

# Econ 3303-008 Money and Banking Spring 2018

Instructor: Rafal Czajkowski  
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Office Hours: Immediately after the class & by appointment.

Class location: **COBA 255**  
Class time: **Saturday 1:00 pm - 3:50 pm**

## **Required Textbooks and Other Course Materials:**

1. Money, Banking, and Financial Markets  
any edition – older version ok  
author: Mishkin
2. Basic scientific calculator

## **Use of cell phones is strictly prohibited in classroom.**

Cell phones must be turned off or silenced and cannot be visible on desk surfaces.

Students are not allowed to use their cell phones during exam (quiz) under any circumstance.

## **Course Prerequisites:**

- **ECON 2305 – Principles of Macroeconomics**
- **Math 1302 – College Algebra**
- **Proficiency in college level English language**

## **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 and other related economic issues.

## **Course Objectives:**

The goal of this course is to introduce the student to the Monetary and Banking system 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, as well as the impact of monetary and fiscal policy on these systems. The course will also provide information on financial activity in the stock and bond markets.

## Student Learning Outcomes:

Students will be able to explain and discuss the course content as noted in the course and subject outline and demonstrate their knowledge of course material through examinations, quizzes, and class discussions.

### **Especially each student will be able to:**

- Explain the structure & functioning of the financial markets
- Explain the role of financial markets and financial intermediaries in the financial system.
- Perform basic valuation and risk analysis of debt & equity instruments
- Analyze interest rates using bond market.
- Explain the fundamentals of bank management & bank regulation.
- Explain the structure, tools, goals and strategy of the Federal Reserve System.
- Explain the basic mechanisms of monetary policy.

### **Tentative Course Outline – chapters in your textbook\***

Ch1: Why study Money, Banking, and Financial Markets?

Open Market Economy - Circular Flow Model – Review

Ch:3 Money – Definition, Functions & Measurement

Ch:2 An Overview of the Financial System & Financial Intermediaries

Ch:8 Economic Analysis of the Financial Structure

Ch4: Understanding Interest Rates & Intro to Debt Instruments Valuation

Ch5: The Behavior of Interest Rates

Ch:6 The Risk & Term Structure of Interest Rates

Ch:7 The Stock Market & Introduction to Equity Instruments Valuation

Ch:9 Banking and Management of Financial Institutions

Ch:10 Banking Industry: Structure and Competition

Ch:11 Economic Analysis of Banking Regulation

Ch:12 Structure of Central Banks and the Federal Reserve System

Ch:13 Multiple Deposit Creation and the Money Supply Process

Ch:14 Determinants of the Money Supply

Ch:15 Tools of Monetary Policy

***\* (This outline very likely will be adjusted due to time constraints.)***

## **Course Format:**

Formally, there's NO attendance policy; however, this is a challenging and very useful course. Students are responsible for what is said & discussed in class.

If absent, student should arrange to obtain lecture notes from other classmates. It will be impossible for your instructor to replicate entire lecture in e-mail communication.

Lectures are NOT designed to replicate your textbook, but to explain complexities and stimulate your learning process with real life examples. As such, our lecture discussions will go much more in-depth than our textbook.

Students are expected to read the textbook as we will be moving along with the material. Power point slides may be provided by your instructor as a supplementary aid. Students will be responsible for 100% of knowledge provided in lecture notes, textbook reading assignments and any potential homework assignments (even if not graded).

There is NO substitute for in-class lecture. If you suspect (for whatever reason) that you may not be able to attend each class, you should reconsider your enrollment this course.

The class will include some emphasis on solving problems. You should always bring your calculator to class. Students will not be allowed to borrow or use other student's calculators during examination.

## **Test Format:**

The tests **may** include both multiple choice (MCQ) and/or short answer (essay) questions (at instructor's discretion). In addition, some graphing may be required.

Please bring **scantrons (882 E)** to **each class** as you may need it for a quiz.

There will be NO MAKE-UPS on exams or quizzes except upon an officially approved UTA reasons. If you expect that you may have to miss quiz or exam, please contact your instructor ASAP.

