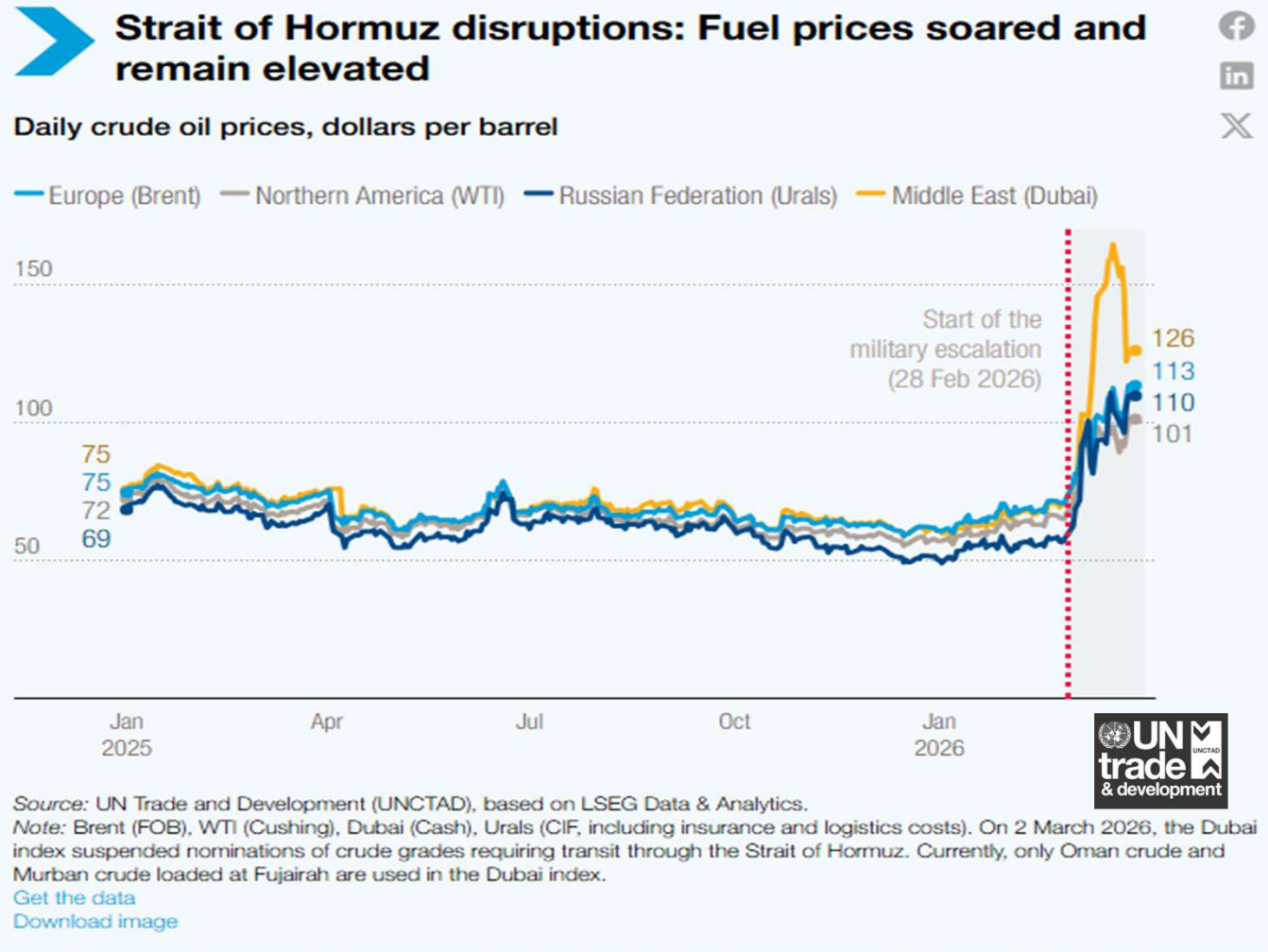
Table 1: Net Change in Confidence in Financial Institutions, 1987 - 2026

Balance Scores (% More Confident - % Less Confident)

Confidence Compared With Five Years Ago	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr/May 2023	Jan-Mar 2025	Aug/Sep 2025	Mar/Apr 2026
Federal Reserve	-10	-18	-50	-37	-40	-53	-26	-26	-23	-35	-41	-45	-29	-37	-41
Commercial Banks	-13	-29	-59	-59	-49	-57	-19	-24	-13	-21	-22	-48	-30	-28	-31
Credit Unions	-29	-21	-63	-55	-50	-49	-16	-17	-14	-14	7	-1	9	6	6
Brokerage & Mutual Funds	8	2	-7	1	6	15	22	22	22	15	-23	-28	-20	-19	-22
Insurance Companies	-15	-33	-45	-40	-34	-29	-22	-33	-26	-26	-29	-35	-62	-56	-54

OIL PRICES

WTI and Brent Crude are most often quoted oil Price, the impact has been greater on regional markets



SHIP TRAFFIC

Prior to US Blockade

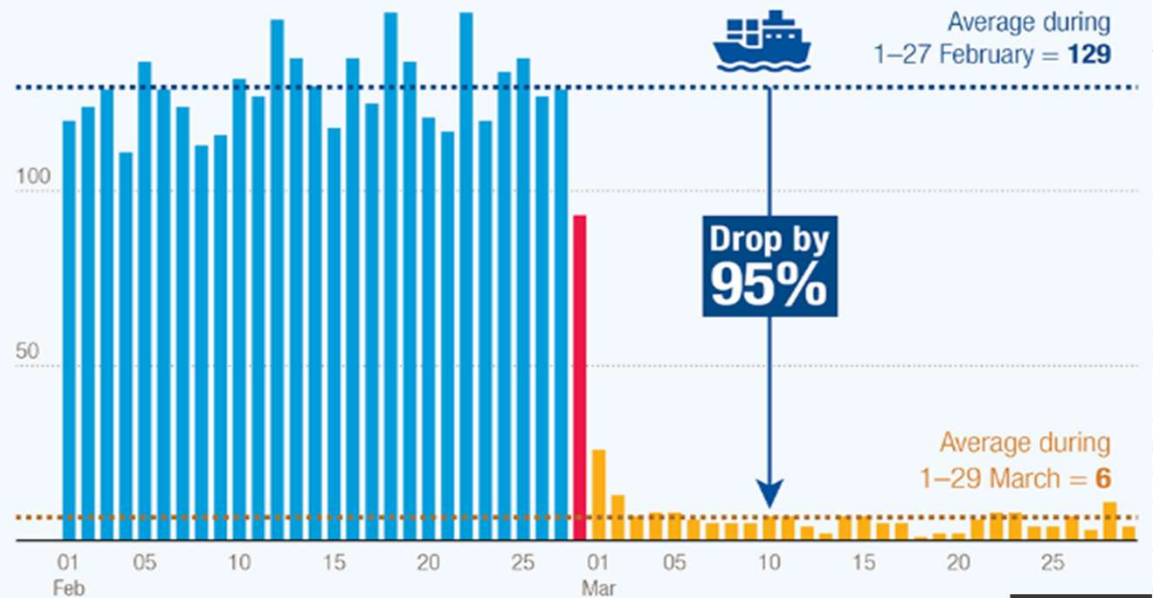
There is a compounding effect the longer the strait is closed and impact is increased with Blockade.

Once open, the amount of backed up traffic will take an extended time to resolve.



Strait of Hormuz transit has been at a near halt for a month.

Total number of daily ship transits through the Strait of Hormuz



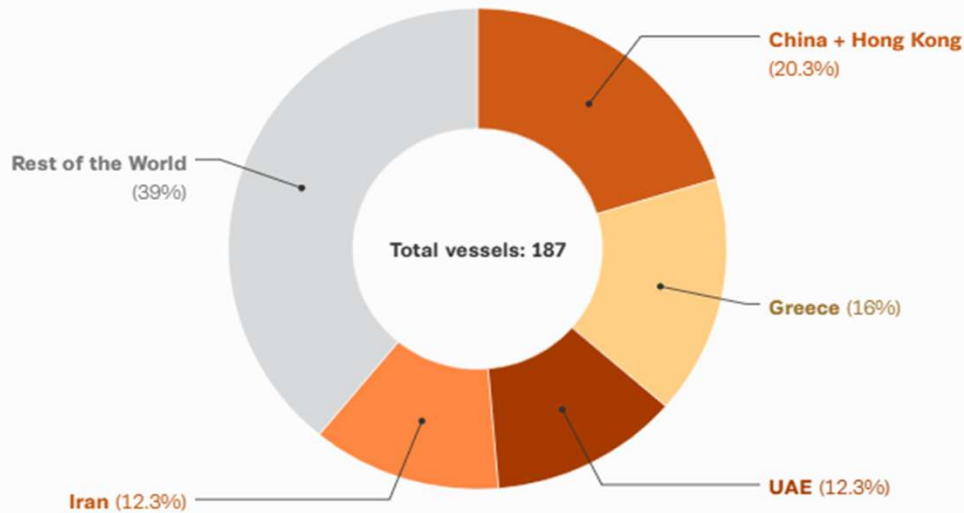
Source: UN Trade and Development, based on data provided by Clarkson Research Shipping Intelligence Network.



STRAIT OF HORMUZ TRAFFIC

3. Transits Through Hormuz Concentrated Among a Small Set of Countries

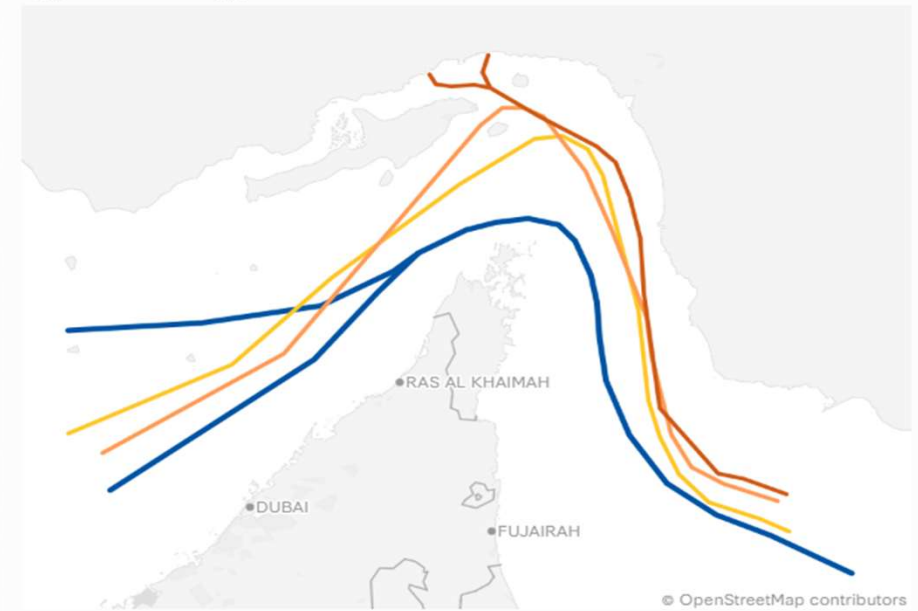
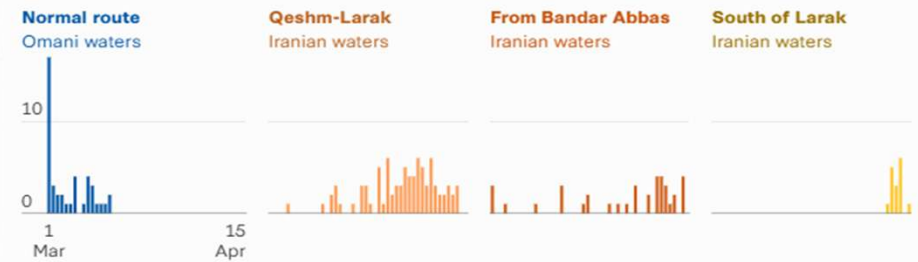
Successful vessel transits between March 4 and April 20 by operator domicile.



Note: Data includes only vessel transits moving eastward through the strait.

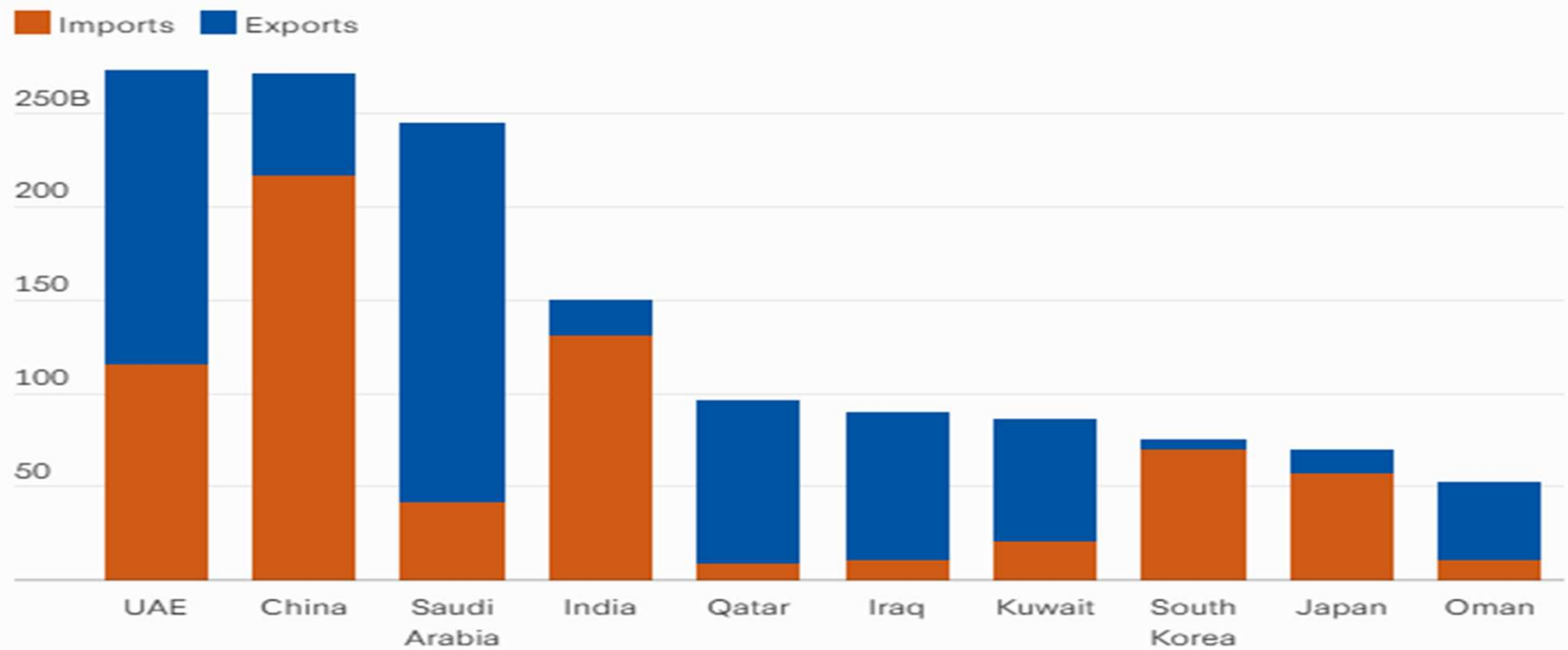
Source: Starboard Maritime Intelligence/AMTI and S&P Global Sea-web. • Chart: Fabio Murgia/CSIS

