FBP Module 7: Credit Action

Prelude:

The credit action area is what you use to prepare the formal loan request for approval. It can consist of a credit presentation, farm assessment, security agreement and other forms. The credit action area stores each loan request, approval and a copy of the farm assessment electronically, so over time you will build a historical record of every loan that was approved.

The living document that is the farm assessment resides at the bottom of the general information screen. This is where you will go to create the farm assessment the first time and where you will go to make changes and update the farm assessment going forward. You may update the farm assessment each time you present a loan for approval. Later in this exercise you will see how to take a copy of that farm assessment and store it with your credit approval under the credit action area of the system.

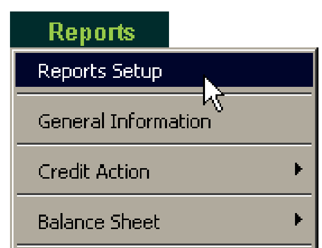
Getting Started:

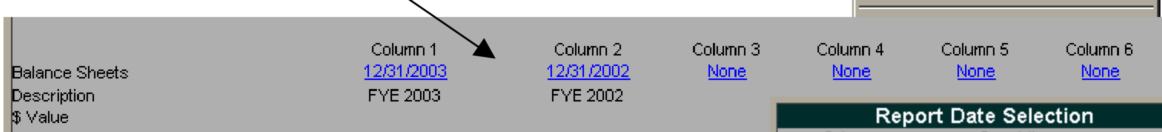
For this exercise we will assume that we are creating a new farm assessment for the first time.

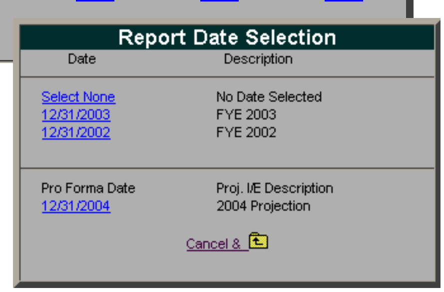
1. Log into the Web Equity Manager®.
2. Access your customer record.
3. Click the "General" menu and click "General Information."
4. Scroll down the screen until you see the section called "Farm Assessment Narrative."
5. Starting with "Type of Operation," type in a few words relevant to each of the 12 farm assessment narrative sections specific to each section heading.
6. Click the Save & Stay link when you are finished. You have now completed the initial Farm Assessment for this exercise.

The next step is to create a new credit action to present/approve the loan request. Before doing so, visit the "Reports" setup screen to be sure you have selected the correct set of financial information to analyze.

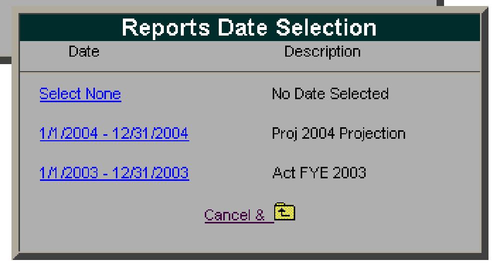
1. Click the "Reports" menu and click "Report Setup." This will display a screen where you can select what set of financial information you want to present. The first section here is for balance sheet trends. By clicking the "None" links you can select from the popup window which balance sheet should reside in Column 1, 2, 3, etc. When finished your screen should look like this sample.







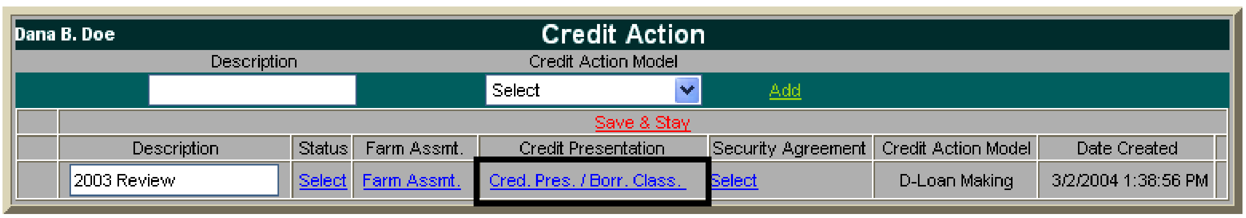
The second section on the reports setup screen (sample shown on the following page) represents the settings for the income/expense trends. Again, by clicking on the "None" links you can select from the popup window which projections and actuals belong in the trend analysis.



