Econ 3303-009 Money and Banking
Spring 2019

Instructor: Rafal B. Czajkowski
Office Number: 240 B - Business Building (COBA)
Phone: 817-272-3061
Email: czajkowski@uta.edu
Office Hours: Immediately after the class & by appointment.

Class location: COBA 241
Class time: Thursday 7:00 pm - 9:50 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
- Basic 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 basic mechanisms of open market economy
- Explain the structure & functioning of 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 fundamentals of bank management & bank regulation
- Explain the structure, tools, goals and strategy of the Federal Reserve System
- Explain 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:2 An Overview of the Financial System & Financial Intermediaries
Ch:3 Money – Definition, Functions & Measurement

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:8 Economic Analysis of the Financial Structure
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 & 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 of the material and to 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 are moving along with the material. Power point slides may be provided by your instructor as a supplementary aid.

Approx. 10% of each exam weight will come solely from lecture discussions (not available in your textbook). There is NO substitute for in-class participation. If you suspect (for whatever reason) that you may not be able to attend each class meeting, you should reconsider your enrollment this course.

Students will be responsible for 100% of knowledge provided in lecture, textbook reading assignments and any potential homework assignments (even if not graded).

The class will include 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 either multiple choice (MCQ) or short answer (essay) questions or a combination of two (at instructor’s discretion). In addition, some graphing will be required.

If your instructor decides on MCQ exam format then you will need a scantron (882 E) (regular green one)

There will be NO exam MAKE-UPS 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:

<table>
<thead>
<tr>
<th>Format</th>
<th>Max Points</th>
<th>Weight</th>
<th>Date:</th>
<th>Time:</th>
<th>Days:</th>
<th>Weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-Term Exam 1</td>
<td>100</td>
<td>25.0%</td>
<td>Thursday, February 14, 2019</td>
<td>Regular</td>
<td>28</td>
<td>4</td>
</tr>
<tr>
<td>Mid-Term Exam 2</td>
<td>100</td>
<td>35.0%</td>
<td>Thursday, March 21, 2019</td>
<td>Regular</td>
<td>35</td>
<td>5</td>
</tr>
<tr>
<td>Final Exam</td>
<td>100</td>
<td>40.0%</td>
<td>Thursday, May 09, 2019</td>
<td>8:15 - 10:45 p.m.</td>
<td>49</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>300</td>
<td>100.0%</td>
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</tr>
</tbody>
</table>

* Instructor reserves right to adjust exam 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 three exams - using the formula below:

\[
\text{Final Score} = (0.25 \times \text{Exam 1}) + (0.35 \times \text{Exam 2}) + (0.40 \times \text{Final exam})
\]

**Example:**

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

- Exam 1: 90%
- Exam 2: 82%
- Final exam: 90%

Your total score would be **87.2%** and your letter grade would be **B**

\[
87.2\% = (90\% \times 0.25) + (82\% \times 0.35) + (90\% \times 0.40)
\]

**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 awarded to individual students under no circumstances.

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 earned in class.

Extra credit is **NOT** a part of your official grade average. Extra credit may be used to elevate a grade of a student who did not earn sufficient exam points to qualify for a desired course letter grade. For example, if a student earned a total of 79 pts (letter grade C) from three exams extra credit earned throughout the semester may justify elevating that student’s course letter grade from C to B, subject to the following condition: Extra credit may be taken into account only if a student earned at least 15 bonus points.

Other than extra credit opportunity available equally to all students actively participating in lecture discussions, there will be no other opportunity regardless.

All students have an equal chance of earning extra credit points by actively participating in lecture discussions.

**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 (neither early nor 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) or the following day.

In email communication with your instructor please rely ONLY on official UTA email (name@mavs.uta.edu). Your instructor blocked any other non-UTA communication.

Also, please make sure to type your name and class section you’re enrolled in (eg. Econ 3303-009 Thurs)

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 29th, 2019 (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://web.uta.edu/aoa/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 or contact Ms. Jean Hood, Vice President and Title IX Coordinator at (817) 272-7091 or 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, or view the information at www.uta.edu/resources.