4. Vessel Traffic Is Shifting Toward Routes Closer to Iranian Waters



5. Major Asian and Gulf Economies Have Billions at Stake

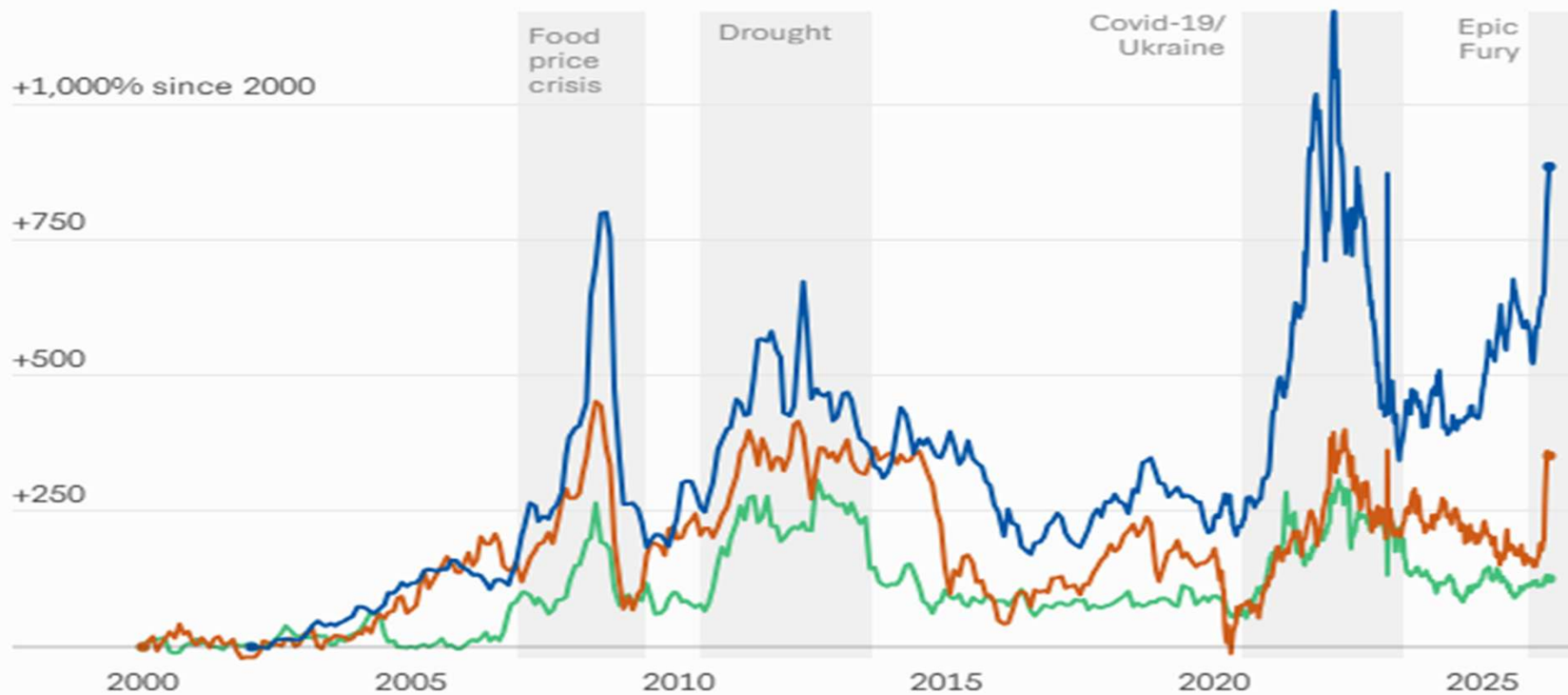
Trade value passing through Strait of Hormuz



Source: Jasper Verschuur, Johannes Lumma, and Jim W. Hall. • Chart: Fabio Murgia/CSIS

6. Crisis Pushes Up Agricultural Commodity Prices

Price change of **fertilizer**, **oil**, and **maize** since 2000

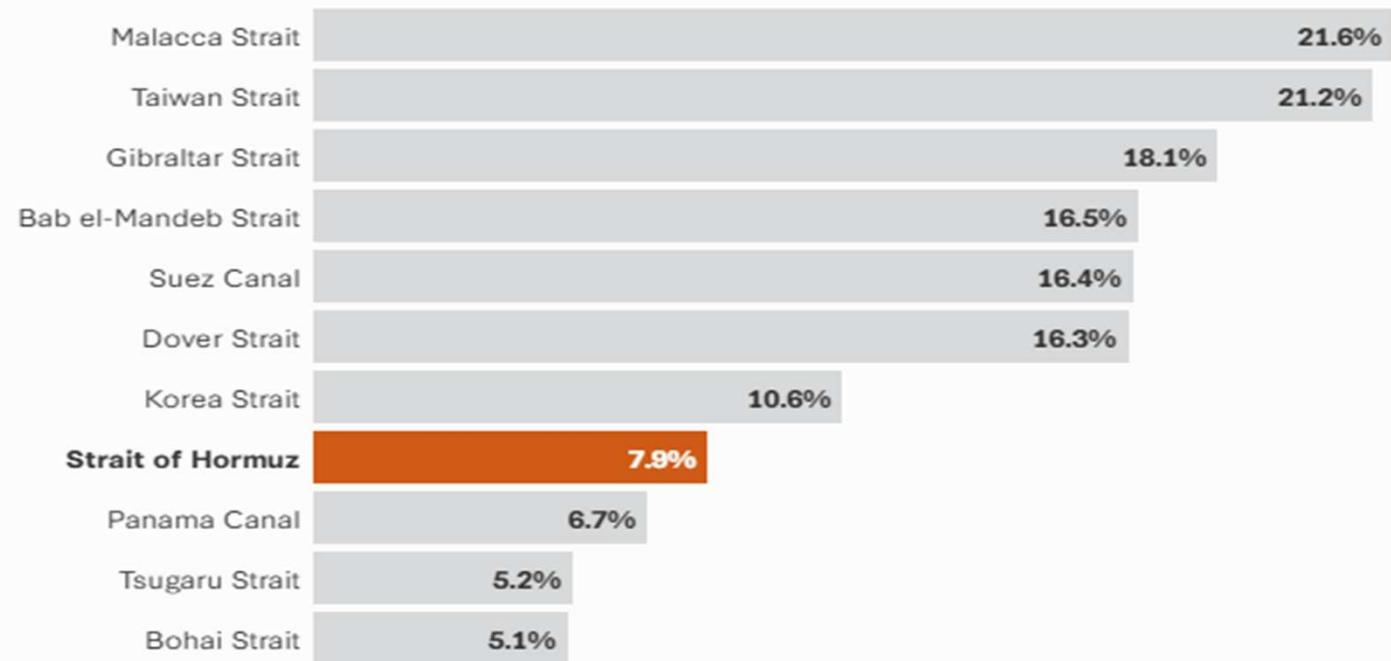


Source: Joseph Glauber/CSIS Global Food and Water Security Program • Chart: Fabio Murgia/CSIS

Disruption provides insight into future possible conflicts and global political issues

8. The Strait of Hormuz Is Just One of Several Critical Chokepoints

Share of global maritime trade transiting key chokepoints



Source: Jasper Verschuur, Johannes Lumma, and Jim W. Hall. • Chart: Fabio Murgia/CSIS

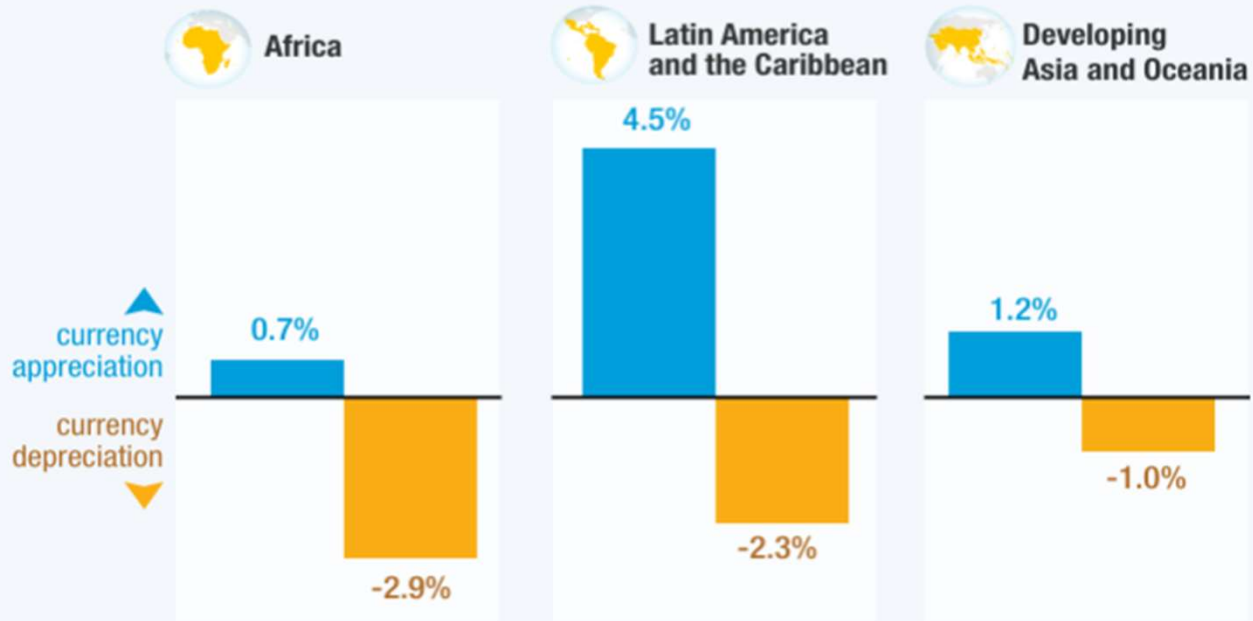




Currencies of developing countries started to weaken.

Change in exchange rates against the US\$, per cent

■ 1 January 2026 to 27 February 2026 ■ Since the military escalation, 27 February to 26 March 2026





Developing country borrowing costs rise amid Strait of Hormuz disruptions

Yields on external sovereign bonds by developing region



Africa

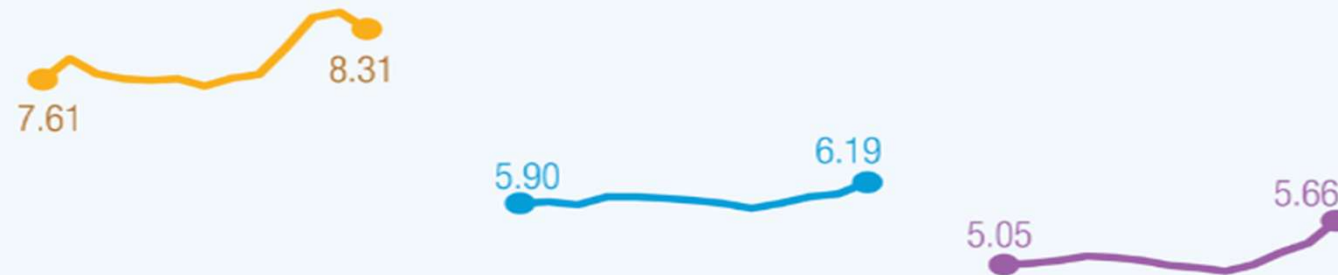


Latin America and the Caribbean



Developing Asia and Oceania

1 January - 26 March (in %)



Increase in yields (in percentage points since 27 Feb 2026)



Source: UN Trade and Development, based on LSEG Data & Analytics.



Note: Median values by region.



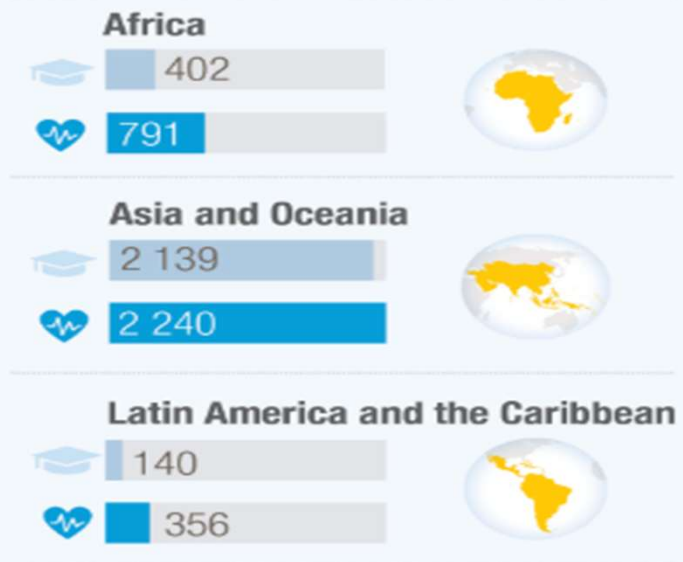
This is an extra burden on nations and people.



3.4 billion people

live in 46 developing countries that spend more on servicing their debt than on  health or  education.

 Millions of people



Source: UN Trade and Development, based on [A world of debt](#) (2025).

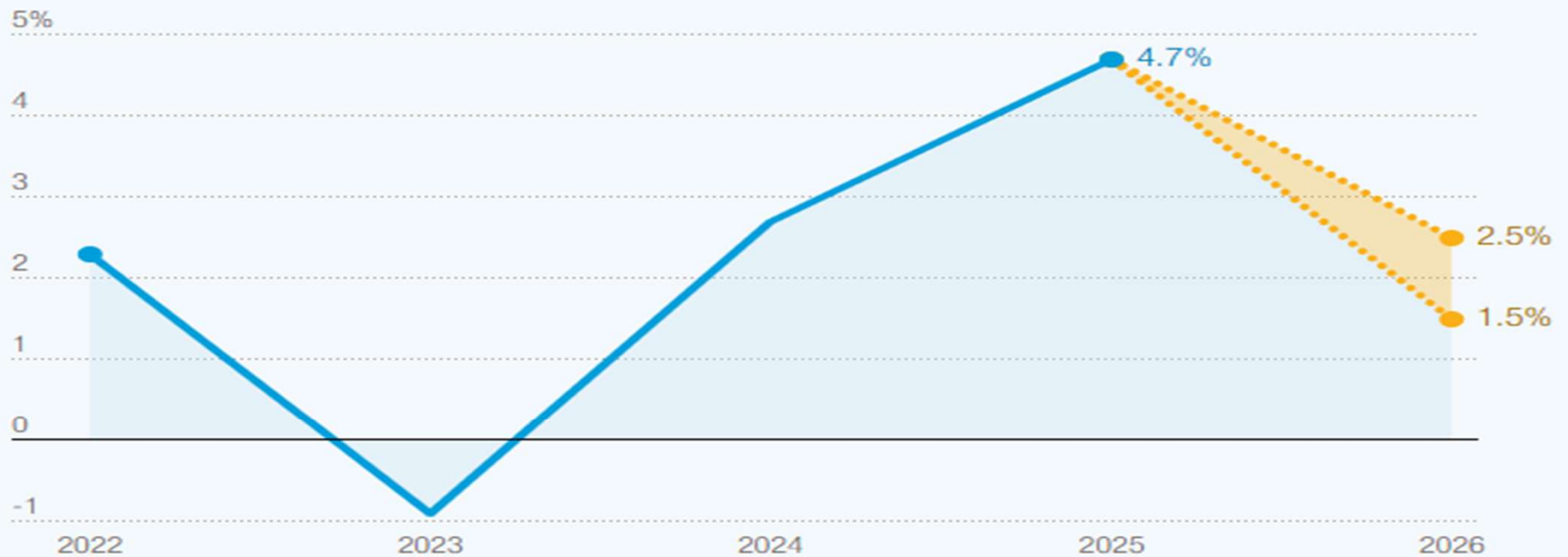
Note: Calculations based on the period 2021-2023. Debt refers to domestic and external public debt.





Strait of Hormuz disruptions are a shock to global trade, which is expected to slow

Annual merchandise trade growth in real terms, per cent



Source: UN Trade and Development UNCTAD.

Note: The figure for 2025 is an estimate; the figures for 2026 constitute a forecast range.

[Get the data](#)

[Download image](#)



The banner features a background of vertical bars in various shades of green and blue, resembling a bar chart. The text is white and positioned on the left side of the banner.

FINANCIAL INSTITUTIONS CONFERENCE

May 28 | West Des Moines Marriott | 8 hrs CPE

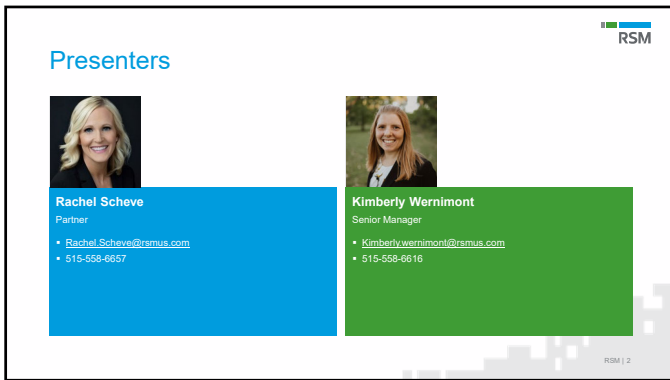
ISCPA
IOWA SOCIETY OF CPAs

2026 Tax Update for Financial Institutions

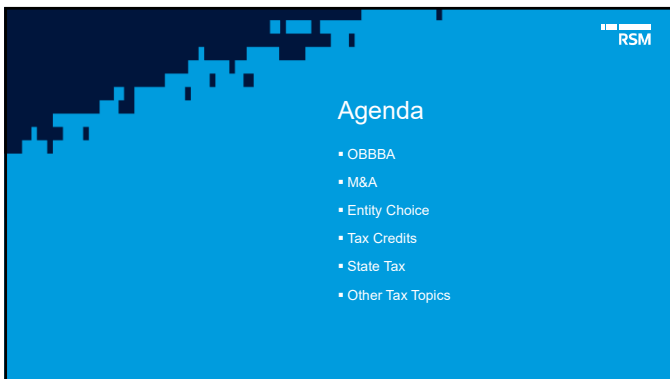
Rachel Scheve and Kimberly Wernimont | RSM US LLP




1



2



3




OBBBA

Extensions and Modifications

4

4




Highlights

- Permanent Section 199A Deduction [20% Deduction]
- Permanent Individual, Trust and Estate Rates
 - 37% top tax bracket
- Increased Standard deduction
- Lifetime Exemption
- Bonus Depreciation
- Section 174
- State and Local Tax Deduction

RSM | 5

5




Section 199A

- Qualified Business Income Deduction of 20% permanently extended under OBBBA
 - Effective top income tax rate 29.6%
- Banking is a qualified activity, eligible for deduction, but some potential operations within the bank are **not**:
 - Accounting services/Tax preparation
 - Wealth/Investment Management
 - Trustee services
- "De Minimis" Rules
- Specified Service Trades or Business (SSTBs)
 - Separate books
 - Avoid SSTB designation on ALL bank activity

RSM | 6

6



Depreciation

- Bonus Depreciation
 - OBBBA **permanently** extended 100% bonus depreciation for property acquired after January 19, 2025.
 - Immediate deduction for qualified fixed asset additions reduces taxable income – which improves after-tax cash flow.
 - Cost segregation study considerations
- Section 179 Expense
 - Permanent expense limits increased to \$2.5M (vs. \$1M), phasing out starting at \$4M (vs. \$2.5M) - adjusted for inflation.