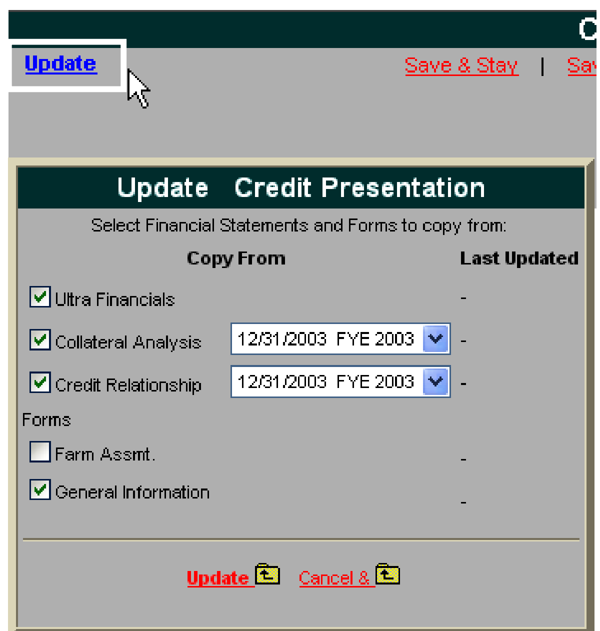
NOTE: Column 1 in this section is typically used for a projection and the remaining columns are for actuals.

With the report setup properly configured you are now ready to generate the credit action to approve the loan.

1. Click the "Credit Action" menu and click "Add/Modify/ Delete."
2. Give this credit action a description of "2003 Review" and choose "D-Loan Making" from the "Credit Action Model" drop list.
3. Click the "Add" link.
4. Now, access the credit presentation by clicking on the "Cred. Pres. / Borr. Class." link.



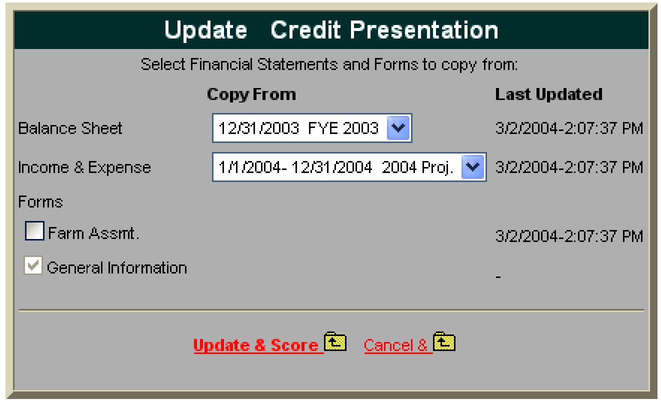
When you first enter this section it will be blank. To populate it with financial data click the "**Update**" link in the upper left corner of the screen. This will display a popup where you will select the items you wish to update. Complete this screen as shown right, then click the update link at the bottom of the popup.



The system has now copied all the financial information into the credit presentation. You will need to proceed through the form and answer the remaining questions not covered by the update.

As you move through the form you will notice that the borrower classification is not yet complete. To complete it, you will need to click "Save & Stay" first, then click the "**Score Now**" link at the top of the borrower classification section of the form.

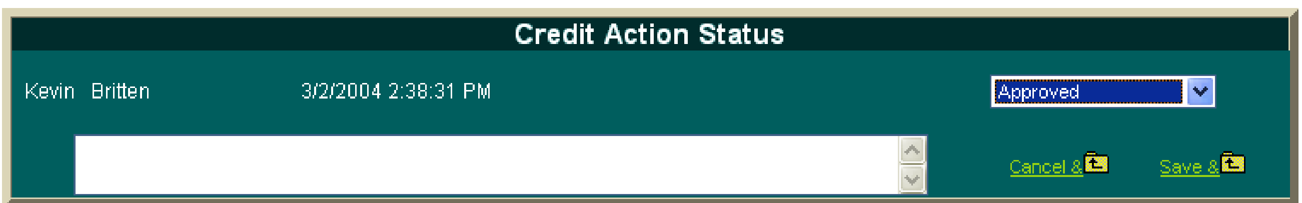
When you click the "**Score Now**" link a popup will display where you must select which balance sheet and income/expense on which to base the classification. Complete the screen as shown right and click the update & score link.



