

Date reviewed: Aug 2015

Date revised: Aug 2015

Pre or Co-requisite: None

BFN 205: MONEY AND BANKING

Semester Credit Hours: 3

Contact Hours: Lecture - 45

I. COURSE DESCRIPTION:

This course provides an introduction to the money supply and the role banks play in relation to money creation. Topics include financial intermediaries, the Federal Reserve, monetary policy, fiscal policy, and international banking. Upon completion of this course, the student will have the necessary skills to work in a variety of different departments within the bank.

II. GENERAL COURSE COMPETENCIES:

The student will:

1. Understand the basic concepts about money, money supply and the key role of money and credit in the economy.
2. Acquire knowledge of financial intermediaries and the role of commercial banks as money creators.
3. Learn the role of the Federal Reserve and the function of monetary and fiscal policy.
4. Comprehend the mechanisms of international banking.
5. Acquire knowledge of current trends and issue in banking.

III. COURSE OBJECTIVES STATED IN PERFORMANCE TERMS:

1. Understand the basic concept about money, money supply and the key role of money and credit in the economy.

The student will:

- a) Learn how the value of money is determined today.
- b) Define M1, M2 and M3 supply.
- c) Explain the relationships between credit and debt in the U.S. economy.

2. Acquire knowledge of financial intermediaries and the role of commercial banks as money creators.

The student will:

- a) Cite key characteristics of major U.S. financial intermediaries.
- b) Differentiate various types of deposits and will identify major related innovations.
- c) Understand the basic characteristics of major types of commercial bank loans.

3. Know the role of the Federal Reserve and the function of monetary and fiscal policy.

The student will:

- a) Learn the history of the Federal Reserve.
- b) Be able to explain the structure of the Federal Reserve.
- c) Cite the ways the Federal Reserve employs monetary and fiscal policy.

4. Comprehend the mechanisms of international banking. The student will:

- a) Describe how the foreign exchange market operates.
- b) List the key payment and credit instruments used in international trade.

5. Acquire knowledge of current trends and issues in banking. The student will:

- a) List the regulatory, competitive, technological and personnel changes and trends that are shaping the banking industry.

IV. CLASS ACTIVITIES:

Online PowerPoints
Writing assignments

V. **CRITERIA FOR EVALUATION:**

Given a series of assignments, quizzes and examinations, the student will perform with a sixty- percent degree of accuracy.

VI. **TEXT:**

Croushore, Dean. M&B--Money and Banking, Cengage, current edition.

VII. Attendance

Students are expected to attend all classes for which they are registered. Students who are unable to attend class regularly, regardless of the reason or circumstance, should withdraw from that class before poor attendance interferes with the student's ability to achieve the objectives required in the course. Withdrawal from class can affect eligibility for federal financial aid.

VII. Statement on Discrimination/Harassment

The College and the Alabama State Board of Education are committed to providing both employment and educational environments free of harassment or discrimination related to an individual's race, color, gender, religion, national origin, age, or disability. Such harassment is a violation of State Board of Education policy. Any practice or behavior that constitutes harassment or discrimination will not be tolerated.

IX. Americans with Disabilities

The Rehabilitation Act of 1973 (Section 504) and the Americans with Disabilities Act of 1990 state that qualified students with disabilities who meet the essential functions and academic requirements are entitled to reasonable accommodations. It is the student's responsibility to provide appropriate disability documentation to the College. The ADA Accommodations Office is in FSC 305 (205-856-7731).