RSM | 7

7




Section 174 [R&D Expensing]

- OBBBA restores immediate expensing of **domestic** R&D expenses for years beginning after December 31, 2024.
- No change in Foreign R&D – must be amortized over 15 years.

RSM | 8

8



State and Local Tax (SALT) Deduction

- Increase in deduction on Schedule A to \$40,000 (\$20,000 MFS)* for tax years 2025-2029, up from previous cap of \$10,000
*indexed for inflation
- Reduction in deduction for income phaseouts begin at \$500,000* modified AGI (\$250,000 MFS), but not below \$10,000.
*Indexed for inflation
- This is a temporary provision (reverts back to \$10,000 after 2029 - (\$5,000 MFS))
- PTET: State level considerations:
 - Minnesota: PTET election sunsets after 2027 (Extended May 18)
 - Other states such as California have extended their PTET elections

RSM | 9

9



OBBBA
New Provisions

10

10



139L Interest on Loans Secured by Rural or Ag Real Estate

- IRC §139L excludes 25% of interest income received by **qualified lenders** on loans secured by **rural or agricultural** real estate
- **Qualified Lender**
 - FDIC-insured banks or savings associations
 - State/Federally -regulated insurance companies
 - Entities wholly owned a bank holding company (Section 8 of the International Banking Act of 1978 (12 U.S.C. 3106)) or insurance company established under the laws of the U.S./any state with principal place of business within the U.S.
 - Certain federally chartered Farm Credit Act instrumentalities (i.e. Farmer Mac)

RSM | 11

11




139L Interest on Loans Secured by Rural or Ag Real Estate (cont)

- **Rural or agricultural real estate**
 - Any real property substantially used for the production of one or more agricultural products
 - Any real property substantially used in the trade or business of fishing or seafood processing
 - Any aquaculture facility
 - Includes land, structures, hatching, rearing pond, raceway, pen, incubator
- **Qualified Real Estate Loan**
 - Secured by rural or agriculture real estate (defined above) or leasehold mortgage on such property
 - Made to a person other than a specified foreign entity
 - Made after date of enactment (7/4/2025)
 - Property must be located in the United States

RSM | 12

12




139L Interest on Loans Secured by Rural or Ag Real Estate (cont)

- Refinances do not qualify to extent the proceeds are used to refinance an original loan made on or before July 4, 2025
 - Refinances of a qualified loan would be qualified
- Section 265: Loans are non-bank qualified for purposes of interest disallowance under §265
 - 25% of interest expense allocable to eligible loans is disallowed
- Iowa Note [per correspondence with IDOR] :
 - Rolling conformity with federal. Interest under 139L is also Iowa tax exempt
 - Interest disallowed on federal is all deductible, even if attributed to 139L

RSM | 13

13




139L – Interim Guidance [Notice 2025-71]

- Lender does not need to be original holder or originator of the loan – but lender still need to be a qualified lender
- Use of loan proceeds does not matter
- Qualified Loan Amount
 - Amount of loan that is a qualified real estate loan under 139L is limited to the FMV of the qualified rural or agricultural property securing the loan
 - i.e. If FMV of land is \$10x, but loan is \$100x – only \$10x of loan qualifies
 - Safe harbor: If qualified rural or agricultural property is at least 80% of loan issue on issue date = 100% qualifies.
 - May include machinery and equipment FMV if used during activities conducted on real estate
 - Must have security interest, only relevant if loan is substantially secured by rural or agricultural real estate

RSM | 14

14



139L – Items of Note

- Final guidance is yet to come
- Differences in ACRE vs. 139L
- Beginning Farmer Loans and 139L are different
 - Beginning Farmer Loans require applying via specific programs and meeting specific criteria under that program [The borrower needs to qualify]
 - 139L does not have borrower requirements [The loan needs to qualify]

Is your loan software and internal processes in place to track the new 139L loans?

Can you run appropriate reports after 7/4/25 to isolate relevant interest income and loan balances?

RSM | 15

15

Personal Auto Loan Interest Deduction

- **Applicable Passenger Vehicle**
 - Personal, original use with taxpayer
 - Designed for primary use on public streets and highways
 - Minimum 2 wheels
 - Less than 14,000 lbs GVWR
 - Car, Minivan, Van, SUV, Pickup Truck, Motorcycle
 - Motor Vehicle defined under title II of Clean Air Act
 - FINAL assembly in the United States

RSM

RSM | 16

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Personal Auto Loan Interest Deduction (Cont)

- Deduction limit is \$10,000, subject to income thresholds
 - Bank does not need to determine income qualifications
- Form 1098-VLI (beginning Tax Year 2026)
 - Qualified loans with more than \$600 of interest paid must be reported annually
 - Temporary Provision 2025-2028
 - Transitional reporting 2025 vs. 2026 final guidance
 - Data required includes VIN, Make, Model, and other loan details

Action: Does your loan software have the necessary data to efficiently handle information reporting and filing?

RSM

RSM | 17

17

TREASURY/IRS AND OMB USE ONLY DRAFT

RECIPIENT/LENDER'S name		OMB No. 1545-2334	
Street address		Form 1098-VLI	
Room/suite no.		(December 2026)	
City/town		For calendar year	
State/province	Country		
ZIP/foreign code			
Telephone number	1 Vehicle loan interest received by lender		
RECIPIENT/LENDER'S TIN	PAYER OF RECORD'S TIN	\$	
PAYER OF RECORD'S name		2a Year	2b Make
Street address		2c Model	2d VIN
Apt. no.		3a Loan origination date	3b Loan acquisition date
City/town	State/province	Country	ZIP/foreign code
Account number (see instructions)	4 Outstanding principal	\$	5 Refund of overpaid interest
			\$

Vehicle Loan Interest Statement

Copy A For Internal Revenue Service Center

For filing information, Privacy Act, and Paperwork Reduction Act Notice, see the General Instructions for Certain Information Returns, www.irs.gov/Form1099

Form 1098-VLI (12-2025) Created 1/8/26 Cat. No. 908681 www.irs.gov/Form1098-VLI Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

**Draft as of 12/2026

RSM

RSM | 18

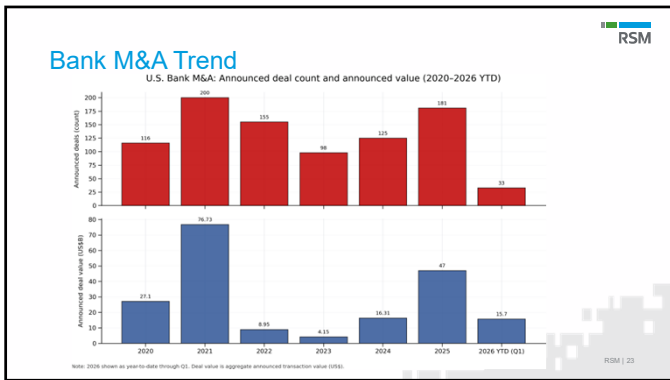
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RSM

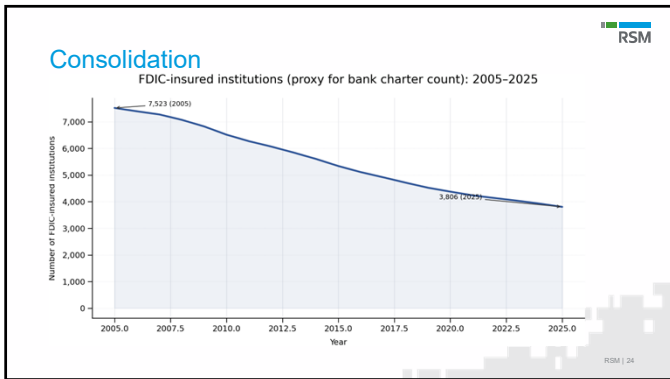
Merger and Acquisitions

22


22



23



24




Critical Deal Decisions

<p>Structure</p> <ul style="list-style-type: none"> ▪ Merger ▪ Stock Purchase ▪ Asset Purchase 	<p>Consideration</p> <ul style="list-style-type: none"> ▪ Stock ▪ Cash
--	---

What drives value?
What motivates a buyer or a seller?

RSM | 25

25




Tax Implications

- Legal structure and tax structure are not necessarily the same
 - Both can have significant impacts to the buyer and the seller
 - Impacts are driven by both the buyer and the seller's tax status as an S or C Corporation
- For tax purposes
 - Sellers prefer to sell stock
 - If stock sale – Single level of taxation, capital gains rates
 - If asset sale – Potential for double taxation and exposure to ordinary tax rates
 - Buyers prefer to buy assets
 - If asset sale – Assets marked to FMV for book and tax. Premium (goodwill) is deductible.
 - If stock sale – No step up in tax basis and no premium (goodwill) deduction.

RSM | 26

26




Additional Considerations

- Purchase accounting and day 1 deferred taxes
- Transaction Cost Treatment
- Uncertain Tax Positions
- State footprint impact to apportionment and tax rate

RSM | 27

27




Entity Choice

S v. C

28

28




Tax Rates

- Individual vs. Corporate Rates
 - Corporate tax rate: Flat 21%
 - Individual tax rate: 29.6% Top rate after 20% Qualified Business Deduction (199A)
- Other considerations:
 - Shareholders subject to Net Investment Income Tax (3.8% Medicare tax)
 - Shareholders ACTUAL top tax rate
 - Widely held vs. Closely held consideration and assumptions

RSM | 29

29




Distribution Levels

- S-Corporation:
 - Distributions are nontaxable to the extent of AAA (Accumulated Adjustments Account)
- C-Corporation:
 - Distributions are subject to double taxation
- What are your distribution levels, particularly discretionary?
- What are your shareholders' distribution expectations?

RSM | 30

30




Long Term Plans

- Are there any plans to sell as a whole?
 - The stock basis increases/decreases for S-corporations each year with income and distributions recorded.
 - This basis increase can have *significant* impact on taxable gain if sold
 - The stock basis of C-corporations remains original purchase price, which can result in significant capital gains.

- Individual Shareholder Plans:
 - Will they hold the stock for life, gift, or sell?

RSM | 31

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S-Corporation Election/Revocation

- Election to become a S Corporation:
 - File Form 2553
 - Must be made within 2.5 months (March 15th) to be retroactive to beginning of the year (1/1/26); otherwise, election is effective the following year (1/1/27)
 - All current shareholders must consent and all must be qualified
 - Be mindful of trust shareholders and potential elections needed

- Revoking a S Corporation election:
 - Must have consent of over 50% of current shareholders
 - Revocation can be *specific date* or default (made before 3/15, effective 1/1/26; made after 3/15, effective 1/1/27)
 - Once a revocation is made, you cannot re-elect S status for five years.

RSM | 32


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Tax Credits

33

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Green Energy Business Credits

OBBBA cut short many of the 2022 Inflation Reduction Act credits

- Most were originally set to sunset in 2032

Transferability creates an opportunity for banks to purchase credits from entities that cannot utilize.


Common Credits Available for Sale

- IRC Sec 45 Production Tax Credits
- IRC Sec 48 Investment Tax Credits
- IRC Sec 45Q Carbon Capture Tax Credits

Expiration and Phase-Out dates vary

RSM | 34

34




Transferability

- Opportunity to purchase tax credits at a discount
 - Benefit of the discount is recorded in income tax expense
 - Cash flow planning
 - Refundability and carryback/carryforward opportunities
- Proper Due Diligence is required
 - Merits of credit, tax insurance, seller creditworthiness
 - Recapture risk is with the buyer
- One time transfer (cannot re-sell)

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Proportional Amortization & Tax Credit Investments

ASU 2023-02 expands the use of the proportional amortization method of accounting to additional tax credit structures (energy, historic) that meet certain criteria.

How PAM works:


- Investment cost is amortized in proportion to the tax credits and tax benefits received.
- Amortization of investment and tax credits are presented in income tax expense

Result:

- Lower volatility in pre-tax income
- Alignment of tax benefits with economics

RSM | 36


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State Tax Considerations

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Conformity with IRC

- **Rolling conformity** – state automatically adopts changes to federal changes (no legislative action needed)
- **Static conformity** – state conforms to federal as of specified date – but any later changes need to be adopted through legislation
- **Selective conformity** – state picks and chooses which federal statutes are adopted (requires legislation)
- What changes might be coming with OBBBA?

RSM | 38

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Iowa Considerations

- Iowa is rolling conformity state
 - OBBBA changes automatically adopted by Iowa
- Franchise tax rate for 2026 – 3.8%
 - Final decrease in 2027 to 3.5%
- Note on tax credits:
 - Not all Iowa tax credits can be utilized for Franchise Tax
 - Confirm refundability and carryforward period of nonrefundable credits
- Pass-through entity tax election is still an option (no change with OBBBA); Franchise tax credit typically negates the need for PTET on banks

RSM | 39

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Iowa Considerations

- Investment Subsidiary [SF 2442]
 - Effective January 1/1/2025
 - Allows creation of Investment Subsidiary
 - Permanent election to include income and expenses on Franchise Tax return
 - Apportionment: Same as financial institution
 - Rewards and Risks
 - Rewards: Workaround TEFRA Disallowance
 - Risks: Separate entity, business purpose
 - Considerations
 - Additional costs vs actual savings
 - **UPDATE:** IDR has issued guidance focused on combined reporting mechanics only

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ASU 2023-09

Improvements to Income Tax Disclosures

41

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Overview

ASU 2023-09 is intended to provide more transparent, decision-useful information about an entity's income taxes by requiring enhanced disclosures primarily related to the existing rate reconciliation and income taxes paid information.


ASU 2023-09 requires the use of consistent categories and greater disaggregation of information in the effective tax rate reconciliation and income taxes paid information disaggregated by jurisdiction. It also includes certain other amendments to improve the usefulness of income tax disclosures.

Effective dates:

– Public Business Entity (PBE)	Years beginning after 12/15/2024
– Non-PBE	Years beginning after 12/15/2025

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 RSM

Core Changes

- Effective Tax Rate Reconciliation
- Income Taxes Paid Disclosure
- Disaggregation and Standardization
- Enhanced Reporting Discipline

RSM | 43


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 RSM

Other Tax Topics

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 RSM


Information Reporting: New

- 1099-NEC and 1099-MISC:
 - Filing threshold increase from \$600 to \$2,000 starting in 2027 for payments on or after 1/1/2026
 - Indexed for inflation starting 2027
- Information Returns Intake System (IRIS)
 - FIRE will be decommissioned on December 31, 2026.
 - Beginning January 1, 2027, IRIS is only system
 - State considerations

Action Item: Are you preparing any 1099-NEC or 1099-MISC using FIRE? Do you need to transition to new IRIS system?

RSM | 45

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Meals and Entertainment

- Entertainment
 - 100% Nondeductible [Sports tickets, concert tickets, golf, etc]
- Business Meals
 - Generally - 50% Deductible [Lunch with clients, travel meals, etc]
- Social Employee Meals
 - 100% Deductible [Company picnic, holiday parties, other social events]
- Meals for the "convenience of the employer"
 - 0% Deductible [Starting 2026]

RSM | 46

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Eligible S-Corp Shareholders: Trusts and Estates

- **Revocable Trusts:**
 - Revocable: grantor (creator) can change assets, trust terms, terminate trust, etc.
 - For tax purposes, this is disregarded and reported under grantor's SSN / Personal 1040
- **Grantor Trusts:**
 - Can be revocable or irrevocable, with grantor retaining powers such as substitute assets, etc.
 - For tax purposes, this is disregarded and reported on grantor's personal 1040, but "may" have a separate EIN.
- **Estates**
 - Generally, it is okay for a couple of years as an actual estate, but if the trust creates a trust – will need to assess and make necessary elections

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Eligible S-Corp Shareholders: Trusts and Estates

- **Qualified Subchapter S Trust (QSST)**
 - Domestic inter vivos or testamentary trusts
 - One US Citizen/Resident income beneficiary [Or substantially separate share with one income beneficiary]
 - Additionally, any corpus/principal to be distributed – must only be distributed to that income beneficiary
 - Election to be treated as QSST is made by the beneficiary within 2 months + 16 days after transfer
 - Beneficiary picks up on personal income tax return
- **Electing Small Business Trust (ESBT)**
 - Multiple beneficiaries allowed, including non-resident aliens, but still must qualify (individual, estate, certain charitable or government organization)
 - ESBT portion – taxed at the trust level (top individual rate)
 - Election to be ESBT is made by the trustee within 2 months+16 days after transfer

RSM | 48

48




Eligible S-Corp Shareholders: Trusts and Estates

- A trust can be "eligible" as a QSST or ESBT, but not a qualified shareholder if proper elections are not made.
- S-corps should confirm eligibility AND elections are made
 - Request confirmation / copies of relevant documents
 - Due diligence for sales often times will involve verifying qualified shareholders.
- Late Relief

RSM | 49

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Private Foundation Considerations

- Must distribute a minimum portion of assets each year (i.e. 5%)
- Can make contributions to public charities, governmental entities (public schools/universities, local governments, etc.), and select other causes [i.e. scholarships or grants with prior approval]
- Not all organizations are public charities or governmental entities.
 - i.e. I-LEAD is an organization, but not a charity [Not deductible]
- Be mindful of "Self-Dealing"
 - Auctions
 - Contributions in which the Foundation (or individuals with deep ties) get a benefit
 - Example: Donating to U of Iowa athletic department that enables priority ticket purchases, etc.