## **Tentative Test Dates:**

<b>Tentative Exam Schedule:</b>			
<b>Format</b>	<b>Max Points:</b>	<b>Weight</b>	<b>Date:</b>
Quiz 1	100	10.0%	Saturday, March 03, 2018
Mid-Term Exam	100	30.0%	Saturday, March 10, 2018
Quiz 2	100	20.0%	Saturday, April 28, 2018
Final Exam	100	40.0%	Saturday, May 05, 2018
	<b>400</b>	<b>100.0%</b>	

*\* Instructor reserves right to adjust exam (quiz) dates depending on unforeseen circumstances*

*\* Final Exam is comprehensive (cumulative) in nature*

## Course Grade:

Your course grade will be based on the **weighted average** of two exam, three quizzes, and class participation - using the formula below:

Quiz 1	x 0.10
+ Quiz 2	x 0.20
+ Mid-term score	x 0.30
+ Final exam	x 0.40
<b>= Your Final Score</b>	<b>= 1.00</b>

## Example:

Let's assume that you will have earned the following grades:

- Quiz 1 **75%**
- Quiz 2 **83%**
- Mid-term exam score is **92%**
- Final exam score is **90%**

Your total score would be **87.7%** and your letter grade would be **B**

$$87.7\% = (75\% \times 0.1) + (83\% \times 0.2) + (92\% \times 0.3) + (90\% \times 0.4)$$

## **Grading:**

100% - 90%	A
89% - 80%	B
79% - 70%	C
69% - 60%	D
Below < 60%	F

## Extra Credit:

Generally there is no formal extra credit. Your instructor reserves a right to award bonus points to students who regularly attend lecture, come prepared, and actively participate in lecture sessions. What follows, your course grade cannot be lower than your earned average; however, your grade may improve due to extra credit.

All students have an equal chance of earning extra credit points by actively participating in lecture discussions. Bonus points may or may not be added to your running average score at instructor's discretion.

### **Expectations for Out-of-Class Study:**

Beyond the time required to attend each class meeting, students enrolled in this course should expect to spend **at least additional 9 hours per week** of their own time in course-related activities, including reading required materials, completing assignments, preparing for exams, etc.

### **Attendance [subject to Course Format discussed above]:**

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 allow students to attend class at their own discretion; however, students are responsible for knowing and understanding all of the material discussed in class. Lectures are **NOT** designed to replicate the textbook, but to explain complexities, and stimulate students' learning process by providing real life examples.

### **Make-Up Exam Policy:**

All students are expected to take the tests at the assigned time (not early or late). If for some reason you must miss a test, you should notify your instructor beforehand. Make-up tests are for extenuating circumstances only. Typically, your instructor will require seeing doctor's note or other official documentation.

### **Disclaimer Regarding Syllabus:**

**Your instructor reserves a right to make changes to the syllabus as the semester progresses. Students are responsible for being aware of those changes.**

### **Laptop Computer:**

Any laptops brought to class are to be used strictly for this class. I reserve the right to ask that laptops be turned off if there is any abuse in this area, i.e., surfing the web during class, shopping, e-mailing, etc.

### **E-Mail:**

E-Mail is to be used for academic purposes. Do not use e-mail to forward jokes or political views. Any harassing or profane e-mail will be reported to campus authorities and is subject to disciplinary action. As a rule, your instructor will reply to your email on the evening of the same day (excluding holidays).

### **Grade Grievances:**

You have one calendar year from the date the grade is assigned to initiate any grievance. The normal academic channels are department chair, academic dean, and the Provost.

### **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:**

**Last day to drop with an automatic grade 'W' is March 30<sup>th</sup>, 2018 (4:00pm).**

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/>).

**The instructor is not responsible for dropping you from class if you quit attending!** It is the student's responsibility to complete the course or withdraw from the course in accordance with University Regulations. Students are strongly encouraged to verify their grade status before dropping a course after the first withdrawal date. A student who drops a course after the first withdrawal date may receive an "F" in the course if the student is failing at the time the course is dropped.

### **College Policy:**

Students who have not paid by the census date and are dropped for non-payment cannot receive a grade for the course in any circumstances. Therefore, a student dropped for non-payment who continues to attend the course will not receive a grade for the course. Emergency loans are available to help students pay tuition and fees. Students can apply for emergency loans by going to the Emergency Tuition Loan Distribution Center at E.H. Hereford University Center (near the southwest entrance).

