# ECON 3303-004

# Money and Banking

**Fall 2015**

**Instructor:** Kathy Kelly

**Scheduled class time:** MWF 9:00a-9:50a

**Scheduled class room:**  241 Business Building

**Office Numbe**r: 311 Business Building

**Phone Number:** 817-272-3061 (Economics Department Office)

**E-mail:** [kkelly@uta.edu](mailto:kkelly@uta.edu)

**Office Hours:** M-F 11:00a – noon; or by appointment

**Prerequisites**: Econ 2305 (Principles of Macroeconomics)

**Course Description**: Monetary and banking systems of the United States, including the problems of money and prices, proper organization and functioning of commercial banking and Federal Reserve systems, problems of monetary standards, and credit control. Recent monetary and banking trends.

**Student Learning Outcomes**: The student will be able to:

explain the role of financial markets and financial intermediaries in the financial system

analyze interest rates using the bond market

explain the fundamentals of bank management and bank regulation

explain the structure, tools, goals and strategy of the central bank

**Required text***: The Economics of Money, Banking, and Financial Markets 11th edition* by Frederic S. Mishkin

**Course Outline**:

Chapter 1 – Why Study Money, Banking, and Financial Markets?

Chapter 2 – An Overview of the Financial System

Chapter 3 -- What is Money?

Chapter 4 – The Meaning of Interest Rates

Chapter 5 -- The Behavior of Interest Rates

Chapter 6 -- The Risk and Term Structure of Interest Rates

Chapter 7 -- The Stock Market, the Theory of Rational Expectations, and the Efficient Market Hypothesis

Chapter 9 – Banking and the Management of Financial Institutions

Chapter 10 -- Economic Analysis of Financial Regulation

Chapter 12 – Financial Crises

Chapter 13 -- Central Banks and the Federal Reserve System

Chapter 14 --The Money Supply Process

Chapter 15 -- Tools of Monetary Policy

Chapter 16 – The Conduct of Monetary Policy: Strategy, and Tactics

Chapter 25 – Transmission Mechanisms of Monetary Policy

*(This outline may be adjusted because of time constraints.)*

**Exams**: There will be three exams. The final exam is not comprehensive. The third exam is the final exam. Each exam is worth a maximum of 100 points, and consists of 40 multiple choice questions.

**Tentative** exam dates are given below.

Exam 1 – Chapters 1, 2, 3, 4, 5; September 29, 2015

Exam 2 – Chapters 6, 7, 9, 10, 12; October 29, 2015

Exam 3(Final) – Chapters 13, 14, 15, 16, 25; **December 16, 2015 begins at 8a**

**Homework:** There will be six homework assignments. Late assignments will be assessed a ten-point per day penalty. Assignments will not be accepted after the graded assignments have been returned to the class. There will be no makeup homework assignments. Assignments consist of short-answer essay and graphing questions. The assignments average counts as 25% of your course grade.

**Extra Credit**: There will be no extra credit assignments.

**Grading and Methods of Evaluation**: Each exam and the assignments average count as 25% of your course grade.

Letter grades will be assigned according to the following scale:

A = 89.5-100 C= 69.5-79 F =59 and less

B = 79.5- 89 D= 59.6-69

**Make-up Exams:** Make-up exams are available if you miss **an exam** for a valid reason. I reserve the right to determine validity and require proof for the absence. Please see me to schedule a make-up exam as soon as you return to class. **Make-up exams consist of eight short-answer essay and/or graphing questions.**

**Attendance Policy:** At The University of Texas at Arlington, taking attendance is not required. Rather, each faculty member is free to develop his or her own methods of evaluating students’ academic performance, which includes establishing course-specific policies on attendance. As the instructor of this section, I have elected to take attendance, but will not factor attendance into the grade.

**Blackboard:** I will use Blackboard, an electronic learning software platform, for the distribution of course information. Go to <http://elearn.uta.edu/> to log in. Be sure to check our Blackboard site on a regular basis for announcements, exam reviews, and other material related to class.

**Drop Policy:** Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to officially withdraw if they do not plan to attend after registering. **Students will not be automatically dropped for non-attendance**. Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (<http://wweb.uta.edu/aao/fao/>).

**Disability Accommodations: UT** Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including *The Americans with Disabilities Act (ADA), The Americans with Disabilities Amendments Act (ADAAA),* and *Section 504 of the Rehabilitation Act.* All instructors at UT Arlington are required by law to provide “reasonable accommodations” to students with disabilities, so as not to discriminate on the basis of disability. Students are responsible for providing the instructor with official notification in the form of a letter certified by the **Office for Students with Disabilities (OSD).** Students experiencing a range of conditions (Physical, Learning, Chronic Health, Mental Health, and Sensory) that may cause diminished academic performance or other barriers to learning may seek services and/or accommodations by contacting:

**The Office for Students with Disabilities, (OSD)** [www.uta.edu/disability](http://www.uta.edu/disability) or calling 817-272-3364.

**Counseling and Psychological Services, (CAPS)** [www.uta.edu/caps/](http://www.uta.edu/caps/) or calling 817-272-3671.

Only those students who have officially documented a need for an accommodation will have their request honored. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at [www.uta.edu/disability](http://www.uta.edu/disability) or by calling the Office for Students with Disabilities at (817) 272-3364.