RSM | 50

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Sale-Leaseback Transactions

<p>GAAP Treatment</p> <ul style="list-style-type: none"> ▪ Financing Lease Failed sale, no gain, capitalize lease under ASC 842 ▪ Operating Lease Recognize gain immediately <p>Finance Lease if One or More is Met:</p> <ul style="list-style-type: none"> • Ownership of the underlying asset transfers to the lessee by the end of the lease term. • A bargain purchase option is included in the lease. • The lease makes up a major part of the asset's economic life (75%). • The present value of the lease payments is equal to or exceeds substantially all the underlying asset's fair value (90%). • The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term. <p style="text-align: right;"><small>RSM 51</small></p>	<p>Tax Treatment</p> <ul style="list-style-type: none"> ▪ Recognize gain immediately
---	--

51



THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

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FINANCIAL INSTITUTIONS CONFERENCE

May 28 | West Des Moines Marriott | 8 hrs CPE

ISCPA
IOWA SOCIETY OF CPAs

AI in Banking: Industry Leader Perspectives

Derek Baker | Mills Marketing

Ben Currie | TruBank (Moderator)

Tim Dively | CLA

Shawn Laird | Federal Home Loan Bank of Des Moines

Eric Pulse | Eide Bailly



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The Regulatory Landscape: Insights from Experts

James Johnson | Iowa Division of Banking

Chad Jorgensen | Federal Reserve Bank of Chicago

Chris Kumpf | Iowa Division of Credit Unions

David Redenbaugh | FDIC

Jenna Siberz | KPMG (Moderator)



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Ethical AI Practices: Ensuring Responsible Use

John Higgins | Higgins Advisory LLC

Ethical AI Practices: Ensuring Responsible Use



Presented By
John H. Higgins, CPA.CITP
Rochester, Michigan

Learning Goals



- Recognize the ethical dilemmas and risks associated with AI applications that exist
- Identify practical guidelines for ensuring ethical use and minimizing the risks

Presentation Outline

- Understanding ethical implications of using AI
- AI ethical implications and risks and how to mitigate them
- Wrap-up

UNDERSTANDING ETHICAL IMPLICATIONS OF USING AI



PRIVACY



ACCOUNTABILITY



FAIRNESS



SAFETY & RELIABILITY



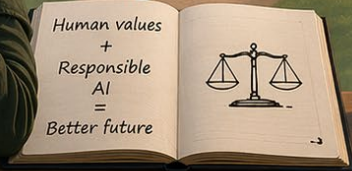
TRANSPARENCY



HUMAN WELL-BEING



INNOVATION
RESPONSIBILITY



“The new spring in AI is the most significant development in computing in my lifetime. Every month, there are stunning new applications and transformative new techniques. But such powerful tools also bring with them new questions and responsibilities.”

Sergey Brin

Co-founder Google

“The most important thing to know about AI, it is the first technology in history that can make decisions by itself and can create new ideas by itself.”

Yuval Noah Harari
Best Selling Author – Sapiens

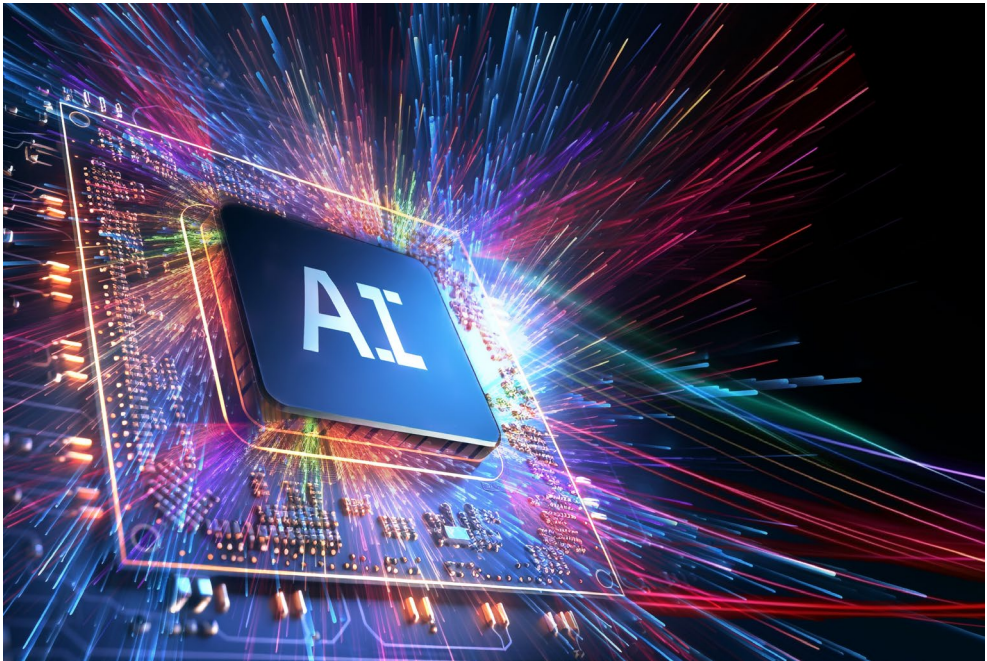
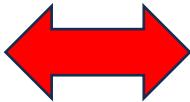
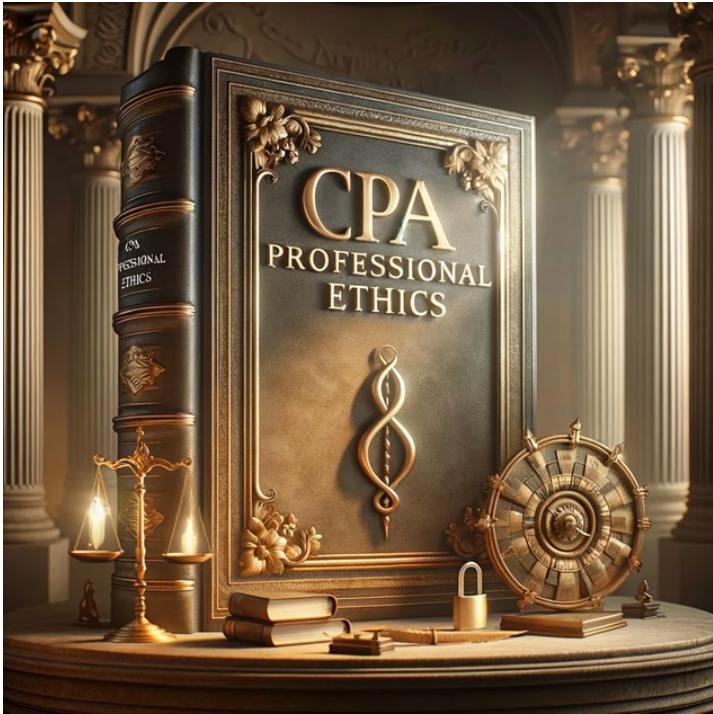
“ . . . And can take actions by itself”

John Higgins, CPA

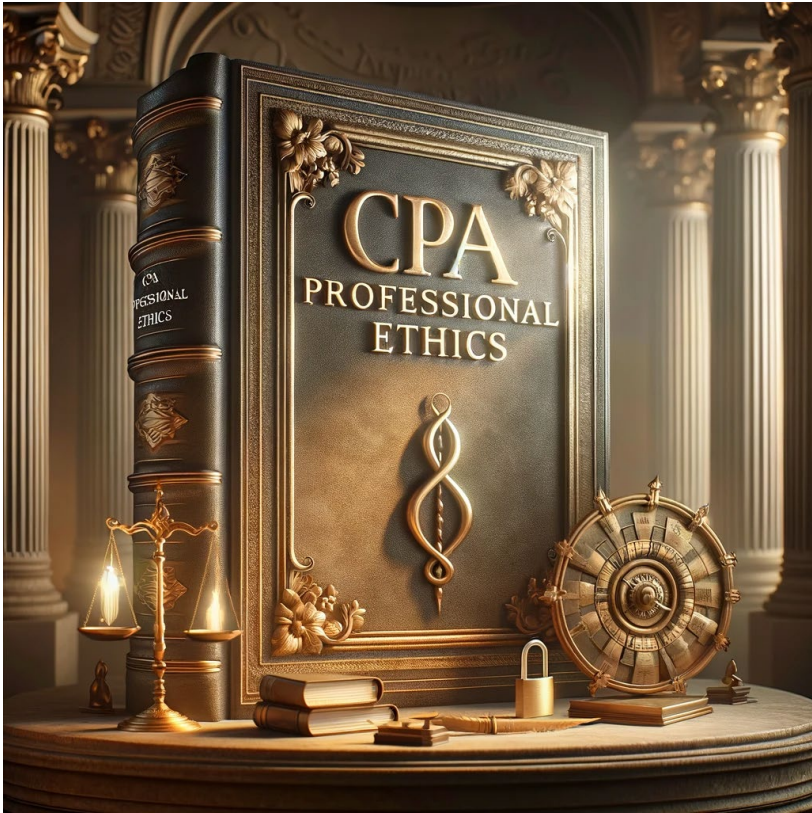
The Key Ethical Dilemmas . . .

- Is my private data **private** in AI?
- Is my AI output **accurate**?
- Is my AI output **authentic**?
- Is my AI content **discoverable** in litigation?
- Is my AI usage and content **auditable**?
- Is my AI output in **copyright violation**?

AICPA Code of Conduct and AI



REVIEW OF THE CPA PROFESSIONAL ETHICS FRAMEWORK



Key Principles of Professional Conduct

- Act in the public interest
- Integrity
- Objectivity and Independence
- Due care



AICPA Code of Conduct
Full Text



ChatGPT Summary
with AI

Additional Regulatory Entities to Consider

- State Board of Accountancy
- Federal, State, Local Government
- SEC (Securities and Exchange Commission)
- PCAOB (Public Company Accounting Oversight Board)
- DOL (Department of Labor)
- GAO (Government Accountability Office)

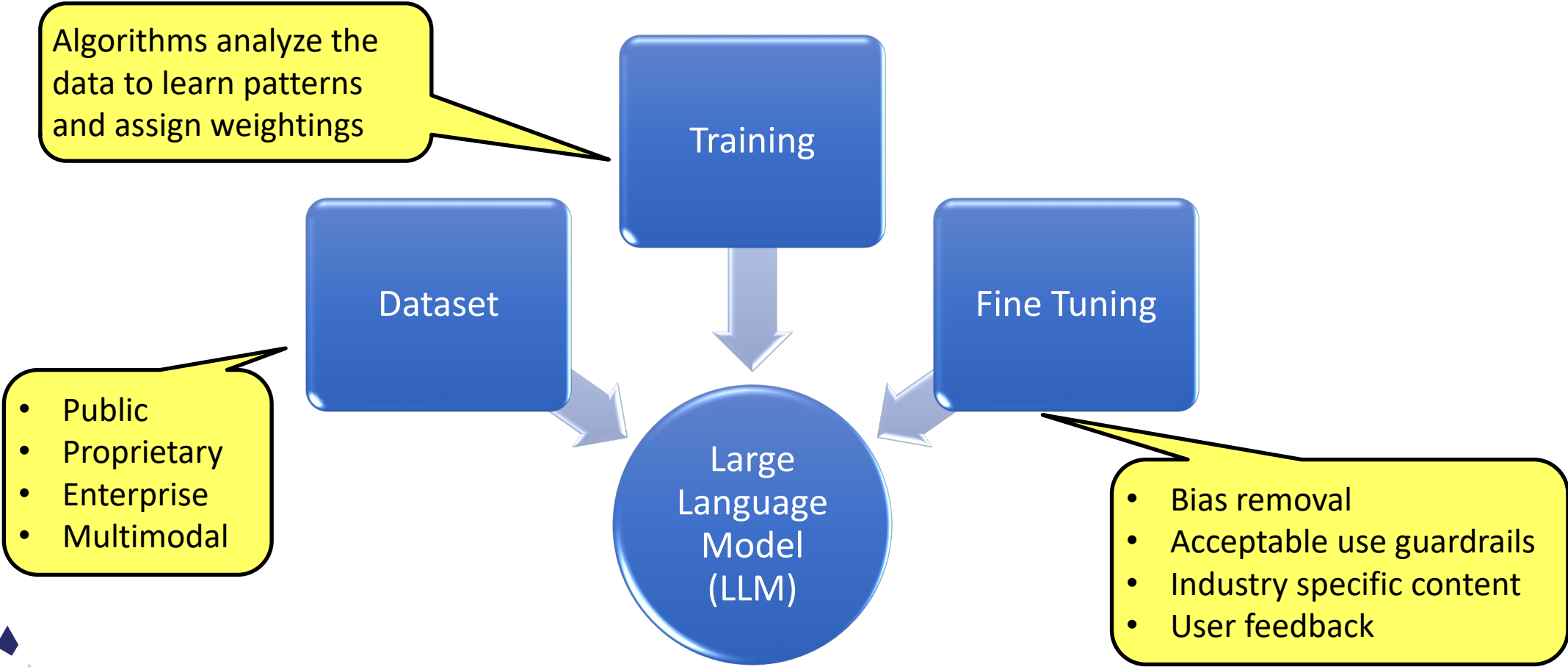
AI Ethical Implications and Risks and How to Mitigate Them



GPT – Generative Pre-trained Transformer

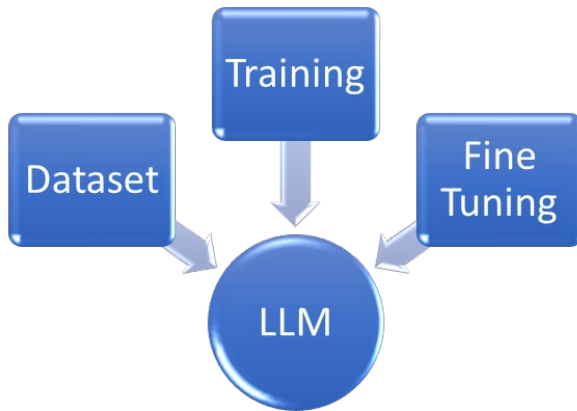


Large Language Model (LLM) & AI Risks



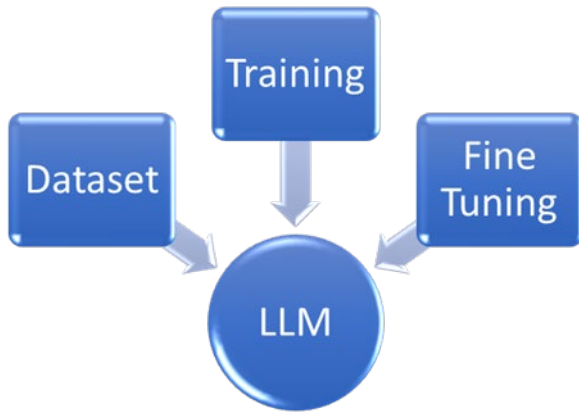
LLM Source Data Ethical Risks

- AI model developer determines the source data
- Source data will have inherent biases
- Source data may have copyright protection



LLM Training Algorithm Ethical Risks

- AI application developer defines the algorithms that train the data
- Different weightings can be assigned to different classifications of data to remove / embed biases