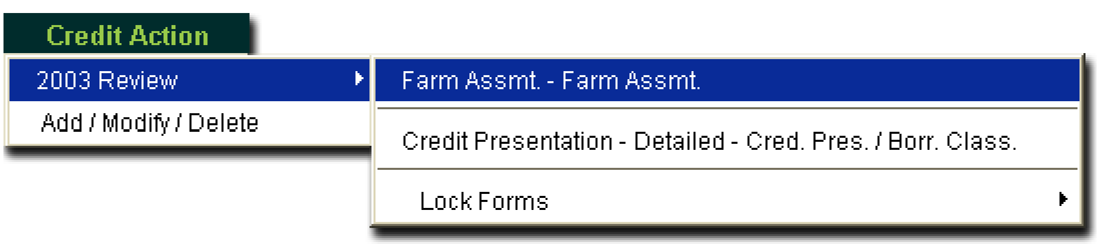
Once the update is finished your borrower classification will be calculated and become part of your credit presentation.

Proceed down the credit presentation form and answer any remaining questions and along the way type a few comments in each of the narrative sections. Click on the "Save & Stay" link when you reach the bottom of the form.

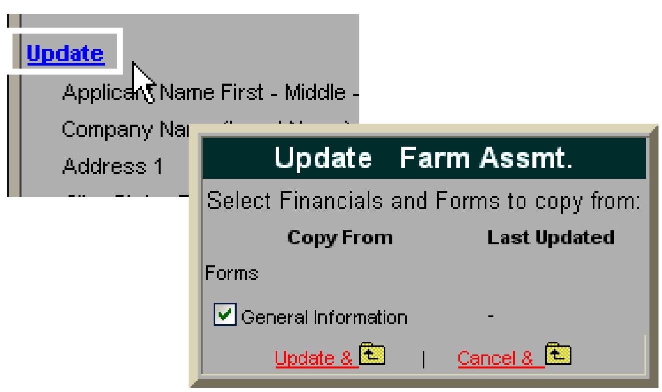
Next, click the "Plan Approval" link, select "Approved" from the drop list and click "Save & ↥" to put your e-signature on the credit presentation recommending approval.



Next, we want to create a copy of the farm assessment to accompany this credit presentation. Click the "Credit Action" menu, highlight the "2003 Review" and click the "Farm Assessment" menu item.



This will display a blank farm assessment screen. Click the "**Update**" link in the upper left corner, click the General Information check box on the popup that displays and click the update link. The system will automatically complete the farm assessment.



You are now finished with this data entry exercise.

NOTE: The customer record you were just working in will be used throughout the training modules. The data input you do in one module is built upon in each subsequent module. Therefore, it is critical that you make no changes to this record outside of what you are instructed to do in the data input exercises.

Your next step will be to go to the eLearning Center to take the test for this module. While taking the test it may be necessary to refer back to your Web Equity Manager® input. It is recommended that you leave the browser window open where you were just working in Web Equity Manager® and open a second browser window now for the eLearning Center to facilitate easy switching between the two applications.

- In the new browser window you just opened, proceed to the ECI eLearning Center at **http://elearning.onlinequity.com**. **NOTE:** This resource has also been added to your “Favorites” list.
- eLearning instructions:
  - Log into the eLearning Center using the same User ID/Password you used to access Web Equity Manager®.
  - Click on the “My Classes” link.
  - Below the module you just completed click on the “Test Now” link.
  - Answer each question. When you have answered all of the questions click “Grade Now.”
  - After reviewing the test, click “↥” in the top right corner of the screen to return to the “My Classes” screen where you may retest if desired.
  - On the right side of the screen, under the “Rate Class” column, click the link for the module you just completed. Complete the feedback form. When finished, click the “Save & ↥” link.
  - Log out of the eLearning Center and out of Web Equity Manager when finished.

You are now ready to attend the next module.