**Title IX:** *The University of Texas at Arlington does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disabilities, genetic information, and/or veteran status in its educational programs or activities it operates. For more information, visit*[*uta.edu/eos*](http://www.uta.edu/hr/eos/index.php)*. For information regarding Title IX, visit* [www.uta.edu/titleIX](http://www.uta.edu/titleIX).

**Academic Integrity:** Students enrolled in all UT Arlington courses are expected to adhere to the UT Arlington Honor Code:

*I pledge, on my honor, to uphold UT Arlington’s tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.*

*I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.*

UT Arlington faculty members may employ the Honor Code as they see fit in their courses, including (but not limited to) having students acknowledge the honor code as part of an examination or requiring students to incorporate the honor code into any work submitted. Per UT System *Regents’ Rule* 50101, §2.2, suspected violations of university’s standards for academic integrity (including the Honor Code) will be referred to the Office of Student Conduct. Violators will be disciplined in accordance with University policy, which may result in the student’s suspension or expulsion from the University.

**Electronic Communication:** UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at <http://www.uta.edu/oit/cs/email/mavmail.php>.

**Student Feedback Survey:** At the end of each term, students enrolled in classes categorized as “lecture,” “seminar,” or “laboratory” shall be directed to complete an online Student Feedback Survey (SFS). Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student’s feedback enters the SFS database anonymously and is aggregated with that of other students enrolled in the course. UT Arlington’s effort to solicit, gather, tabulate, and publish student feedback is required by state law; students are strongly urged to participate. For more information, visit <http://www.uta.edu/sfs>.

**Final Review Week:** A period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following this week *unless specified in the class syllabus*. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. During this week, classes are held as scheduled. In addition, instructors are not required to limit content to topics that have been previously covered; they may introduce new concepts as appropriate.

**Emergency Exit Procedures:** Should we experience an emergency event that requires us to vacate the building, students should exit the room and move toward the nearest exit, which is located to the right as you exit the classroom. Proceed down the stairs and out the building. When exiting the building during an emergency, one should never take an elevator but should use the stairwells. Faculty members and instructional staff will assist students in selecting the safest route for evacuation and will make arrangements to assist individuals with disabilities.

**Student Support Services**:UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to [resources@uta.edu](mailto:resources@uta.edu), or view the information at http://www.uta.edu/universitycollege/resources/index.php

**Course Schedule:**

August 28 – Go over syllabus and start chapter 1

August 31 -- Complete chapter 1; start chapter 2

September 2– Continue chapter 2

September 4 – Complete chapter 2

September 7 – Labor Day Holiday No Class (Assignment 1 posted to Blackboard)

September 9 –Begin chapter 3

September 11 – Complete chapter 3; begin chapter 4

September 14 – Continue chapter 4; **Assignment 1 due**

September 16 – Complete chapter 4; return assignment 1

September 18 – Begin chapter 5; (Assignment 2 posted to Blackboard)

September 21 – Continue chapter 5

September 23 – Continue chapter 5

September 25 – Complete chapter 5; **Assignment 2 due**

September 28 – Return assignment 2; review for exam 1

September 30 – **Exam 1 over chapters 1,2, 3, 4, 5**

October 2 – Go over exam 1; begin chapter 6

October 5 – Continue chapter 6

October 7 –Complete chapter 6; begin chapter 7

October 9 – Continue chapter 7 (Assignment 3 posted to Blackboard)

October 12 – Complete chapter 7

October 14 – Begin chapter 9

October 16 – Continue chapter 9; **Assignment 3 due**

October 19 – Return assignment 3; Complete chapter 9 (Assignment 4 posted to Blackboard)

October 21 – Begin chapter 10

October 23 – Complete chapter 10; begin chapter 12

October 26 – Complete chapter 12; **Assignment 4 due**

October 28 – Return assignment 4; review for exam 2

October 30 **– Exam 2 over chapters 6, 7, 9, 10, 12**

November 2 – Go over exam 2; begin chapter 13

November 4 – Complete chapter 13

November 6 – Begin chapter 14 (Assignment 5 posted to Blackboard)

November 9 – Continue chapter 14

November 11 – Complete chapter 14

November 13 – Begin chapter 15; **Assignment 5 due**

November 16 – Return assignment 5; continue chapter 15

November 18 – Complete chapter 15

November 20 – Begin chapter 16

November 23 – Continue chapter 16

November 25 –Complete chapter 16

November 27 – Thanksgiving Holiday No Class (Assignment 6 posted to Blackboard)

November 30 – Begin Chapter 25

December 2 – Continue chapter 25

December 4 – Complete chapter 25; **Assignment 6 due**

December 7 – Return assignment 6; review for final exam

December 9 – Last class; review for final exam

December 16 **– Final exam over chapters 13, 14, 15, 16, 25. Begins at 8a.**

*“As the instructor for this course, I reserve the right to adjust this schedule in any way that serves the educational needs of the students enrolled in this course. – Kathy A Kelly”*

**Emergency Phone Numbers**: In case of an on-campus emergency, call the UT Arlington Police Department at **817-272-3003** (non-campus phone), **2-3003** (campus phone). You may also dial 911. Non-emergency number 817-272-3381