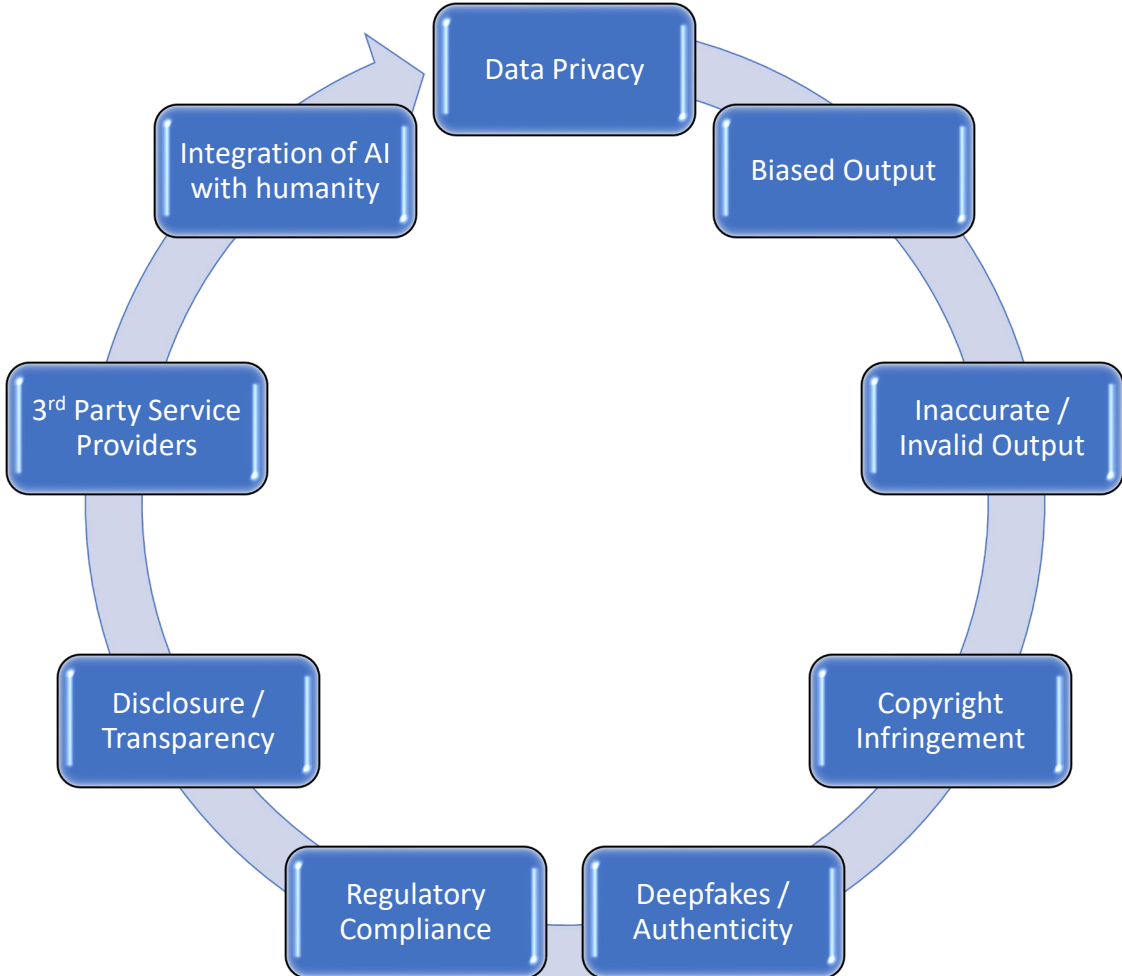


LLM Evaluation and Fine-tuning Ethical Risks

- AI application developer defines the parameters of the “guardrails” to exclude/prevent inappropriate data
- AI developer defines “acceptable use” policies for user prompts



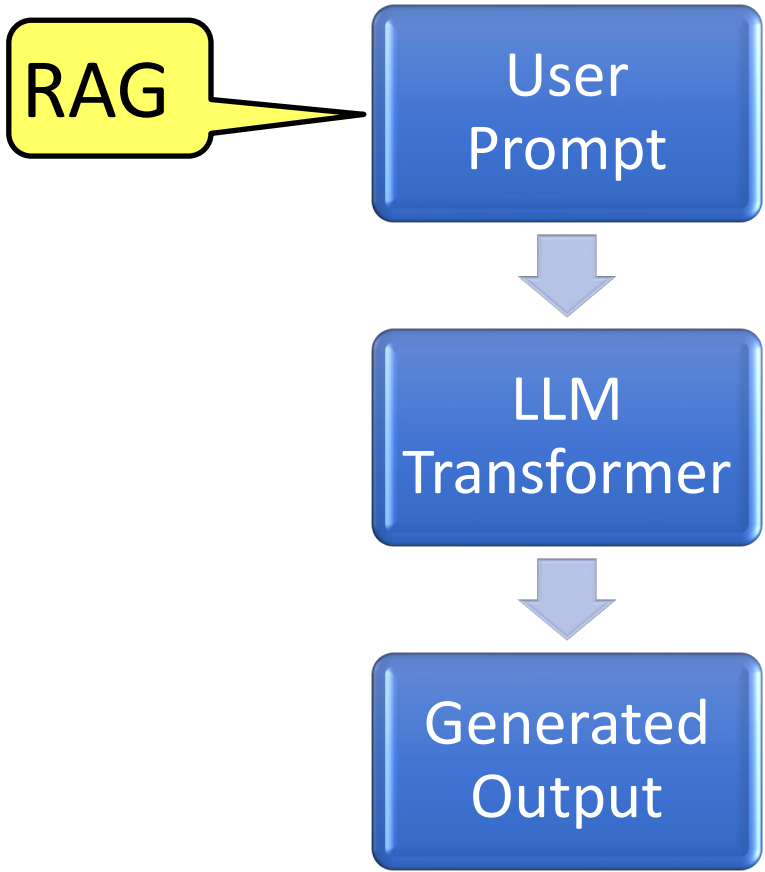
AI Ethical Implications and Risks



Data Privacy Risks

- External – Confidential data may be passed over to AI model
- Internal – Users may access unauthorized company data via AI

RAG (Retrieval Augmented Data) and Privacy Risk



Sources of RAG

- File uploads
- Worldwide web
- Internal app data
- Enterprise data



Data Privacy Risk Mitigation

- Understand and configure AI app data privacy controls
- Anonymize prompt data by removing any entity or personal identifying information
- Audit internal data access controls to ensure users only have access to data they are authorized to access

Biased Output Risk & Mitigation

- **Bias** – Prejudice for or against a person, group, idea, etc.
- AI model based on real world data
- AI developer can embed bias in the transformer
- Mitigation can be invoked via the prompt



Example prompt

AI Output Accuracy and Validity Risk & Mitigation

- Generated output may be inaccurate (hallucination)
- Establish a process for validating accuracy
 - ✓ Emphasize using your RAG data
 - ✓ Regenerate output – modify prompt / iterate prompt / prompt alternate model(s)
 - ✓ Require source citations in prompts
 - ✓ Implement a secondary review process

Copyright Risk & Mitigation

- AI output may be generated using copyright protected data
- You are ultimately responsible
- Indemnification policy: Microsoft high, OpenAI moderate, Google low.
- Avoid publishing comprehensive output verbatim.
- Use plagiarism tools, e.g. [iThenticate](#)

Deepfakes / Authenticity Risk & Mitigation

- AI generate output – image, audio, video
- Difficult to determine legitimacy
- Educate staff on what to look for
- Utilize safe word / phrase
- Dual authorization for ALL payments above \$ threshold

Regulatory Compliance Risk & Mitigation

- AI usage may not be in compliance with legislation, regulation, professional standards, etc.
- Develop a scheduled prompt to monitor appropriate authorities for new standards.



Example project

Scheduled Prompt Example

Edit schedule ×

Name

Monitor new AI regs & standards for banks

Instructions

Search for new or updated items in the last 24–48 hours that affect banks' use of AI. Prioritize: OCC fintech/AI + Model Risk Management (Comptroller's Handbook); Federal Reserve AI program, SR 11-7, supervisory statements; FDIC AI publications; CFPB AI/fair-lending actions; Financial Stability Board AI reports; BIS/BCBS insights; EU AI Act updates affecting credit institutions/EBA; UK Bank of England/PRA/FCA updates; NIST AI RMF; ISO/IEC 42001. Deliver a concise daily digest with: (a) headline and date, (b) issuing body, (c) why it matters for bank compliance (model risk, third-party, fair lending, ops risk, governance), (d) official link, (e) 1–3 recommended bank actions. Skip duplicates and general AI hype.

Also try these focus queries:

- site:occ.treas.gov ("artificial intelligence" OR "model risk")
- site:federalreserve.gov ("SR 11-7" OR "artificial intelligence" OR "model risk")
- site:fdic.gov ("artificial intelligence" OR "machine learning")
- site:consumerfinance.gov ("artificial intelligence" OR "adverse action" OR "explain")
- site:fb.org ("artificial intelligence"); site:bis.org (AI OR explainability)

When

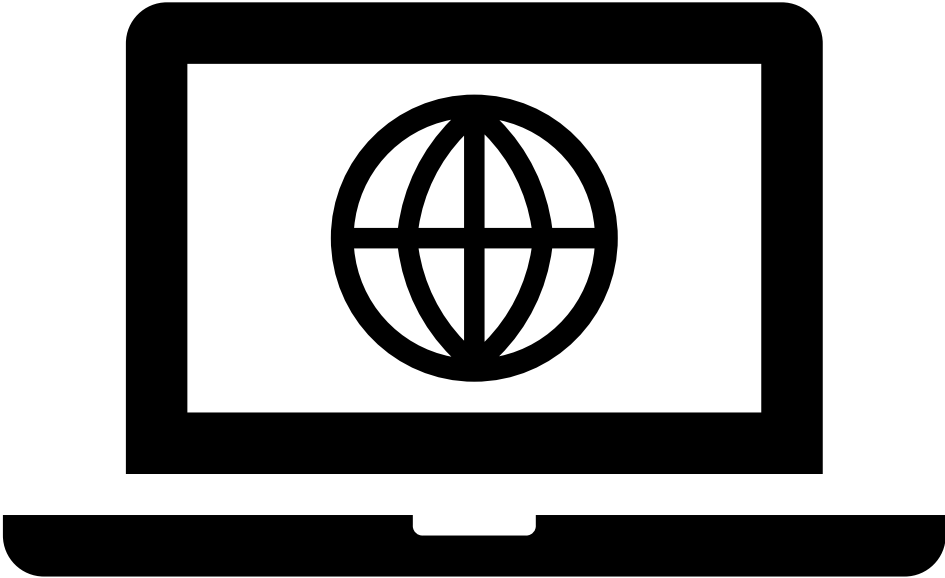
Monthly ▼ 1st ▼ 7:30 AM ▼

Example prompt

Disclosure / Transparency Risk & Mitigation

- Currently little or no guidance from legislation and professional standards.
- Rely on your ethical framework
- Disclose relative to your usage and output
- Avoid using verbatim output
- Maintain an auditable trail of AI usage
- Apply consistent to other research tools

Using Projects in ChatGPT for Audit Trail



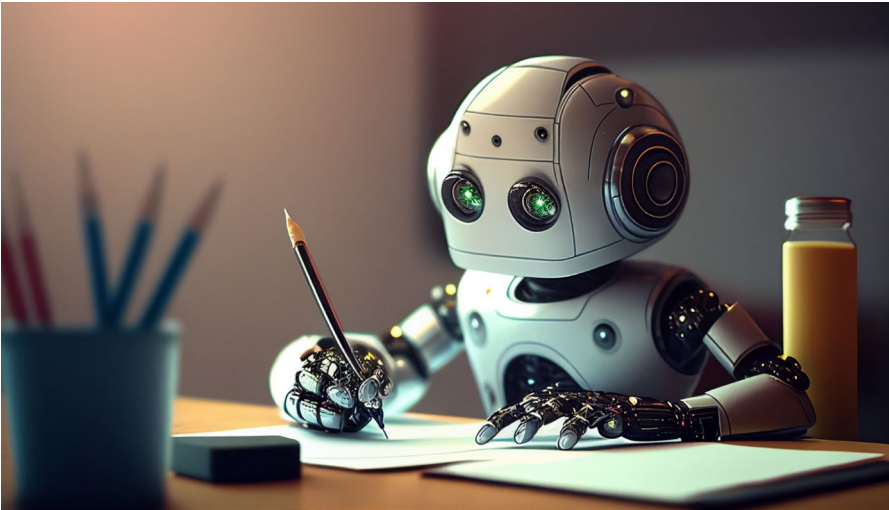
Example project

3rd Party Service Provides Risk & Mitigation

- AI provider may be the source of many of these risks identified.
- Apply due diligence in selecting AI tools
- Permit only usage of approved AI tools
- Disclose usage via contracts / engagement letters as per other 3rd party application usage

Integration of AI & Humanity Risk & Mitigation

Machines are getting more like humans



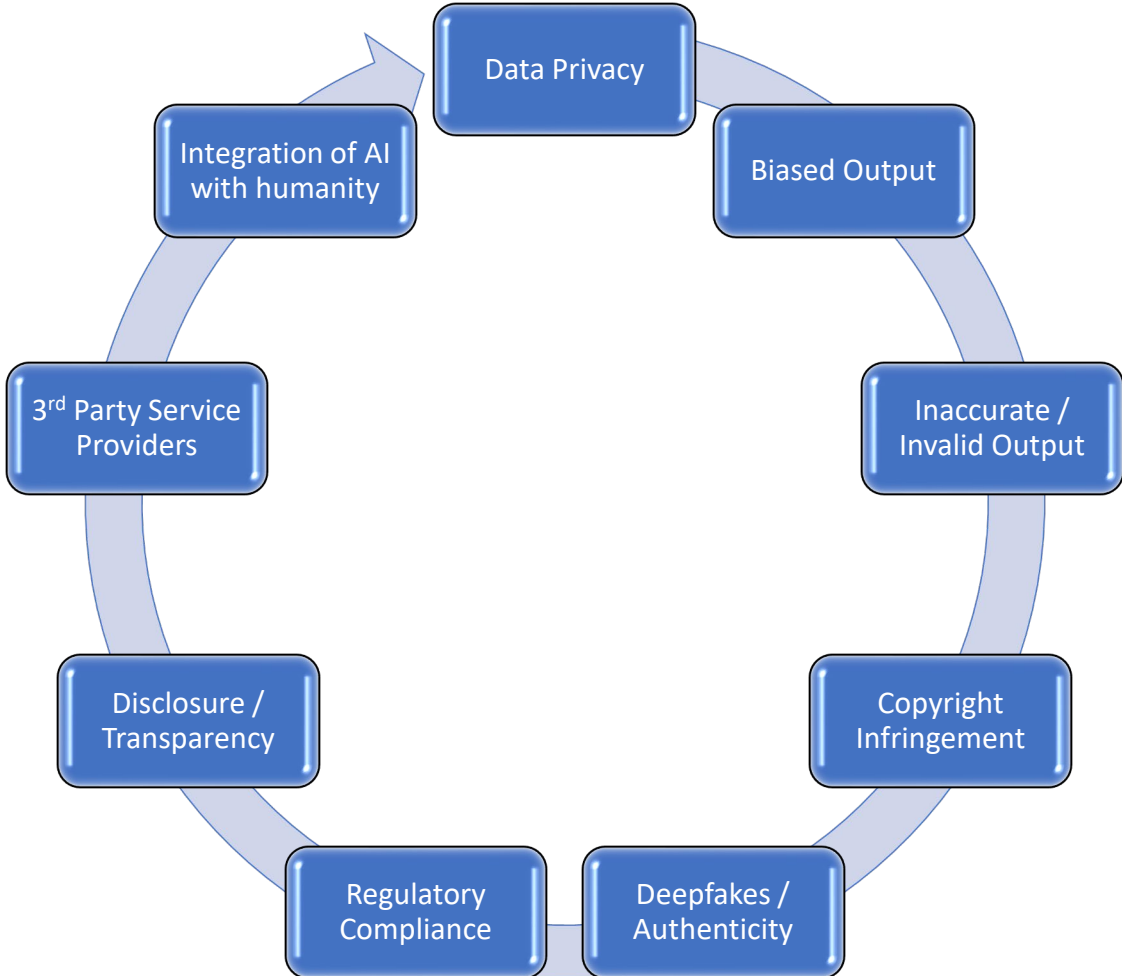
Humans are getting more like machines



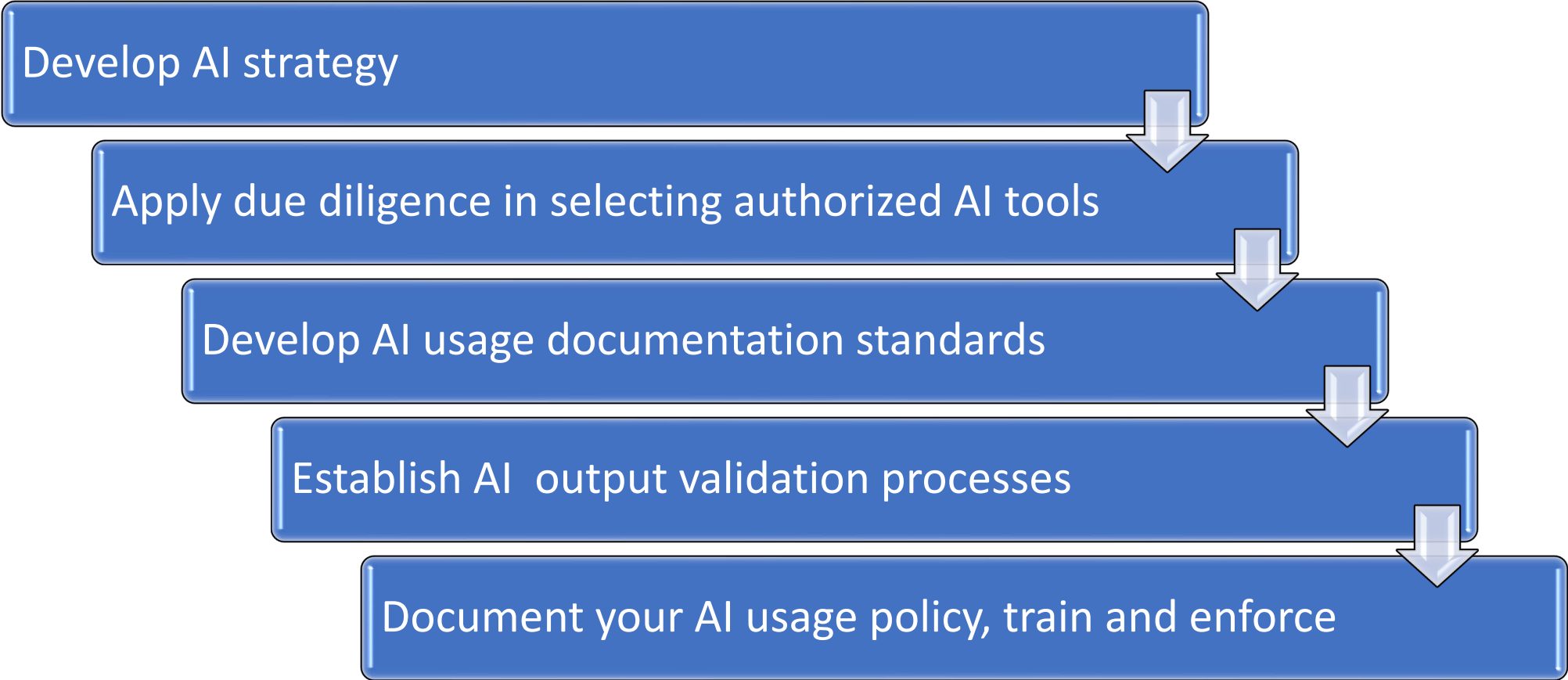
Integration of AI & Humanity Risk & Mitigation

