

**UCLA** Extension

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Business, Management & Legal

# Credit Analysis & Management Certificate

Earn a Certificate in a Career Path with a Bright Future

# Get a Top-Tier Education in Credit Analysis

In a world where lending institutions worldwide tighten the reins on how and to whom they will lend money, credit quality often determines if a business can grow, a family buy a home or a nation sell its debt.

With courses and certificates in credit analysis and management, you'll be poised for a future at the forefront of this growing field. Learn the role of the credit ratings and scores and how these are determined, how an entity or individual can improve their credit score; and how to employ credit ratings and scores in evaluating businesses.

## Suggested Program Prerequisites

All applicants must have knowledge or experience in basic and intermediate accounting as well as in analyzing financial documents prior to enrollment.

## Program Requirements – Core Certificate (24 Units Required)

Group A: Core Courses (5 required)		
X 430.611	Credit: Commercial, Personal, and Global	4 units
X 430.612	Conducting a Credit Analysis I	4 units
X 430.613	Conducting a Credit Analysis II	4 units
X 430.614	Writing and Presenting a Credit Analysis	4 units
XL 108	Business Law	4 units

  

Group B: Electives (1 required)		
X 430.616	Managing a Loan Portfolio	4 units
X 430.617	Credit Management for Building a Medium-sized Business	4 units
X 430.618	Negotiating Loan Agreements	4 units
X 430.619	Bankruptcy, Workouts & Reorganizations	4 units
X 430.620	Internship in Credit Analysis and Management	4 units
X 430.132	Business Valuation	4 units
X 475.4	Real Estate Finance	5 units
X 460.923	International Finance	4 units
X 423.4	International Accounting	4 units
X 430.61	Fundamentals of Personal Finance	4 units
891.02	Business Ethics (Required)	4 units

## Core Courses

### X 430.611 Credit: Commercial, Personal and Global

Business viability, growth, investment, and personal consumption are all dependent on the availability of credit. Credit is a key determinant of terms of sale, marketing, accounts receivable and payable, working capital requirements, financing costs, and cash flows. The course presents an overview of credit tools and credit issues with case studies, including a study of personal and commercial credit rating agencies, sources of credit data, and methods of analyzing data. Participants will review credit evaluations and decision-making (similarities and differences of commercial, consumer, and trade); the credit review function (responsibilities, job descriptions, relationships with other departments); and ways to effectively strengthen credit policies and practices in an organization, including selling the credit function as a significant value-added generator.

### X 430.612 Conducting a Credit Analysis – I

This course is designed to prepare you for your first day of work: where to start, what to look at, what to do, and what you need in a real world work environment. Learn how to evaluate and explain how to repay an asset-based loan, revolving credit, a term loan, or a commercial mortgage loan. This course's initial focus is on the cash conversion cycle in the analysis of asset-based loans, trade finance, factoring, accounts receivable securitization, and captive finance companies. Next, explore free cash flow in the analysis of revolving credits, term loans, and project finance. Finally, address net operating income in the analysis of commercial mortgage loans to finance owner-occupied and investment properties.

### X 430.613 Conducting a Credit Analysis – II

Learn to look beyond financial statements to evaluate and explain the risk in a borrower's accounting statements, financial projections, and business practices. Analyze aggressive and/or deceptive accounting principles, such as purchase accounting, unfunded pension liabilities, securitized receivables, deferred taxes, and channel stuffing. Examine financial projections, including aggressive assumptions, break-even analysis, and debt service coverage. Explore industry risk, including aggressive and/or deceptive practices used by manufacturers, retailers, importers/exporters, real estate developers, utilities, transportation companies and wholesalers. Dissect the Business Plan: (1) review the components of a complete plan, (2) read, research, fact-check and evaluate the plan, and (3) communicate the SWOT of the business plan with appropriate conclusions.



