

Lincoln University
BA 445 – Commercial Banking and Lending
Spring 2013 Course Syllabus

Credit: 4 units = 45 lecture hours + 45 research project hours

Class Hours: Tuesday 3:30-6:15

Instructor: Dorothy Sanford, Ph.D.

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Office Hours: By appointment

Text: Randall S Kroszner and Robert J. Schiller, Reforming U.S. Financial Markets, the MIT Press, April 2013 (ISBN: 978-0-262-51873-4)

Course Description:

An in-depth study of the commercial lending business. Borrowing requirements and financial structure for debt financing needs of business. Topics includes: loan interviewing and credit investigation, financial analysis, loan structuring and negotiation, loan documentation and closing, problem loans and follow-up. A one-unit written research project and its oral presentation is a required part of the course. (4 units)

Prerequisites: No prerequisite courses are required.

Course Objectives:

1. To learn and understand the banking system
2. To understand the need for a financial system
3. To familiarize students why banks exist, the main services they offer, recent trends, and relevant knowledge of banking.
4. To learn the nature and theory of banking, both in the United States and throughout the world.
5. To understand optimization techniques in the banking world.
6. To analyze the world of banking.
7. To examine banking in the present day context

Methodology:

The course will be conducted in the form of lectures and discussions on the present economy. Case studies will be provided.

The focus of this course is to show the relevance and application of economics in the banking world and to examine new laws pertaining to this area.

An oral and written report is required on the banking world. The report must not be copied from the internet and this should show knowledge of what the student has learned from the research.

The banking industry has experienced marked changes in recent years as deregulation has allowed banking firms to diversify into the broad financial services area. Commercial banks have become full-service financial firms, offering a range of nontraditional financial services including insurance, securities business, pensions and the like.

The rapidly evolving environment poses both threats and opportunities which will be discussed at length. Capital must be effectively managed and will be the subject of several discussions.

Comments:

1. It is the responsibility of the student to report to the Admissions and Record Office if a withdrawal is decided on.
2. If you miss a class, you are responsible for the material covered.
3. Cellular phones must be turned off or the ringing mode silenced.
4. Do not hesitate to ask questions or make comments.

Method of Evaluation:

Attendance	10%
Written Research Project	15%
Oral Presentation	15%
Midterm	30%
Final examination	30%

Grades:

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

Class Schedule:

1. Introduction
2. Currency
3. American Banking
4. More American Banking
5. Central Banking
6. Financial Institutions
7. Other Countries Banking
8. Problems with Banks
9. Midterm
10. Bank Risk and Securitization
11. Portfolio Theory
12. Bonds and Other Securities
13. Bank Regulation
14. Review
15. Final

Schedule may be changed to meet the needs of the students.

WELCOME TO THE WORLD OF BANKING!