- Many people are sleepwalking about AI
- Many people fear losing their job
- Many people have a negative view of AI
- Develop your “talent stack” AI strategy
- Communicate clearly and consistently to staff
- Invest in staff AI upskilling to leverage domain knowledge

AI Ethical Implications and Risks



Responsible AI Usage Policy Recap



WRAP-UP



In Summary

- There are many ethical implications and risks associated with using generative AI technology
- Specific standards and regulations are currently limited
- Develop an AI usage policy for your organization
- Educate your staff on the risks of AI
- Use your core ethics as your foundation to guide you!

Thank you!!!

Let's connect on LinkedIn 



FINANCIAL INSTITUTIONS CONFERENCE

May 28 | West Des Moines Marriott | 8 hrs CPE

ISCPA
IOWA SOCIETY OF CPAs

Confessions of an Internal Auditor: What We're Really Seeing in the Field

Jamie Cornish | Federal Home Loan Bank of Des Moines

David Heneke | CLA

Michael Yung | West Bank (Moderator)



FINANCIAL INSTITUTIONS CONFERENCE

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iscpa
IOWA SOCIETY OF CPAs

Financial Institutions Fighting Fraud

Adam Gregg | Iowa Bankers Association

Jenica Lensmeyer | Iowa Bankers Association

Combating Financial Fraud

About the



IOWA BANKERS
ASSOCIATION

- Largest State Banking Association

- 97% membership
- 200 employees
- \$140M net worth

- Services

- Education and Training
- Compliance
- HR Services



IOWA BANKERS
MORTGAGE CORPORATION



IOWA BANKERS
INSURANCE AND SERVICES, INC.

The Fraud Challenge



Iowa bankers group launches anti-fraud awareness campaign

Nationwide, consumers lost \$12.4 billion to fraud in 2024

By Kathy A. Bolten | Senior Staff Writer

The Iowa Bankers Association has launched an anti-fraud awareness campaign to alert Iowans about the increasingly sophisticated efforts of scammers to siphon money from bank accounts or make large charges on credit cards.

Earlier this year, the association held a virtual anti-fraud summit during which over 180 bankers learned more about the types of fraud being committed and how they can help customers avoid falling for deceptions, said **Adam Gregg**, CEO and president of the Iowa Bankers Association.

The association has also begun a yearlong public service announcement campaign with Des Moines television station KDSM-TV that includes different monthly messages about how Iowans can protect themselves from scams, Gregg said.

The Iowa association is partnering with the American Bankers Association, which has resources available for combating fraud.

"This isn't just an Iowa problem, it's a national problem and an international problem," said Gregg, who became the banking group's leader in January. "The money going into somebody else's pocket, a lot of it is going to fund so trafficking, Chinese drug lords."



Iowa Bankers Association
Published by Buffer

February 15

The IBA is working to combat financial fraud through an educational anti-fraud campaign!

Our anti-fraud efforts are highlighted in the article below from Radio Iowa News. Be sure to keep your eyes open for more IBA tips and information to come!

<https://www.radioiowa.com/.../iowa-bankers-association.../>



RADIOIOWA.COM

Iowa Bankers Association offering anti-fraud tips - Radio Iowa

Iowa Bankers Association president and CEO Adam Gregg says the most surprising thing he's learned in his first five months as the organization's leader is the extent of the scams and fraud Iowa banks and their customers are dealing with. During an interview with Radio Iowa, Gregg — who resigne...



Iowa Bankers Association
Published by Buffer

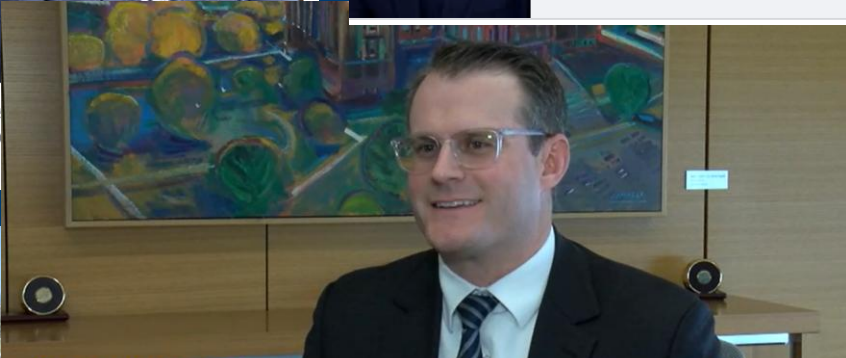
February 7

If a stranger handed you a package and told you to open it, you'd be wary, right? You should feel just as suspicious when opening an unexpected text and clicking o...
See more



PRESIDENT/CEO
ADAM GREGG
IOWA BANKERS ASSOCIATION

Travis Simpson
Northwest Bank



MONEY
CENTS

Fraud

Last year, the Federal Trade Commission (FTC) received 3 million fraud reports from consumers who reported \$15.9 billion in losses.¹

However, many cases go unreported. A 2025 FTC report estimated the 2024 overall loss to be \$195.9 billion.²

Fraud in Iowa

According to a recent Common Sense Institute report – The Impact of Financial Fraud in Iowa:

- For the state of Iowa, CSI projects losses from financial fraud in 2025 to include –
 - An estimated \$93 million in direct, reported losses.
 - Up to \$573 million in direct, unreported losses.
 - The financial fraud CSI estimates will occur in 2025 equals up to \$205 per Iowan.

Fraud in Iowa

CSI estimates **all** financial fraud, reported and unreported, will have the following impact on Iowa's economy in 2025:

- Up to a \$1.5 billion reduction in state GDP
- Up to a \$1 billion reduction in statewide personal income
- A loss of up to about 5,000 jobs

Fraud Trends

- **Phishing scams:** Scammers use deceptive links to trick individuals into sharing personal information or installing malware
- **Romance scams:** Use online dating apps and social media to build relationships, and then ask for money
- **Fake prize scams:** Claim individual won the lottery, sweepstakes or gift, and then says individual needs to pay “taxes” before being awarded the prize

Fraud Trends

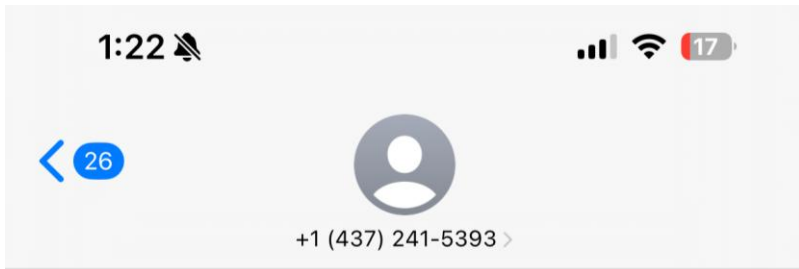
- **Investment scams:** Trick individual into investing money and promise guaranteed returns
- **Government imposter scams:** IRS, Social Security Administration, law enforcement, or other government entity – scammer pretends to be from the government entity to trick individual into giving personal information or funds
- **Impersonation scams:** Scammer pretends to be someone individual trusts; scammer may request cash deposit into bitcoin ATM

Fraud Trends

- **Job offer scams:** Scammer sends a fraudulent job offer to steal identity, tap into finances, etc.
- **Fake distress:** Use severe and urgent financial need of a close friend or family member
- **Payment app fraud:** Scams using payment apps to access individual's money

Cyber Fraud

- Cyber fraud is a type of illegal online activity that uses the internet's anonymity to deceive people and organizations. It can lead to financial, reputational and data losses.
- Types of cyber fraud:
 - **Account compromise/takeover:** For example, someone getting your bank account password or other login credentials.
 - **E-commerce scams:** Tricking you into giving away your credit card information, which is then used to purchase goods, leaving you the bill
 - **Installation of malware:** Criminals install bad programs on your computer that steal your data, or lock you out of your system, then charge you to restore data or access. Your computer can even be used by cyber-criminals to attack others.
 - **Identity theft:** Criminals get enough of your personal information to take out loans on your credit, impersonate you, and apply for credit cards, mortgages, car loans, etc.



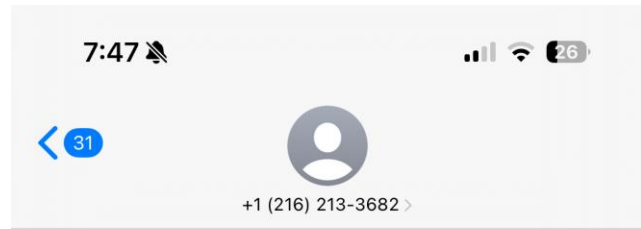
Text Message • SMS
Sunday 10:41 AM

Your vehicle has an unpaid toll past due. Please pay the due amount immediately to avoid excessive late fees and suspension of your vehicle registration - Thank You -



LDFUJZMZYDCDNE
[US40131XWOHZLU.tqduvj.us](https://iowatolls.top/gov)¹RHD
VDGR VMKMMWZQZYOCW

The sender is not in your contact list.
[Report Junk](#)

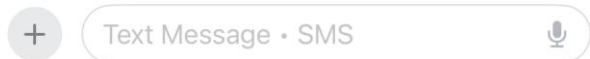


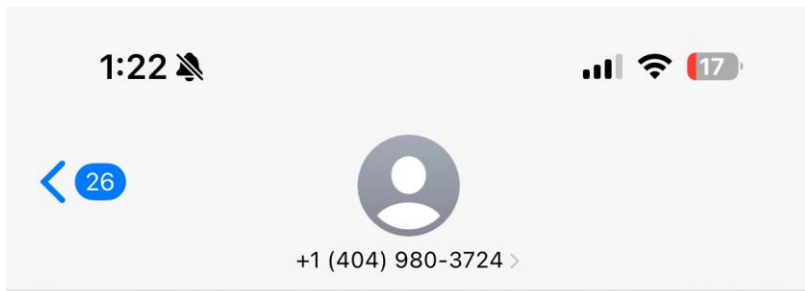
Text Message • SMS
Today 3:02 PM

Final Notice: Toll Payment Overdue

Your unpaid toll must be paid by today, April 10, 2025. Failure to pay may result in: Legal collection proceedings and negative impact on your credit score. Resolve your toll balance now to avoid enforcement and further penalties:
<https://iowatolls.top/gov>
Thank you!

The sender is not in your contact list.
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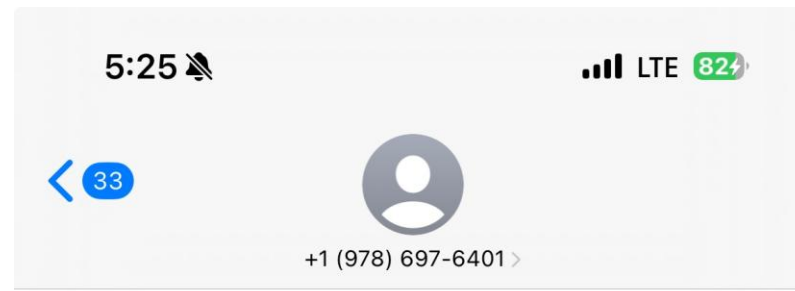


Text Message • SMS
Friday 11:24 AM

Can we have dinner tonight?

The sender is not in your contact list.

[Report Junk](#)

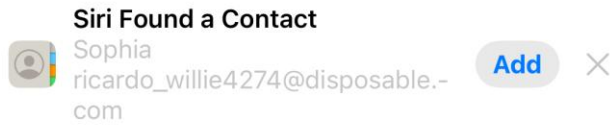
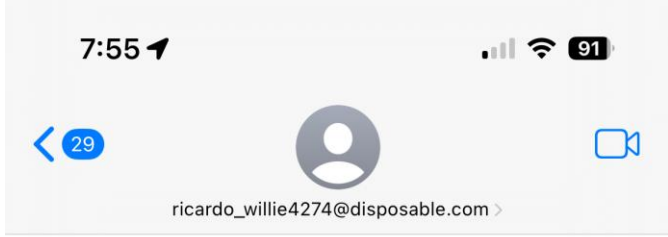


Text Message • SMS
Tue, Feb 4 at 12:14 PM

UBI OF IOWA ALERTs: Hello \$760 debit charge was made from CVS online, not recognise? visit nemojed.net/ubii.php to stop payment

The sender is not in your contact list.

[Report Junk](#)



iMessage
Today 7:51 AM

Hello, my name is Sophia, recruiter at DSL, we came across your profile through several online recruitment platforms and were impressed by your background and experience, we're currently offering a flexible part-time opportunity that you can work on in your free time. The role involves assisting merchants with product reviews. It's a straightforward task, and we'll provide free training to get you started. The daily salary ranges from \$201 to \$3000, and you can receive your commission immediately after the work is completed. All payments are made on the same day. If you would like to join us, please contact us via WhatsApp:+12133979770 (Please note that applicants must be at least 21 years old to be eligible for this role)



Anthony R. Kies
Chief of Police

MUSCATINE POLICE DEPARTMENT
OFFICE OF THE POLICE CHIEF
312 East 5th Street
Muscatine, IA 52761
(563)263-9922 FAX (563)288-0964



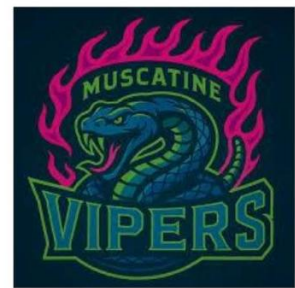
Steven Snider
Assistant Police Chief

Press Release - Sports Team Scam Investigation

On Friday, September 19, 2025, the Muscatine Police Department began investigating allegations involving a fraudulent youth baseball team called *The Muscatine Vipers*. The team was advertised as having 8U and 11U league teams.

Parents reported that when the fall league season was supposed to begin, they discovered the Muscatine Vipers were not officially registered. Multiple victims stated they had already paid team dues for participation in the Quad City Bronco Fall Ball League (08/30/25 – 10/11/25). It was later learned the players were not eligible to participate because the organizer failed to complete payment to the league.

The Muscatine Police Department is actively investigating these allegations. Anyone who has information related to this incident, or who has paid money to participate in this league, is asked to contact Detective Nicole Sink of the MPD Major Crimes Unit at 563-263-9922, ext. 612. Callers may remain anonymous.





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ROC 02

CARROLL IA 51407

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9200 1902 6909 4601 2317 65

KFWL-N-GA-
ORD



Return Slip


and item description inside your return package (in case you


Dj6fxgLwRRMA




Amazon Return ID: Dj6fxgLwRRMA

Carrier ID: 114 3727647 70000

 **Iowa AG Brenna Bird**
@AGIowa

 **Scam Alert:** A fake website is circulating and claiming to create a memorial for Sgt. Declan Coady. Scammers are trying to exploit the generosity of Iowans during a time of grief. Please be careful—this website is not legitimate.



The Declan Coady Foundation

HEALTHCARE INITIATIVE

SUPPORTING CHILDREN THROUGH

Healing & Care

We partner with hospitals and clinics to provide essential medical treatments, adaptive equipment, and healthcare navigation for children with special needs nationwide.