### X 430.614 Writing and Presenting a Credit Analysis

Improve basic business writing skills and focus those skills in the context of writing a concise and directed credit analysis, beginning with a general template then moving to a “best practices” credit analysis format. Topics include: (1) the 5 P’s of Credit Analysis: People, Purpose, Payment, Protection, Perspective; and (2) writing the Credit Analysis/Structuring Summary including understanding your audience, essential communications, effective visuals, and report presentation. Students are exposed to real clients and data designed to challenge their writing skills. At the conclusion of the seminar, students should be able to write a concise and coherent credit analysis and to effectively present findings to a credit manager or credit committee.

### XL 108 Business Law

This course explores the legal environment in which businesses operate and studies the interaction between business and the legal system. Students examine various areas of the law integral to the operation of business enterprise today. Topics include contracts, torts, agency, Uniform Commercial Code, bankruptcy, and the legal principles applicable to the different forms of business entities.

For more information on Prerequisites and Core Courses, visit [uclaextension.edu/credit12](http://uclaextension.edu/credit12)

## Electives

The intent of these electives is to tie the certificate courses to the specific business/government agency employer. Instructors will encourage case studies and project evaluations/applications to reflect the student's business or employer characteristics and requirements. Students are encouraged to utilize course materials to the maximum extent possible to address real world/real organization needs and issues.

### X 430.616 Managing a Loan Portfolio

Learn to underwrite and manage a portfolio of commercial mortgages and syndicated, middle-market, asset-based, and trade finance loans. Explore loan origination, including the loan proposal, credit analysis, and agreement. Discuss the control of risk in a portfolio, including credit policy, risk rating, reserves, loan review, internal audit, and workout.

### X 430.617 Credit Management for Building a Medium-Sized Business

This course covers both "how-to" and "how-to-manage" trade credit, receivables, receivables financing, bad debt reserving, and the entire business quote/pricing to cash receipt cycle. Owners and senior managers make daily credit decisions (B2B and B2C) to support sales growth and minimize bad debts.

### X 430.618 Negotiating Loan Agreements

Take an in-depth look at how to negotiate, close, and enforce the varieties of loan agreements, including credit, security, pledge, guarantee, hypothecation, subordination, and participation. Case studies examine actual loan transactions. This course is designed for bankers, corporate treasury personnel, and lawyers who negotiate agreements involving syndicated loans, trust indentures, middle market loans, state economic development authorities, or the Small Business Administration.

### X 430.619 Bankruptcy, Workouts and Reorganizations

Designed for bankers, corporate treasury personnel, workout specialists, and attorneys who handle middle-market, national, and international problem loans and accounts. Topics include plans for reorganization, valuation of a business, asset-backed securitization transactions, and debtor-in-possession financing. Key laws and regulations are included.

### X 430.620 Internship in Credit Analysis and Management

An internship arranged by the student and subject to UCLA Extension approval may be substituted for Course 6. Advisory Board members may have internships available for UCLA Extension students.

### X 430.132 Business Valuation

This course explores the basics of business valuation, including how businesses are valued, how to evaluate the credentials of self-styled valuation "experts," and the quality of the reports they produce. Students learn alternative methods of valuation, their strengths and weaknesses, and when to apply each. Additional topics include comparative financial statement analysis, economic and industry analysis, and questions to ask a business valuation expert.

### X 475.4 Real Estate Finance (45 hours of MCLE credit available)

This course surveys the concepts, methods, and techniques of financing real estate transactions. Instruction covers sources, characteristics, and parameters of mortgage capital; fixed- and variable-rate mortgages; government-assisted financing, including VA, FHA, and first-time buyer programs; documentation; amortization, loan constants, present value, compound interest, APR, and debt coverage ratios; loan underwriting (including credit analysis and qualifying); loan processing, closing, and servicing; foreclosures; and construction, permanent, gap, wraparound, and leasehold financing.

**Prerequisite:** X 475.1 *Real Estate Principles or consent of instructor. Applies toward the mandatory educational requirements for obtaining the California State Real Estate Broker License.*

### X 460.923 International Finance

This course provides an introduction to the environment and tools of international financial management. Topics include foreign exchange exposure; the financial, tax, economic, political, and legal issues that an international financial manager confronts; and financial alternatives and tradeoffs in developing and implementing financial strategies in the context of foreign environment risks. Case studies examine the use of analytical methods for decision making.

