Inside Community Banking:

Leveraging a Collegiate Ambassador Board to Teach the Economics Behind Loan Decisions, Marketing of Financial Services, and More

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Presentation roadmap

- Project Background and Goals
- Key Features
- Lessons Learned
- Summary and Advice Offered

Background

- UAFS is a small, regional public institution
  - Enrollment in fall 2025 of 5,498 (52% first generation)
  - Budget challenges / enrollment, lower state funding base due to history as 2-year institution, and sunset of sales tax
  - Business program is AACSB accredited with 725 majors
  - Covid-19 severely impacted faculty-student engagement

Collegiate Ambassador Board

- Experiential learning project started in 2005
  - Collaboration between UAFS and First National Bank of Fort Smith
  - Oldest national bank in Arkansas
  - 5th generation family business
  - Through First Bank Corporation holding company, offers customers a complete array of financial services (banking, insurance, trust, and investment services)
  - Despite being the largest bank in Fort Smith and one of largest in state, retains community bank business model

CAB Project Goals

- Provide real-world experience in banking
- Deepen understanding of the financial industry
- Prepare students to navigate professional environments with confidence and competence
- Offer students exposure to influential community leaders and business executives that have diverse perspectives on a range of topics

CAB Project Features

- Student members selected by bank in late spring/summer prior to academic year
  - Application/resume/unofficial transcript
  - Interview
- Six meetings throughout academic year (August to April)
  - Requirement to attend five meetings and actively participate
  - Students receive $600 stipend upon completion of program

CAB Project Features (cont.)

- Meetings conducted at First National Bank Fort Smith downtown location
  - Board setting
  - Facilitated by Bank President/CEO
  - Agenda includes a review of bank financials and project overview/wrap-up or guest speaker
  - Guest speakers are bank board members

Key Feature: Bank Financials

- Data discussed:
  - Bank and Holding Company Quarterly/Annual Income Statement and Balance Sheet
  - Select Economic Indicators
- Why important:
  - Personalizes key financial statement data
  - Connects data to decision making

Key Feature: Leadership Participation

- Example discussion:
  - Recent bank acquisition by holding company
- Why important:
  - Insider glimpse of bank strategic decision making
  - Opportunity to ask the industry expert
  - Career & professional mentoring

CAB Projects

- Lasting:
  - Mock loan review
  - Market research study
- Past:
  - Financial literacy event
  - Community service project

Key Project: Mock Loan Review

- Setup:
  - Student teams are provided with three blinded loan applications.
  - Students charged with reviewing loan cases and making recommendation on whether to approve loan.
  - Bank staff listen to student recommendations and share actual outcome.
- Why important:
  - Highlights differences in loan types
  - Reinforces relationship aspect of lending

Key Project: Market Research Study

- Setup:
  - Student teams are asked to survey peers on topics of current interest, summarize findings, and make recommendations on potential products to explore
  - Example: Cash App
- Why important:
  - Emphasizes importance of marketing in banking
  - Illustrates competitiveness of industry

Lessons Learned

- Not just for students interested in finance
- Critical to market return on investment to prospective applicants
- Faculty or administrator champion necessary to foster partner relationship/encourage student participation & engagement
- Experience enhanced through alumni engagement & bank team member addition to board

Summary and Advice Offered

- At UAFS, the First Bank Corporation Collegiate Ambassador Board project (created in 2005) continues to provide students from diverse background backgrounds with real-world experience in banking.
- Discussion with bank executives & collaborative projects deepen understanding of financial industry and prepare students to navigate professional environments with confidence and competence.
- Schools or institutions wishing to start similar projects can start by identifying a faculty or administrator champion to foster the bank partnership and encourage student participation.

Questions?

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