[Support Healthcare](#)

[Partner With Us](#)

declancoadyfoundation.com


10:30 AM · 14 Mar 26 · 559 Views

12:20 5G 57

 106 


+1 (647) 308-5430

Text Message · SMS
Today 12:13 PM



Urgent Notice
Please Check Attachment


VVZSJ



URGENT-OPEN-NOW-1.pdf
PDF Document · 18 KB

If you did not expect this message from an unknown sender, it may be spam.


[Report Spam](#)

+ Text Message · SMS 

Heather Dameron

(hdameron.firstmissouri.bank@atomicmail.io) **External** invited you to view:

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DocuSign

Your pending document has been signed and completed.

[VIEW COMPLETED DOCUMENT](#)

Received by:
servicing@bmc.com

Please review document "Payoff-Quote#833921.pdf" today 2/26/2024 8:36:11 AM.

From: Dropbox <no-reply@dropbox.com>
Date: May 13, 2024 at 1:53:09 PM CDT
To: "Marchese, Chris" <CMarchese@iowabankers.com>
Subject: Patrick McNeive sent you a file

CAUTION: This email originated from outside of Iowa Bankers. Use caution when clicking links or opening attachments unless you recognize the sender and know the contents are safe.

Download them by June 12, 2024 at 11:59 PM GMT-07:00



Easily send large files

Hi,

Patrick McNeive sent you a file. It'll be available to download until **June 12, 2024 at 11:59 PM GMT-07:00.**



Pocahontas State Bank New Project Bid.pdf

154.16 KB

Thanks for your assistance!

May 21, 2024 at 12:57 PM

from: John Sorensen <ppmailbox272791@gmail.com>

reply to:

to: kfischer@iowabankers.com

cc:

Reported

May 21, 2024 at 1:01 PM

Reported by

Fischer, Katie <kfischer@iowabankers.com>

PREVIEW

RAW MESSAGE

HEADERS

ATTACHMENTS

DOMAINS & URLS

MATCHED RULES

HISTORY

CAUTION: This email originated from outside of Iowa Bankers. Use caution when clicking links or opening attachments unless you recognize the sender and know the contents are safe.

Hi Katie,

I hope you are doing Well? I am not conversant with Zelle or Venmo, and can't hassle payment to a vendor right now. If you have any of these payment services, and can help make the payment at your convenience, please let me know.

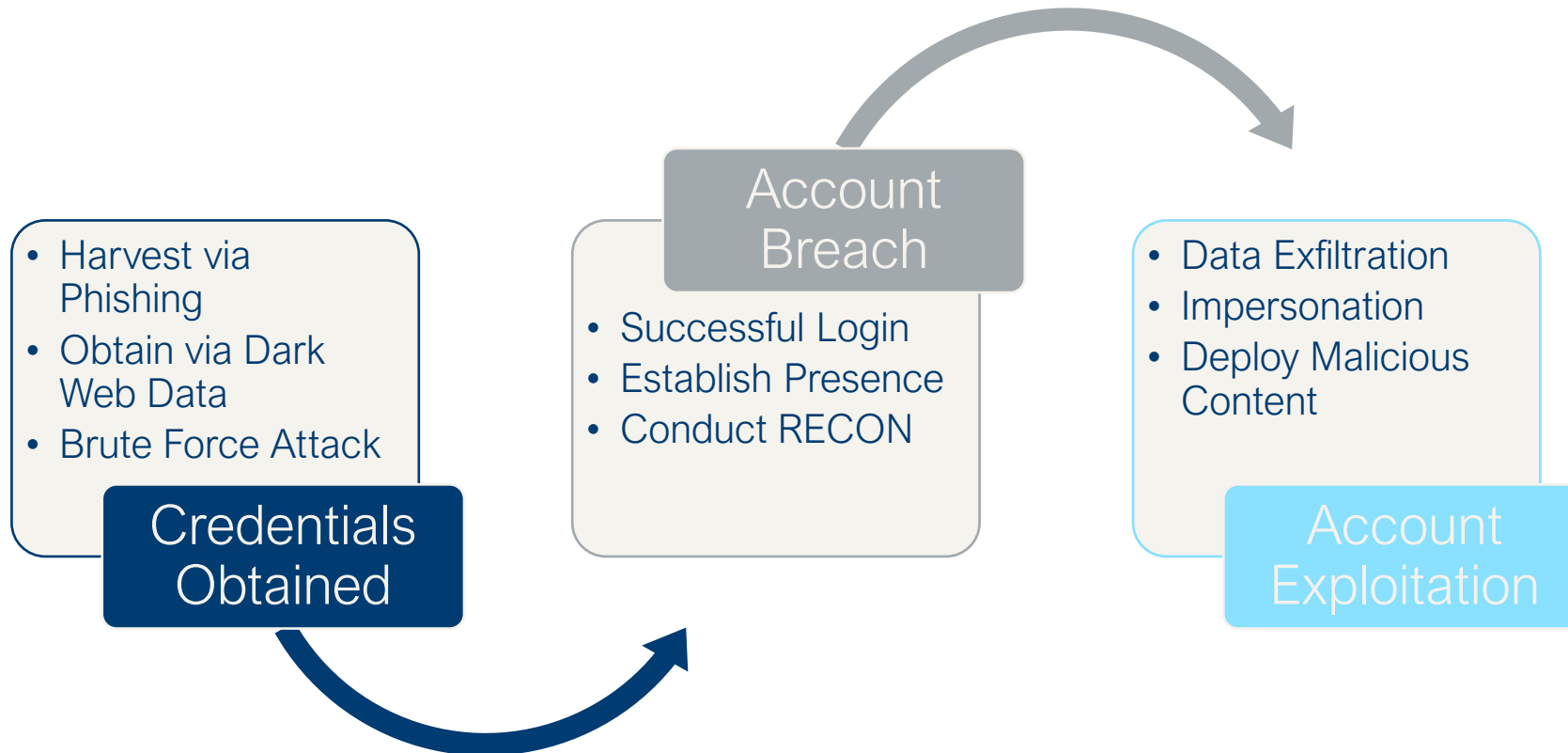
Let me know so I can forward you the vendor's payment details and will have your reimbursement processed once the treasurer is back in office.

Best Regards
John Sorensen.

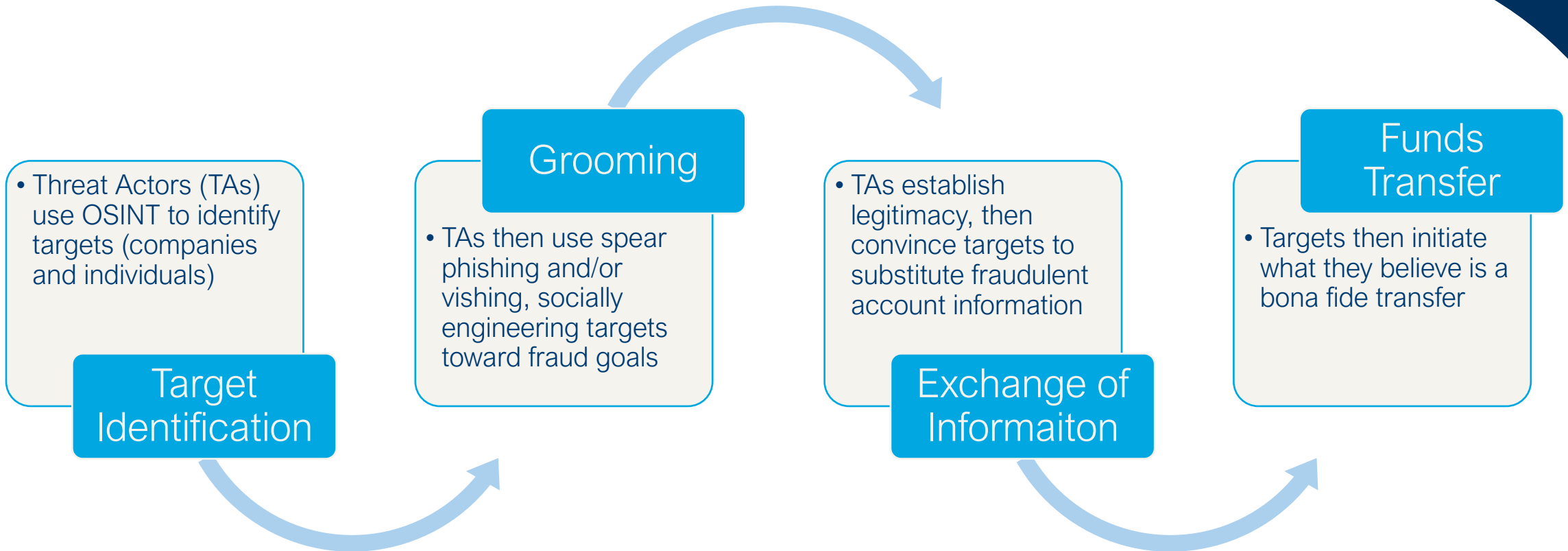
Trends Lead to Transactions or Action

- Large cash withdrawals from bank and then:
 - Mailing it
 - Placing it in a bitcoin ATM
 - Purchasing gift cards
 - Having it ready for a courier to pick up
- Sending wires
- Using payment platforms such as Zelle, Venmo, Cash App to transfer money
- Verifying recent transactions and sharing account information
- Sharing personal information
- Clicking on a link
- Entering login credentials

Account Takeover

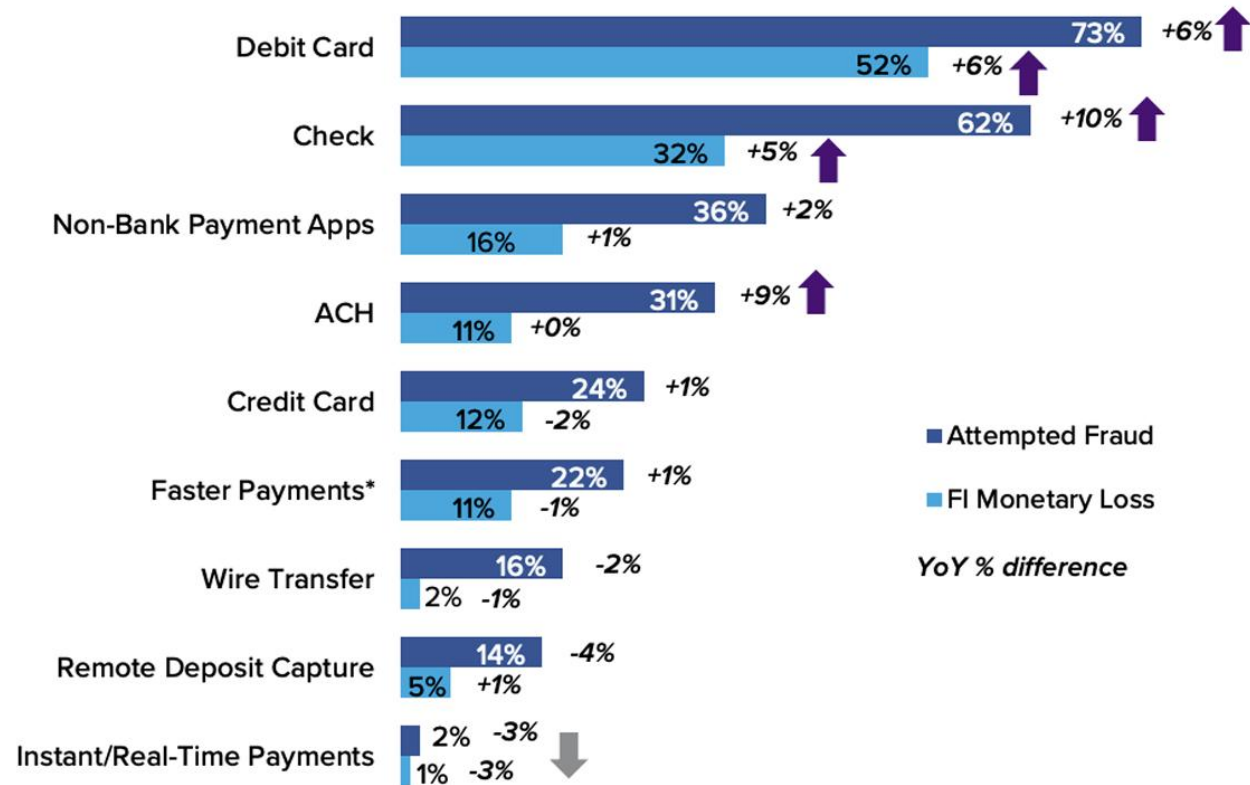


Wire Fraud



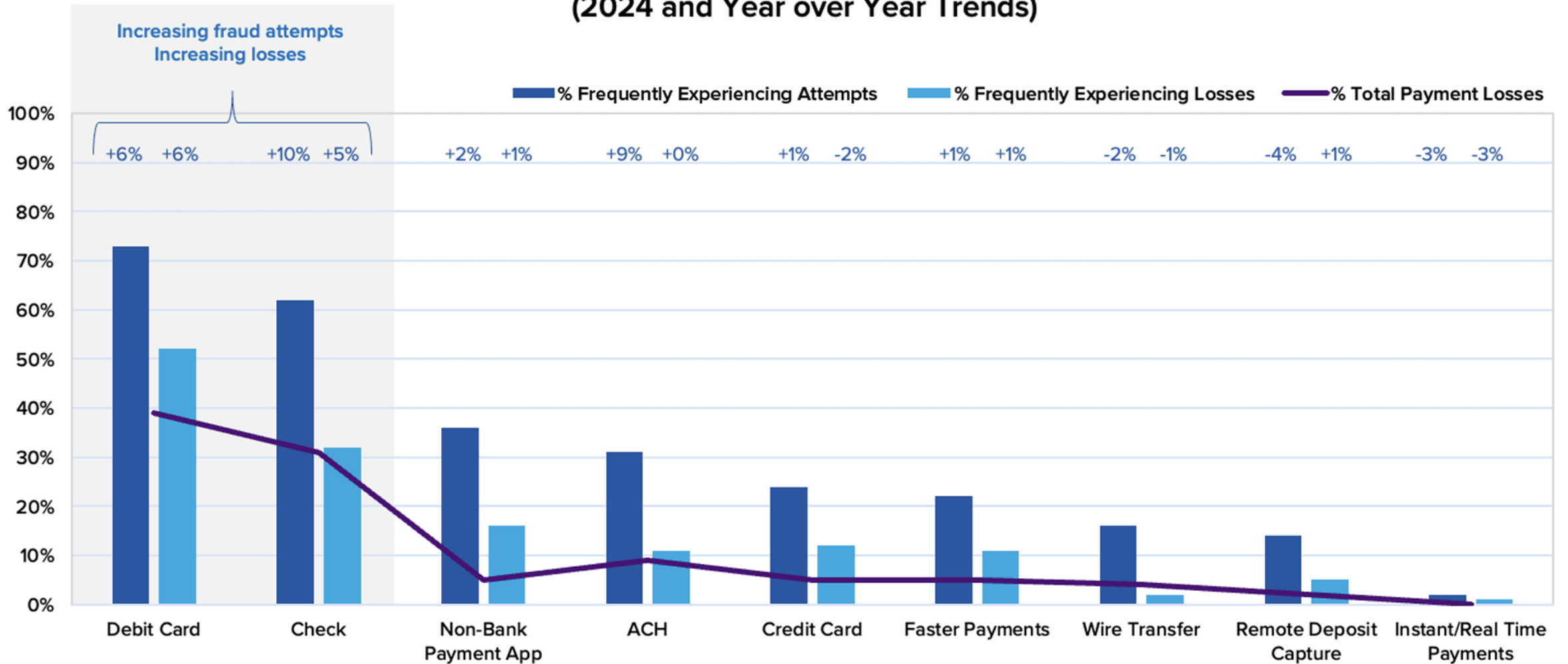
Federal Reserve 2024 – Risk Officer Survey

Most Frequently Experienced Fraud and Losses by Payment Type



Payment Risk Summary

(2024 and Year over Year Trends)

