

SYLLABUS

Spring 2016

ECON 4020-001 ECONOMICS OF MONEY BANKING AND FINANCIAL INSTITUTIONS



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YOUR INSTRUCTOR:

John S. Kreighbaum is a seasoned bank CEO that has a track-record of exhibiting the power to dream while possessing imagination NOT to be ordinary but to stand apart. As a result of early years of growing up in the housing projects, Mr. Kreighbaum learned that inequalities start early in the lifecycle and that education is fundamental to the quality of life of as well as a person's confidence and self-perception. His passion is to provide students a learning experience that will be unique, innovative and stimulating. He will challenge students to critically think and apply what they have learned in a fashion that promotes understanding and fact retention in the journey of life.

COURSE DESCRIPTION:

This course examines the nature and functions of money; modern banking institutions and central banks; credit control and monetary stabilization. We will also study events and consequences of the financial crisis and recession of 2007–2009. This provides a dynamic backdrop in the study of money, banking, and financial markets as there is nothing comparable to the upheaval that has happened in the financial system except the Great Depression of the 1930s. The financial crisis changed virtually every aspect of how money is borrowed and lent, how banks and other financial firms operate, and how policy-makers regulate the financial system.

COURSE OBJECTIVE:

This course introduces, builds and challenges students to apply critical thinking in understanding the nature and functions of money; modern banking institutions and central banks; credit control and monetary stabilization. We will focus heavily on the Federal Reserve Bank and its role as our nation's central bank; 21st century banking; monetary characteristics and credit. There are many different ways to teach a course on money, banking, and financial institutions and, for this reason, the course is designed with flexibility in mind. Having served two terms as a member of the board of the Federal Reserve Bank of Richmond, Charlotte Branch, I will bring different perspective and experience relative to the monetary policy process and the regulation and supervision of the financial system. We will actually hold one class off-site at the Federal Reserve Bank of Dallas where students will role play as a member of the board and actually participate in a simulation encompassing economic conditions and the Federal Reserve Discount Rate.

LEARNING OUTCOMES

After completing this course, students should have comprehension and retention of the critical content that yield thorough knowledge of:

- The Federal Reserve as the United States Central Bank and how it influences the money supply process
- The financial system and modern financial institutions, including commercial banks, thrifts and intermediaries
- An understanding of how money and banking affects every day life of a student
- Nature and functions of money
- An understanding of how depositors, banking institutions, and the Federal Reserve impact the money supply and the tools of monetary policy
- An understanding of financial regulation
- An understanding of interest rates in a variety of financial settings.
- An understanding of financial markets and financial institutions.
- The future of the financial system

TEACHING STRATEGY:

The class sessions will be a combination of lectures, interactive exercises, off-site visitations, simulations, oral presentations and case discussion. Course content will come equally from the assigned textbook, and other activities conducted in class. Additional content will be incorporated where appropriate. Rather than delivering traditional lectures, the goal is to preempt the normal classroom experience from information recall (memorizing to pass a test) to a dynamic process where students are challenged to make sense and meaning out of the information being studied. Students will use video and case studies that will connect real-world examples and augment class assigned reading. Rather than the student being a passive participant where instruction is served, students will assume control of their learning via exercises, projects, and dynamic discussions that will test their ability to apply knowledge.

TENTATIVE COURSE OUTLINE:

This schedule is subject to change and changes will be appropriately communicated by class announcement and/or email.

Date	Topic / Chapter / Activity / Tests
01/19	Introductions & Course Overview on Money and the Financial System
01/26	Financial Markets, Institutions and Systems Overviews. Chapters 1 --- Why Study Money, Banking, and Financial Markets Chapter 2 ---An Overview of the Financial System
02/02 EXAM #1	Interest Rates Chapter 3 --- What is Money Chapter 4 --- Understanding Interest Rates Chapter 5 --- The Behavior of Interest Rates
02/09	Central Banks, the Federal Reserve System, and Monetary Policy. Chapter 13 --- Central Banks and the Federal Reserve System Chapter 14 --- The Money Supply Process
02/16	Off-Campus Class Experience---Class to be held at Federal Reserve Bank of Dallas --- 2200 N Pearl St, Dallas, TX 75201
02/23	Panel Discussion---Dallas Financial Services Industry Executives Class to be held in Room 101
03/01	Theory of Financial Structure. The Banking Firm and Banking Management. Chapter 10 --- Banking and the Management of Financial Institutions Chapter 11--- Economic Analysis of Financial RegulatiSY