**Prerequisite:** X 460.902 *Introduction to International Business* and X 130A *Basics of Managerial Finance*

### X 423.4 International Accounting

This course is designed for students of accounting and international business professionals who are working for public accounting firms, corporations, and other enterprises engaged in international business, as well as governmental institutions and international organizations.

**Prerequisite:** X 1A and X 1B *Principles of Accounting, or consent of instructor*

### X 430.61 Fundamentals of Personal Finance

Intended for individuals of any age and financial background, this course provides the fundamentals and underlying principles of personal finance. Students learn the essentials of financial planning so they can make informed decisions regarding their personal finances and long-term financial security. Participants leave the class with a thorough understanding of planning techniques and a step-by-step approach for putting these techniques into action.

### 891.02 Business Ethics (Includes course materials and lunch)

We face an increasing number of ethical issues in the business world and in our personal lives. The business scandals of recent years have highlighted the importance of ethical behavior in the business environment.

For more information on Elective Courses, visit [uclaextension.edu/credit12](http://uclaextension.edu/credit12)



# Learn From a Leader in the Credit Field



## Instructor:

**Joe S. El Rady**  
MBA, Managing Member, The El Rady Group

Joe El Rady is a financing and credit market expert. He received his MBA in Finance from The Wharton School, and began his investment banking career at Houlihan Lokey — renowned as the top financial restructuring firm on Wall Street.

## Meet our Advisory Board:



**MARK E. BUCHMAN**  
President,  
PacRim Financial  
Consultants

With a career rich in credit organization leadership

experience, Mark is the former President of Ginnie Mae as well as President/CEO of two community banks. He was also EVP of Union Bank, SVP of Manufacturers Hanover Trust, and Past President of the California Bankers Association.

**BRIAN R. FITZMAURICE**  
Executive Vice President,  
Chief Credit Officer, City National Bank

Brian has extensive experience in all areas of responsibility related to credit analysis, credit underwriting, departmental management, and analyst management hiring, as well as credit policy determination. His background includes Senior Risk Manager, Citibank West; FSB successor to California Federal Bank; and responsibility for Citibank's national middle-market credit risk management.

**MICHAEL MITCHELL, CAE**  
President and CEO,  
Credit Management Association

Mike is the senior executive responsible for the Credit Management Association (CMA), a membership association founded in 1883 with approximately 2000 member companies. CMA is the largest affiliate of the National Association of Credit Management (NACM).



**VICTOR PARKER**  
Los Angeles  
District Director,  
U.S. Small Business  
Administration

Victor is the most senior SBA executive in the Los Angeles District which includes Los Angeles, Santa Barbara, and Ventura Counties. The office manages a loan portfolio that has financed more than 2,477 businesses with SBA loans exceeding \$1.5 billion in 2011. Victor earned his JD from Pepperdine University and bachelor's from the University of California, Berkeley.

**ROBERT SHULTZ**

Bob has had a 30 year career as a credit and financial executive for large multi-national organizations in a variety of industries. In 2001, he became a Founding Partner of Quote to Cash Solutions (Q2C), a consulting firm that focuses on the quote to cash cycle, and was named CMA's Credit Executive of the Year. Bob serves on the Advisory Board of the *Credit Today* newsletter and is a frequent speaker and facilitator at credit profession events and symposiums.

**Interested, but not sure about this Certificate?** We have individual class options just for you. For more details, visit: [uclaextension.edu](http://uclaextension.edu)



“ Credit analysis and management skills are very useful in today’s small business environment. ”

**Victor Parker**  
*SBA District Director, Los Angeles District Office*

“ This is a key professional development step for all who want up-to-date and readily applicable credit practices. ”

**Michael Mitchell, CAE**  
*President and CEO of the Credit Management Association*

“ Credit analysts and managers are always in demand, just check Monster and CareerBuilder! ”

**Joe El Rady**  
*UCLA Extension Instructor*

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## Take the First Step Today

Visit [uclaextension.edu/bmlp](http://uclaextension.edu/bmlp) for complete certificate descriptions or contact us for more information.

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