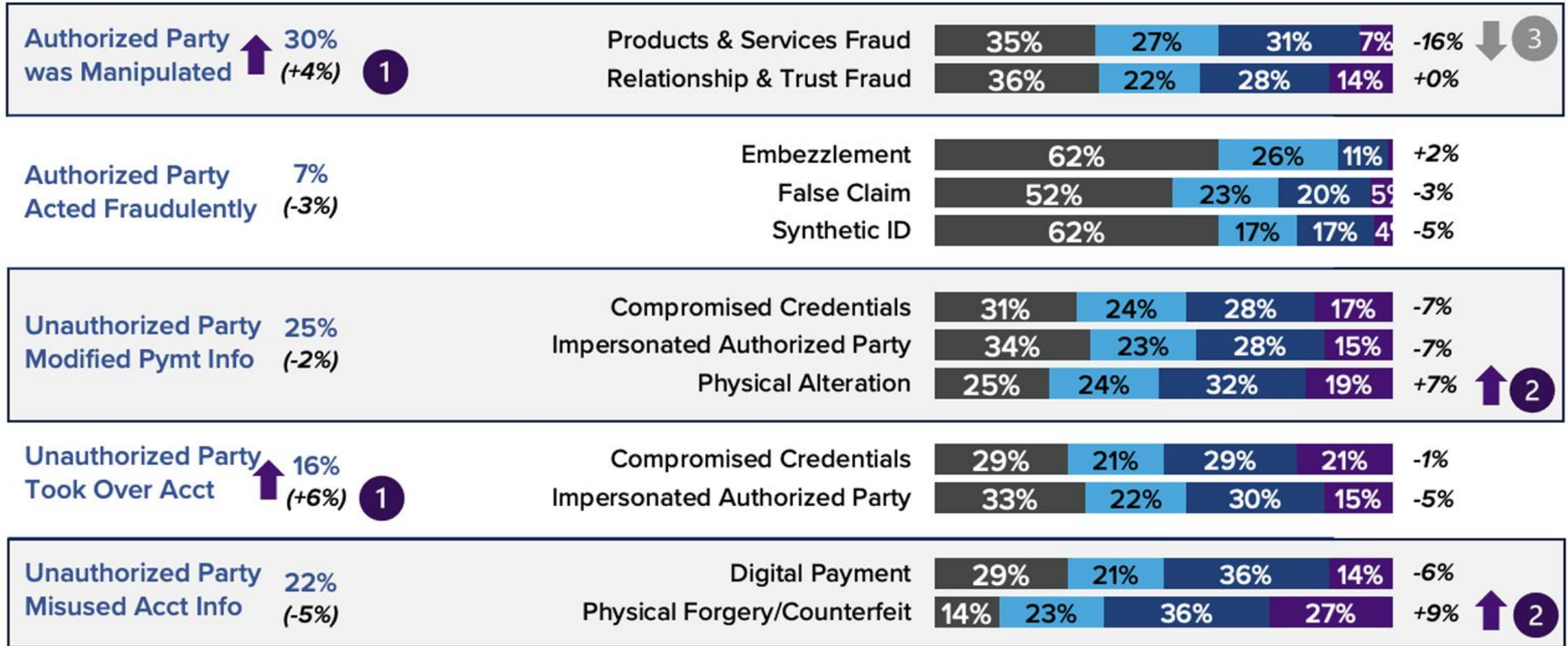


*e.g., mobile payments

Fraud Frequencies and Specific Events

Fraud Category by Frequency

Specific Fraud Events



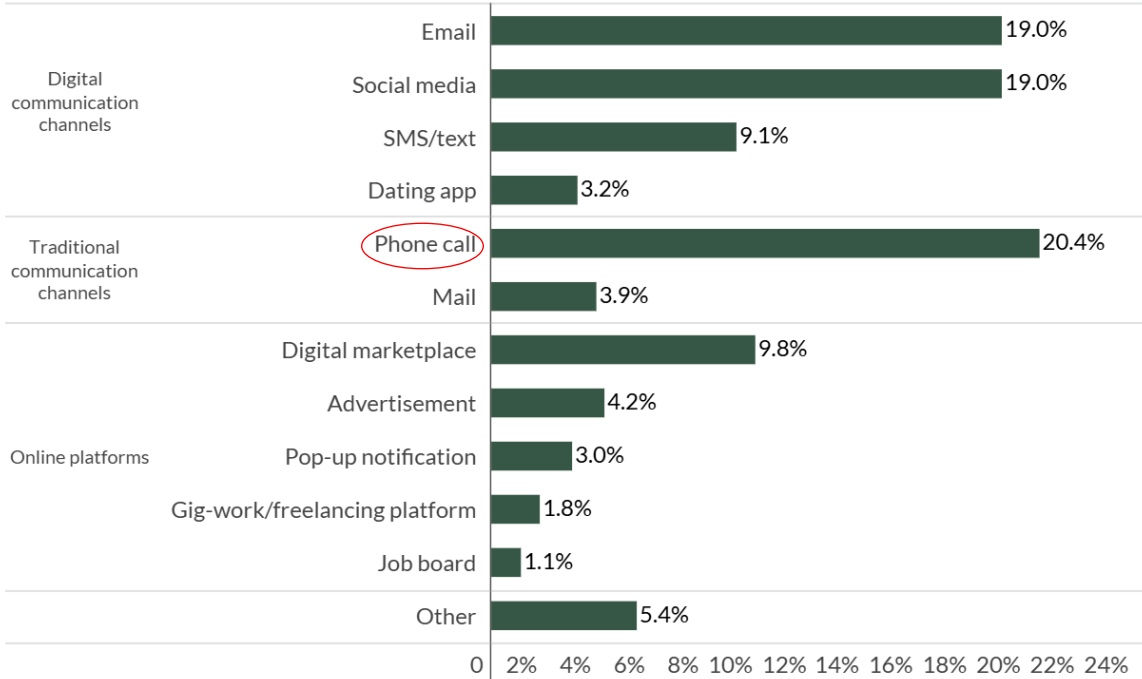
■ Never/NA ■ Declining ■ Persistent ■ Increasing

() YoY% difference

Top 2 YoY% difference

Scammers' channels for initial contact

Share of financial scam victims reporting scammers made first contact through select channels



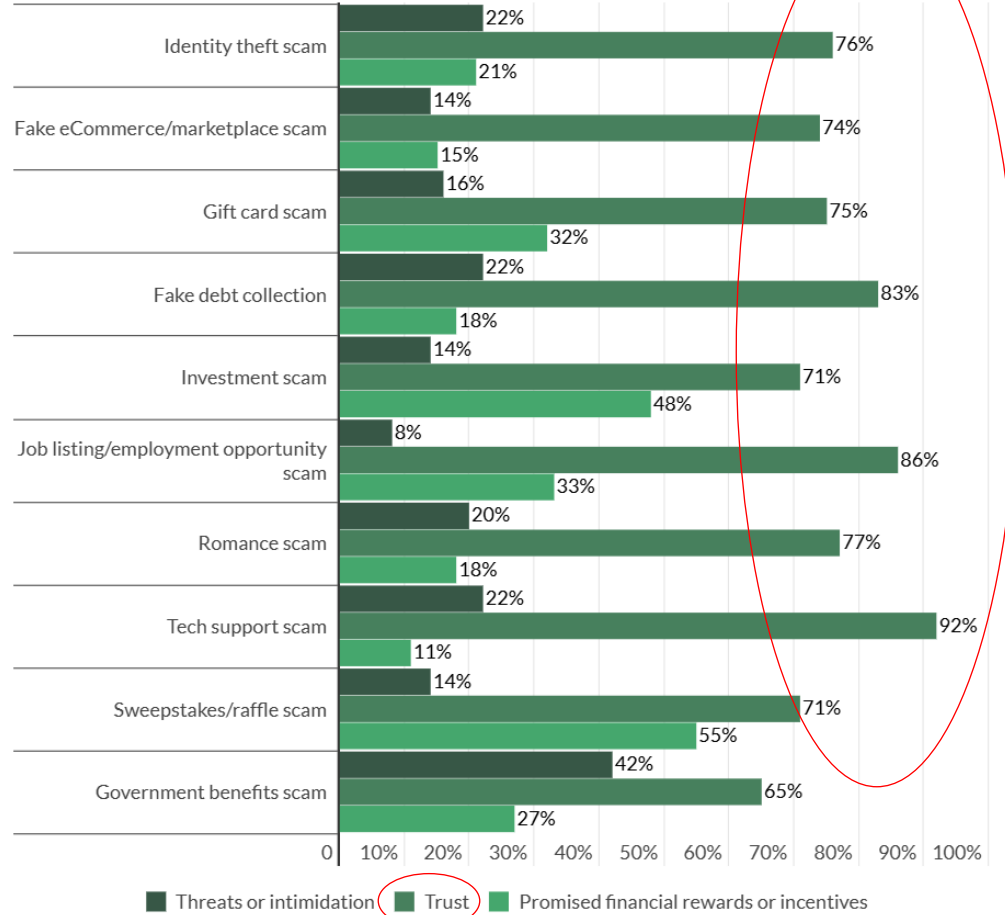
Source: PYMNTS Intelligence

How Scammers Tailor Financial Scams to Individual Consumer Vulnerabilities, January 2025

N = 2,209: Respondents who have experienced household financial loss because of a scam, fielded July 26, 2024 – Aug. 19, 2024

Financial scam compliance tactics

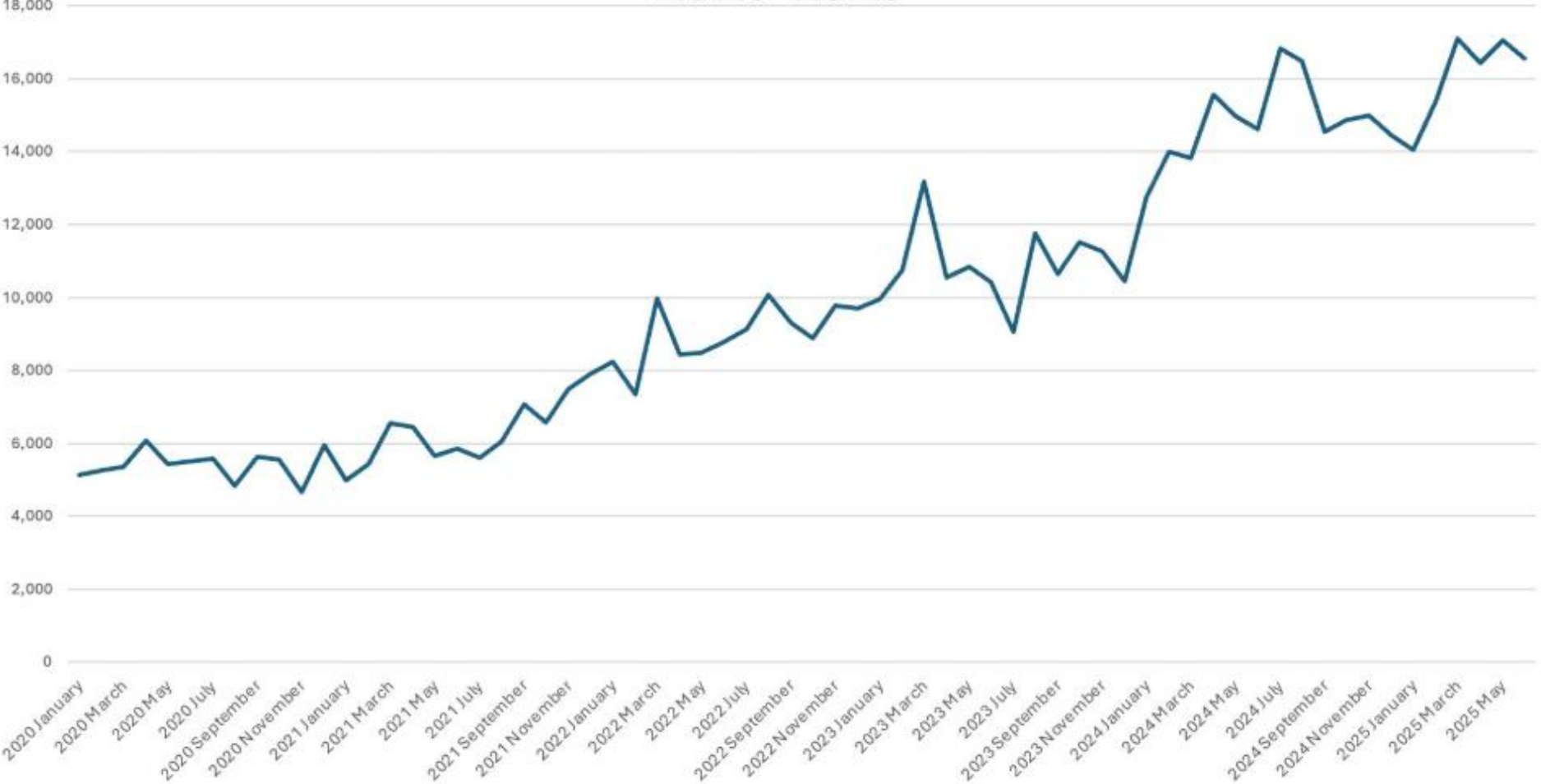
Share of financial scam victims reporting select tactics that scammers used to gain their compliance, by type of scam



Source: PYMNTS Intelligence

How Scammers Tailor Financial Scams to Individual Consumer Vulnerabilities, January 2025

Monthly Account Takeover Incidents Reported to FinCEN between 2020-2025



The Rise of Scams on Meta Platforms*

50%

Scams on Zelle via JPMorgan traced to Meta Ads

70%

New advertisers flagged for fraud, illicit goods, or poor-quality offers

230,000+

Scam ads using Andrew Forrest's Name / Image / Likeness



\$ 160B

Meta's ad revenue in 2023 – incentivizing weak enforcement

8-32

Fraud “strikes” allowed before ad account removal

Section 230 - Meta argues it has no legal duty to protect users from fraud “Meta has no duty to protect users from third-party content on its platform, Plaintiff cannot state a negligence claim”

THE WALL STREET JOURNAL.

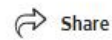
The Panicked Voice on the Phone Sounded Like Her Daughter. It Wasn't.

An alleged abduction, a demand for money and a tense drive to Walmart



By Julie Jargon [Follow](#)

April 5, 2025 10:00 am ET



Share



Resize



Listen (1 min)



ILLUSTRATION: JASON SCHNEIDER

How easy is it to video and voice clone?

Video of child's voice



Voice clone using video text-to-voice and text box



Audio voice acting to guide AI



Voice clone of child following voice acting prompts



Where is the Industry Headed in the Fight Against Fraud?

- Advocating for policy changes
 - Safeguarding Consumers from Advertising Misconduct (SCAM) Act
 - Guarding Unprotected Aging Retirees from Deception (GUARD) Act
 - Taskforce for Recognizing and Averting Payment Scams (TRAPS) Act
- Consumer education campaigns
 - The banking industry is leading the way to educate consumers.
 - #BanksNeverAskThat
 - #PracticeSafeChecks
- Partnerships with federal and state agencies and law enforcement
- Anti-fraud tools and resources
 - Fraud Contact Directory

Tips to Protect Yourself, Family and Business

- Create a secret word (codeword) or phrase with family members so you can easily verify it is indeed a family member communicating with you.
- Trust your gut. If it seems too good to be true, it probably is.
- Verify, verify, verify:
 - Always check to be sure you aren't falling for a scam.
 - Hang up and call the person's known number directly.
 - Check with your bank before clicking.
- Limit your online content – anything you put online can be used for impersonation/deepfake media.
- Add a trusted contact to your account that the bank could contact if they suspect fraudulent activity.

Tips to Protect Yourself, Family and Business

- Watch for **social engineering**
 - This is how scammers manipulate their victims.
 - Regardless of the scam, they almost always share the same telltale signs:
 - Requests for sensitive information
 - Sense of urgency
 - Pressure to act quickly
 - Suspicious email addresses or phone numbers
 - Unusual requests from authority figures
 - Unexpected attachments or links
 - Poor grammar
 - Attempts to exploit your emotions such as fear or greed
 - Use threats (e.g., warrants for arrest) or impose other requirements to keep conversation private

Encourage Your Customers to Trust Their Local Banker

- Always encourage customers to trust their local banker. If they think it might be a scam or fraud, they should contact their bank immediately.
 - Bankers see fraud every day and know what to look for.
 - Bankers can help customers investigate the fact pattern and protect their money.
 - If customers fall victim to fraud, bankers may be able to help them recover their finances if they act quickly.
 - Sense of urgency – contact ASAP

What Can You Do?

- Educate, educate, educate – this is the best way to prevent fraud
- Watch for fraud and talk about the fraud you see – raise awareness, reduce the stigma of victimization and encourage reporting.
 - <https://consumer.ftc.gov/features/pass-it-on>
- Report fraud to:
 - Law enforcement
 - CFTC.gov/LearnAndProtect
 - FBI's Internet Crime Complaint Center – IC3.gov

Available Resources to Combat Fraud

- CFPB: <https://www.consumerfinance.gov/consumer-tools/fraud/>
- FDIC: <https://www.fdic.gov/consumer-resource-center/2021-10/avoiding-scams-and-scammers>
- OCC: <https://www.occ.gov/topics/consumers-and-communities/consumer-protection/fraud-resources/index-fraud-resources.html>
- #BanksNeverAskThat: <https://www.banksneveraskthat.com/>
 - Can you spot fraud? Take this quiz to find out! <https://www.banksneveraskthat.com/scam-quiz/>
- Iowa Bankers Association Fraud Resources: <https://www.iowabankers.com/services/marketing/fraud-resources/>
- Federal Trade Commission: <https://www.consumer.ftc.gov>
- Federal Reserve – FedPayments Improvement: <https://fedpaymentsimprovement.org/>

Q&A

Adam Gregg, President and CEO

Jenica Lensmeyer, Vice President, Marketing and Industry Relations