

PELLISSIPPI STATE TECHNICAL COMMUNITY COLLEGE
MASTER SYLLABUS

CONSUMER LENDING
BKG 2200

Class Hours: 2.0

Credit Hours: 2.0

Laboratory Hours: 0.0

Date Revised: Spring
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Catalog Course Description:

An overview of the role of consumer credit in overall bank operations. Topics include credit risk evaluation, policy, loan processing, servicing and collecting loans, compliance, and portfolio management.

Entry Level Standards:

None

Prerequisites:

None

Textbook(s) and Other Reference Materials Basic to the Course:

Consumer Lending, Paul Beares, American Banker's Association. Current edition.

I. Week/Unit/Topic Basis:

Week	Topic
1	Consumer Installment Credit Market
2	Indirect Loans and Related Credit Products
3	Developing and Taking Loan Applications
4	Credit Investigation; Credit Evaluation and Decision-Making; Credit Math, Loan Pricing, and Profitability
5	Midterm
6	Loan Structuring and Selling
7	Loan Documentation and Closing
8	Collection and Recovery
9	Consumer Credit Policies; Managing the Consumer Credit Function
10	Final Examination Review and Exam

II. Course Objectives*:

- A. Develop understanding of the analytical and creative aspects of the consumer lending process. I,II
- B. Acquire a general understanding of the administrative aspects of the consumer credit function. I,II,III
- C. Become familiar with consumer credit terminology. I,II

*Roman numerals after course objectives reference goals of the Business and Community Services department.

III. Instructional Processes*:

Students will:

- 1. Use critical thinking skills to interpret and evaluate the financial statements of existing companies and make informed judgements about these statements to facilitate in decision making and problem solving strategies. *Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies*
- 2. Discuss the impact of social, political, economic, and environmental issues on the financial statements of selected companies. *Communication Outcome, Problem Solving and Decision Making Outcome, Cultural Diversity and Social Adaptation Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies, Transitional Strategy*
- 3. Use electronic mail to correspond with the instructor and other students enrolled in the course. *Communication Outcome, Technological Literacy Outcome*

*Strategies and outcomes listed after instructional processes reference Pellissippi State's goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the classroom, and encouraging students to take active and responsible roles in the educational process.

IV. Expectations for Student Performance*:

Upon successful completion of this course, the student should be able to:

- 1. Trace the evolution of the consumer credit function of today's consumer credit market. A
- 2. Develop understanding of laws and regulations circumscribing consumer lending activities. B
- 3. Describe and define closed-end loans, indirect loans, floor plan financing, leasing, open-end credit products. C
- 4. Describe the economic, competitive and market forces that help define consumer credit products. A
- 5. Define the consumer lending process beginning with the loan applications. A, C
- 6. Examine the scope and characteristics of sound loan policy. B
- 7. Understand the cyclical management and planning process that drives the bank's consumer credit operation. A

8. Describe the planning activities consumer credit managers undertake focusing on situation analysis, objective development, and marketing strategy formulation. A, B
9. Describe the procedures used to secure a consumer loan, including the steps required to perfect the security interest. A
10. Cite specific concerns with regard to establishing a security interest in real property, airplanes, and boats. A
11. Able to state major provisions of the Fair Debt Collection Practices Act. B
12. State how loan pricing decisions are affected by the legal environment, the competitive environment, and general economic conditions. A

*Letters after performance expectations reference the course objectives listed above.

V. Evaluation:

A. Testing Procedures:

Midterm Exam 30%
Unannounced Quizzes 30%
Final Exam 30%

B. Laboratory Expectations:

N/A

C. Field Work:

N/A

D. Other Evaluation Methods:

Attendance 10%

E. Grading Scale:

90 - 100 A
80 - 89 B
70 - 79 C
60 - 69 D
Below 60 F

VI. Policies:

Attendance Policy:

Pellissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course.