### **Title IX Policy:**

The University of Texas at Arlington (“University”) is committed to maintaining a learning and working environment that is free from discrimination based on sex in accordance with Title IX of the Higher Education Amendments of 1972 (Title IX), which prohibits discrimination on the basis of sex in educational programs or activities; Title VII of the Civil Rights Act of 1964 (Title VII), which prohibits sex discrimination in employment; and the Campus Sexual Violence Elimination Act (SaVE Act). Sexual misconduct is a form of sex discrimination and will not be tolerated. *For information regarding Title IX, visit [www.uta.edu/titleIX](http://www.uta.edu/titleIX) or contact Ms. Jean Hood, Vice President and Title IX Coordinator at (817) 272-7091 or [jmhood@uta.edu](mailto:jmhood@uta.edu).*

**Americans with Disabilities Act:** If a student requires an accommodation based on disability, the student should meet with the instructor in his/her office during the first week of the semester. As a faculty member, I am required by law to provide “**reasonable accommodation**” to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with **informing faculty at the beginning of the semester and in providing *authorized documentation through designated administrative channels.***

**Food and Drink in Classrooms:** College policy prohibits food and/or drinks in classrooms and labs. Anyone bringing food and/or drinks into a classroom or lab will be required to remove such items, as directed by the class instructor or lab supervisor.

### **Student Support Services:**

The University of Texas at Arlington supports a variety of student success programs to help you connect with the University and achieve academic success. They include learning assistance, developmental education, advising and mentoring, admission and transition, and federally funded programs. Students requiring assistance academically, personally, or socially should contact the Office of Student Success Programs at 817-272-6107 for more information and appropriate referrals.

### **Bomb Threats:**

If anyone is tempted to call in a bomb threat, be aware that UTA will attempt to trace the phone call and prosecute all responsible parties. Every effort will be made to avoid cancellation of presentations/tests caused by bomb threats. Unannounced alternate sites will be available for these classes. Your instructor will make you aware of alternate class sites in the event that your classroom is not available.

## **Evacuation Procedure:**

In the event of an evacuation of the College of Business Building, when the fire alarm sounds, everyone must leave the building by the stairs. With the fire alarm system we now have, the elevators will all go to the first floor and stay there until the system is turned off.

## **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. 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. (<https://www.uta.edu/policy/procedure/7-6>.)

## **EVACUATION FOR DISABLED PERSONS:**

Please go to the **Northeast** fire stairs. An evacuation chair is located on the 6th floor stairwell. Employees trained in the use of this chair will go to the 6th floor and bring the chair to any lower floor stairwell to assist disabled persons.

## **Academic Integrity:**

Students enrolled 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>.

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### **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.

## **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 [www.uta.edu/resources](http://www.uta.edu/resources).

### **SPRING 2018**

**Nov. 6** · Registration Begins for Spring Term - Regular Session

**Jan. 1** · New Year's Day Holiday

**Jan. 2** · Day After New Year's Holiday

**Jan. 15** · Martin Luther King Jr. Day holiday

**Jan. 15** · Registration Ends for Spring Term - Regular Session

**Jan. 16** · First day of classes

**Jan. 16** · Late registration

**Jan. 17** · Late registration

**Jan. 18** · Late registration

**Jan. 19** · Late registration

**Jan. 31** · Census date

**March 12** · **Spring Vacation Starts**

**March 13** · Spring Vacation

**March 14** · Spring Vacation

**March 15** · Spring Vacation

**March 16** · Spring Vacation

**March 17** · Spring Vacation

**March 30** · Last day to drop classes; submit requests to advisor prior to 4:00 pm

**April 2** · Registration begins for Summer and Fall 2018 Terms

**May 4** · Last day of classes

- May 5 · Final exams (dept.)
- May 7 · Final exams
- May 8 · Final exams
- May 9 · Final exams
- May 10 · Commencement Ceremonies
- May 10 · Final exams
- May 11 · Commencement Ceremonies
- May 11 · Final exams
- May 12 · Commencement Ceremonies

**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.