03/08 EXAM #2	MIDTERM EXAM
03/15	SPRING BREAK
03/22	Bank Management Simulation Exercise Class to be held in Computer Lab
03/29	Bank Management Simulation Exercise (Continued) Class to be held in Computer Lab
04/05	Interest Rates, Interest Behavior, and Risk and Term Structure Chapter --- 9 Financial Crises
04/12 EXAM #3	Commercial Bank Regulation- Safety & Soundness of Financial System Special Guest Speaker from the FDIC
04/19	The Stock Market, the Theory of Rational Expectations, and the Efficient Market Hypothesis. Chapter 7 --- The Stock Market, the Theory of Rational Expectations, and Efficient Market Hypothesis Chapter 8 --- An Economic Analysis of Financial Structure
04/26 EXAM #4	Foreign Exchange Market and the International Financial System. Chapter 17--- The Foreign Exchange Market Chapter 18 --- The International Financial System
05/03	Money, Capital Markets, Quantity Theory, Inflation, and the Demand for Money Chapter 15 --- Tools of Monetary Policy
05/10 EXAM #5	FINAL EXAM

GRADING:

Class Projects, Assignments, and Submissions

50 Points

Exam 1

20 Points

Exam 2

20 Points

Exam 3

20 Points

Exam 4

20 Points

Exam 5

20 Points

Total Points**150 points****GRADE SCALE:****Points****Grade**

120-150

A

100 - 119

B

80 - 99

C

70 - 98

D

69-Less

F

REQUIREMENTS:

Attendance: Due to the nature of the material, attendance and participation in class discussion is a high priority. This will determine your ability to succeed on the examinations.

Required Text: Economics of Money Banking and Financial Markets, 10 Edition. By Frederic Mishkin. Published by Prentice Hall, ISBN 9780132770248.

Class Participation/Projects/Assignments/Submissions: (50 Points) Students will be assigned during the semester various work projects, assessments, reflections and other measurements to assist in assessing and measuring growth in knowledge and understanding. Notwithstanding other considerations, all students will be expected to actively participate in activities and discussions.

Examinations: (20 Points each) Examinations will generally be multiple choice, open-book, and open-note. Missed exams and/or unexcused late exams will be scored as zero. If an examination date must be missed make arrangements prior to the examination date.

UNIVERSITY POLICIES AND PROCEDURES:

Students with Disabilities (ADA Compliance):

The University of North Texas Dallas faculty is committed to complying with the Americans with Disabilities Act (ADA). Students' with documented disabilities are responsible for informing faculty of their needs for reasonable accommodations and providing written authorized documentation. For more information, you may visit the Office of Disability Accommodation/Student Development Office, Suite 115 or call Laura Smith at 972-780-3632.

Student Evaluation of Teaching Effectiveness Policy:

The Student Evaluation of Teaching Effectiveness (SETE) is a requirement for all organized classes at UNT. This short survey will be made available to you at the end of the semester, providing you a chance to comment on how this class is taught. I am very interested in the feedback I get from students, as I work to continually improve my teaching. I consider the SETE to be an important part of your participation in this class.

Exam Policy:

Exams should be taken as scheduled. No makeup examinations will be allowed except for documented emergencies (See Student Handbook).

Academic Integrity:

Academic integrity is a hallmark of higher education. You are expected to abide by the University's code of conduct and Academic Dishonesty policy. Any person suspected of academic dishonesty (i.e., cheating or plagiarism) will be handled in accordance with the University's policies and procedures. Refer to the Student Code of Conduct at http://www.unt.edu/csrr/student_conduct/index.html for complete provisions of this code.

Bad Weather Policy:

On those days that present severe weather and driving conditions, a decision may be made to close the campus. In case of inclement weather, call UNT Dallas Campuses main voicemail number (972) 780-3600 or search postings on the campus website www.unt.edu/dallas. Students are encouraged to update their Eagle Alert contact information, so they will receive this information automatically.

Attendance and Participation Policy:

The University attendance policy is in effect for this course. Class attendance and participation is expected because the class is designed as a shared learning experience and because essential information not in the textbook will be discussed in class. Attendance and participation in all class meetings is essential to the integration of course material and your ability to demonstrate proficiency. Students are responsible to notify the instructor if they are missing class and for what reason. Students are also responsible to make up any work covered in class. It is recommended that each student coordinate with a student colleague to obtain a copy of the class notes, if they are absent. Students will not miss more than 2 classes. Students missing more than 2 classes will receive a full letter grade penalty on their final grade. This class will not differentiate between excused absence and unexcused absences.

Diversity/Tolerance Policy:

Students are encouraged to contribute their perspectives and insights to class discussions. However, offensive & inappropriate language (swearing) and remarks offensive to others of particular nationalities, ethnic groups, sexual preferences, religious groups, genders, or other ascribed statuses will not be tolerated. Disruptions which violate the Code of Student Conduct will be referred to the Center for Student Rights and Responsibilities as the instructor deems appropriate.

Optional Policies:

- This class does not require the use of webct/ecampus/blackboard, but additional class materials will be available on the site.
- Use of Cell Phones & other Electronic Gadgets in the Classroom: No electronic gadgets, phones, etc. will be allowed in the classroom. You will not be permitted to text or take phone calls during class.
- Food & Drink in the Classroom: Food and drink are allowed in classroom provided they do not interfere with the educational process.
- The Professor for this course will neither ask for nor utilize your personal email for course communications. Students have been issued eagle mail accounts, and all course communication will occur through that email account.