SPRING 2019

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Nov. 9</td>
<td>Registration Begins for Spring Term - Regular Session</td>
</tr>
<tr>
<td>Jan. 1</td>
<td>New Year's Day Holiday</td>
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<td>Jan. 14</td>
<td>First day of classes</td>
</tr>
<tr>
<td>Jan. 14</td>
<td>Late registration</td>
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<tr>
<td>Jan. 15</td>
<td>Late registration</td>
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<tr>
<td>Jan. 16</td>
<td>Late registration</td>
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<tr>
<td>Jan. 17</td>
<td>Late registration</td>
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<tr>
<td>Jan. 21</td>
<td>Martin Luther King Jr. Day holiday</td>
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<td>Jan. 30</td>
<td>Census date</td>
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<tr>
<td>March 11</td>
<td>Spring Vacation</td>
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<tr>
<td>March 12</td>
<td>Spring Vacation</td>
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<tr>
<td>March 13</td>
<td>Spring Vacation</td>
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<tr>
<td>March 14</td>
<td>Spring Vacation</td>
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<tr>
<td>March 15</td>
<td>Spring Vacation</td>
</tr>
<tr>
<td>March 16</td>
<td>Spring Vacation</td>
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<tr>
<td>March</td>
<td>Last day to drop classes; submit requests to advisor prior</td>
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<tr>
<td>Date</td>
<td>Event Description</td>
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<tr>
<td>April 1</td>
<td>Registration begins for Summer and Fall 2019 Terms</td>
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<tr>
<td>May 3</td>
<td>Last day of classes</td>
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<td>May 4</td>
<td>Final exams (dept.)</td>
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<tr>
<td>May 6</td>
<td>Final exams</td>
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<tr>
<td>May 7</td>
<td>Final exams</td>
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<tr>
<td>May 8</td>
<td>Final exams</td>
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<tr>
<td>May 9</td>
<td>Commencement ceremonies</td>
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<tr>
<td>May 9</td>
<td>Final exams</td>
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<tr>
<td>May 10</td>
<td>Commencement ceremonies</td>
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<tr>
<td>May 10</td>
<td>Final exams</td>
</tr>
<tr>
<td>May 11</td>
<td>Commencement ceremonies</td>
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</tbody>
</table>

**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.

**Stop. Think. Protect Yourself. You Have Choices.**

The safety and security of our campus is the responsibility of everyone in our community. Each of us has an obligation to be prepared to appropriately respond to threats to our campus, such as an active aggressor.

This graphic provides each member of the UTA community with information and options for responding to an active threat. These options are not chronological, but are designed to address dynamic situations. Assess the situation (your location, the location of the threat, type of threat, etc.), identify and weigh your options, develop a plan of action and commit to it.

**YOUR OPTIONS TO AN ACTIVE**

**You Have Choices!**
<table>
<thead>
<tr>
<th><strong>AVOID</strong></th>
<th><strong>DENY</strong></th>
<th><strong>DEFEND</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>AVOID the situation. Stay away from the area and campus.</td>
<td>If you can't leave the area safely, DENY or slow entry to the intruder:</td>
<td>If you can't AVOID or DENY entry to the intruder, DEFEND your location:</td>
</tr>
<tr>
<td>If you can safely leave the area, RUN.</td>
<td>Lock/barricade doors with heavy items.</td>
<td>As a last resort, FIGHT for your life.</td>
</tr>
<tr>
<td>Get others to leave the area, if possible.</td>
<td>Turn off lights/projectors/equipment.</td>
<td>Use physical force and any weapons available - fire extinguishers, books, chairs, belts, umbrellas, pens/scissors, hot coffee/drinks, trash cans, etc.</td>
</tr>
<tr>
<td>Prevent others from entering the area.</td>
<td>Close blinds and block windows.</td>
<td>HIDE and take cover to protect yourself.</td>
</tr>
<tr>
<td>Know your exit and escape options.</td>
<td>Stay away from doors and windows.</td>
<td>Be prepared to run or defend yourself.</td>
</tr>
<tr>
<td>If in a parking lot, get to your car and leave.</td>
<td>Silence phones and remain quiet. Don’t let your phone give you away.</td>
<td>Use the element of surprise.</td>
</tr>
<tr>
<td>If in an unaffected area, stay where you are.</td>
<td>HIDE and take cover to protect yourself.</td>
<td>Work together as a team. Develop a plan. Commit to your actions. Your life depends on it.</td>
</tr>
<tr>
<td>When you are safe, call UTA PD at 817.272.3003 or 911 with information you have.</td>
<td>Be prepared to run or defend yourself.</td>
<td>Be aggressive, loud, and determined in your actions.</td>
</tr>
</tbody>
</table>

Additional information for active threat and other emergency situations can be found through the links below:

police.uta.edu/activeshooter
police.uta.edu/em