

CATALOG INFORMATION

Dept and Nbr: BGN 156

Title: CREDIT LENDING ANALYSIS

Full Title: Credit and Lending Analysis

Last Reviewed: 1/22/2018

Units		Course Hours per Week		Nbr of Weeks	Course Hours Total	
Maximum	3.00	Lecture Scheduled	3.00	17.5	Lecture Scheduled	52.50
Minimum	3.00	Lab Scheduled	0	6	Lab Scheduled	0
		Contact DHR	0		Contact DHR	0
		Contact Total	3.00		Contact Total	52.50
		Non-contact DHR	0		Non-contact DHR	0

Total Out of Class Hours: 105.00

Total Student Learning Hours: 157.50

Title 5 Category: AA Degree Applicable

Grading: Grade Only

Repeatability: 00 - Two Repeats if Grade was D, F, NC, or NP

Also Listed As:

Formerly:

Catalog Description:

Fundamentals of credit and loan analysis; overview of financial statements; nature of credit and debt; credit and borrower risk analysis; cash flow analysis.

Prerequisites/Corequisites:

Recommended Preparation:

Eligibility for ENGL 100 or ESL 100

Limits on Enrollment:

Schedule of Classes Information:

Description: Fundamentals of credit and loan analysis; overview of financial statements; nature of credit and debt; credit and borrower risk analysis; cash flow analysis. (Grade Only)

Prerequisites/Corequisites:

Recommended: Eligibility for ENGL 100 or ESL 100

Limits on Enrollment:

Transfer Credit:

Repeatability: Two Repeats if Grade was D, F, NC, or NP

ARTICULATION, MAJOR, and CERTIFICATION INFORMATION:

AS Degree:	Area	Effective:	Inactive:
CSU GE:	Transfer Area	Effective:	Inactive:

IGETC:	Transfer Area	Effective:	Inactive:
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CSU Transfer:	Effective:	Inactive:
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UC Transfer:	Effective:	Inactive:
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CID:

Certificate/Major Applicable:

Certificate Applicable Course

COURSE CONTENT

Student Learning Outcomes:

At the conclusion of this course, the student should be able to:

1. Understand and explain the nature of credit and debt
2. Explain what comprises a set of financial statements
3. Evaluate the risks in granting credit

Objectives:

At the conclusion of this course, the student should be able to:

1. Interpret financial statements for the purpose of extending credit
2. Evaluate cash flow to determine ability to repay debt
3. Evaluate a borrower's credit history
4. Analyze the risk potential of borrowers

Topics and Scope:

- I. Overview of Financial Statements
- II. The Goals and Nature of Credit Analysis
- III. Capital Structure and Debt Capacity
- IV. Fundamentals of Financial Analysis
- V. Credit, Risk, Cash Flow, and Capital Structure
- VI. Principles of Extending Borrower Credit
 - A. Consumer Credit
 - B. Corporate Credit
 - C. Financial Institution Credit
 - D. Credit History
- VII. Cash Flow Analysis and Forecasting
 - A. Debt Service Ratio
 - B. Net Operating Income
- VIII. The Process of Credit Analysis - Making Credit Decisions
- IX. Sources of Information, including FICO (Fair Isaac Corporation) Scores and Tax Returns

Assignment:

1. Textbook readings of 25-45 pages weekly
2. Written homework including case studies
3. Quizzes and exams (2 -15)
4. Homework problems including computational problems

Methods of Evaluation/Basis of Grade:

Writing: Assessment tools that demonstrate writing skills and/or require students to select, organize and explain ideas in writing.

Written homework, case studies

Writing
30 - 40%

Problem Solving: Assessment tools, other than exams, that demonstrate competence in computational or non-computational problem solving skills.

Homework problems

Problem solving
20 - 30%

Skill Demonstrations: All skill-based and physical demonstrations used for assessment purposes including skill performance exams.

None

Skill Demonstrations
0 - 0%

Exams: All forms of formal testing, other than skill performance exams.

Quizzes and exams

Exams
30 - 50%

Other: Includes any assessment tools that do not logically fit into the above categories.

None

Other Category
0 - 0%

Representative Textbooks and Materials:

Fundamentals of Credit and Credit Analysis. Ziegel, Arnold. CreateSpace Independent Publishing Platform. 2015