

LOAN SPECIALISTS

Job Family Definition

The Loan Specialist class series is a member of the Business and Financial Operations Job Family. There are three levels in this class series. Positions do specialized financial work at the professional level.

Loan Specialists do investigative, analytical, and evaluative work related to a wide variety of loans for the State of Oregon. They also market, deliver and service the loans. Position duties require knowledge of lending principles and credit risk factors. Types of loan programs include funding for residential, commercial, and public sector real property, business development, and other specialized needs.

In addition to knowledge of loan programs and processes, position work requires knowledge in areas such as:

- The pertinent statutes, regulations and administrative processes related to government funded loan programs
- General economic and credit industry trends
- General accounting principles and practices
- Financial analysis principles and techniques
- Methods of communicating detailed financial information and analysis
- Interpersonal communication and teamwork
- Facilitation and negotiation techniques
- Financial structures of different types of organizations

Factors affecting the distinctions between levels

The different Oregon loan programs vary considerably in complexity. It is the nature of the analytical processes and the needed knowledge that drive allocation to a particular class level. Different loan programs are described at different levels within the class specifications. This is due to the complexity of the work activities *typically* associated with those programs. The specific type of loan program is not itself the differentiating feature. When classifying positions to this class series, the analyst should evaluate the analytical skills required to do the loan activities. We provide the following as the loan program typically associated with the different class levels; it is intended only as a general guide:

Loan Specialist 1

Loans for residential, small commercial or simple direct public funding projects where the credit analysis is routine, and the scope of the required knowledge of business operations is narrow.

Loan Specialist 2

Loans for medium and large business or development projects, or complex residential loan programs; for example, loans for multi-family housing projects or loans stemming from multiple funding sources. This work requires a more detailed financial analysis and loan monitoring.

Loan Specialist 3

This class level includes loans that fund a variety of commercial, industrial, and housing construction organizations, or governmental jurisdictions. These projects generally have complex debt or equity structures or sophisticated financial transactions involving multiple lenders. Work requires significant expertise in loan negotiation, documentation and underwriting. Agency or State credit risk is significant.

Additional factors affecting the class levels:

- Complexity of the project and the variety of funding sources
- Difficulty of needed credit analysis
- Monetary size and therefore risk of the loan projects
- Type of borrower, and the complexity of their organizational, financial, or business structure
- Available program guidelines

Staffing Patterns

Loan and Financial Specialists typically work in a team with other loan or fiscal professionals. Positions usually work in line operations because they administer loan programs related to the mission of an agency.

Differences from Similar Kinds of Work

Loan activity is the primary focus of this classification series. Employees working in these classifications are hired for their knowledge of financial management as it relates to the evaluation and development of a wide variety of government loan programs. Other classes in State service require background knowledge in financial management. When the position work also requires knowledge of loan programs this is the correct classification series.

Loan collection work is generally classified in this classification series. This is because loan collection work requires knowledge of the loan program and its particular statutory guidelines for collection.

This classification series does not include the work of positions that do clerical and administrative support functions such as preparing loan documents and collection notices. These positions are better classified in the *clerical or administrative support* classes.

Position work that requires the application of accounting principles, practices, procedures, or techniques is not classified in this class series; this work is better classified in the classes of *Accountant* or *Accounting Technician*. Accountants do not specialize in government loan programs. Although Loan Specialists need a basic understanding of accounting, it is the knowledge of loan processes, business operations and credit risk factors that is primary.

Fiscal Analysts are staff advisors regarding an agencies budgetary and financial performance. The Fiscal Analyst forecasts future revenue and expenditure trends, coordinates fiscal operations; and does budget planning and coordination, and fiscal reporting. Fiscal Analysts and Loan Specialists use similar methods of financial reporting and analysis to accomplish their tasks, but they are applied in different ways to a different subject matter.

Loan Specialists apply knowledge of economic trends to do their work. They use this knowledge to aid in developing loan structures and evaluating the risk of loan default. The knowledge is applied differently than positions classified as *Economist*. The Economist uses a more extensive knowledge of economic trends to investigate and predict the affect of those trends on the state's economy or program revenue. Economists do not need knowledge in loan programs. Position work that requires an extensive knowledge of economic principles, theories and trends is better classified in the Economist class series.

Position work that does financial analysis requiring comprehensive knowledge of the theories and principles of finance is better classified in the *Financial Analyst* class series. Financial Analysts apply their knowledge to the full range of financial operations. The class series is different than the Loan Specialist that considers only the involved loan(s) as the financing method. The Loan Specialist 3 uses similar skills to the Financial Analyst. When allocating positions to the Loan Specialist 3 consider the methods and variety of programs used to provide the funding capital. The Financial Analyst classification series may be a better classification choice.

Standard Occupational Classification (SOC) Reference

Loan Specialists compare with the Standard Occupational Classification Category Code # 13-2072, Loan Officers. As defined in the SOC, these positions evaluate, authorize, or recommend approval of commercial, real estate, or credit loans; and advise borrowers on financial status and methods of payments.

*** The Loan Specialist class series replace selected positions in Program Technician 1-2, Program Representative 1 – the typical tasks associated with the different class levels 2, Veteran's Loan Officer, Accounts Management Officer and Bankruptcy Technician through the Administrative Classification Study, Phase 2 (date to be decided)*