

## ECON 315: Money and Banking

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Section 001 meets Monday, Wednesday, Friday 9:00-9:50am in Eddy 10

Section 002 meets Monday, Wednesday, Friday 1:00-1:50pm in Eddy 10

**Instructor:** *Maame Hagan*

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*Office:* Clark C311-A

*Office Hours:* **Wednesday 3:00-6:00pm** and by appointment

### Course Description

The course provides an overview of financial institutions in the U.S. Economy, including the history and functions of money, financial institutions and markets, central banking, and the conduct of monetary policy.

### Course Objectives

Upon completion of the course, students should be able to:

- Identify the different functions of money and how money is related to interest rates; understand how interest rates are determined, as well as the behavior of interest rates, and the risk and term structures of interest rates.
- Demonstrate the importance of financial markets and financial institutions in the economy; identify the essential operations of depository institutions; justify why they are heavily regulated.
- Explain how a nation's money supply is determined; know the various tools of monetary policy, the role of central banks and the Federal Reserve System, and the conduct of monetary policy.
- Apply principles, theories and models to critically analyze and explain economic situations encountered in the real world that involve money, financial markets and institutions, financial crisis, and actions undertaken by central banks in the development and implementation of monetary policy.

### Prerequisites

Math 117 (College Algebra in Context I) or Math 118 (College Algebra in Context II) or MATH 141 (Calculus in Management Sciences) or MATH 155 (Calculus for Biological Scientists I) or MATH 160 (Calculus for Physical Scientists I); Econ 202 (Principles of Microeconomics) or AREC 202 (Agricultural and Resource Economics); Econ 204 (Principles of Macroeconomics).

### Course Materials

- Required text: Money, Banking, and Financial Markets by Stephen G. Cecchetti and Kermit L. Schoenholtz 5th Ed. (2017) e-text with Connect Access. (ISBN:9781259927249)
- You are, at a minimum, required to have access to Connect with e-text. You can choose to purchase a paper text as well. Connect is a web-based study tool that follows the Cecchetti and Schoenholtz text.
- Your quizzes and exams will be administered on Connect, so it is important to register for it ASAP.



## Class Websites

**Canvas:** <https://canvas.colostate.edu>

Canvas will serve as our primary website. You will find course materials and announcements there. All email correspondence will be through your CSU canvas account. It is imperative that you regularly check your Canvas email as it is our main form of communication. If you would like to receive emails with an email address that differs from your CSU email you will have to adjust this in Canvas. Click on the "account" tab on the left-hand corner within Canvas. Then click on the add "email address" tab, which is on the right-hand side, to include your preferred email address.

**Connect:** <http://connect.mheducation.com>

Connect will host the weekly quizzes, exams and ample practice problems for the course. You must use the Connect link in canvas each time you complete an assignment for your scores to enter the gradebook correctly.

## Coursework

There are 600 points available in the course with the final grades calculated out of 580 points. This will allow you some leeway should some assignments not go as planned. All coursework can be divided into four categories: Weekly Quizzes, Weekly Discussion Posts, Exams and Presentations.

### 1. Weekly Quizzes (210 points)

Each week, you will be assigned a quiz in Connect related to the chapter readings for that week. Each quiz is tailored to give you the opportunity to apply the lessons learned in the course. Each quiz will be counted toward your grade. They will consist of various kinds of multiple choice questions and problems. You will have 2 attempts and 60 minutes per attempt. Your final submission will count towards your final grade. Please see the class schedule for due dates. There will be 14 quizzes and each quiz is worth 15 points. If you are out of town or, for some reason, miss a quiz, it will be counted as a zero, unless it is an emergency and there is verified documentation.

### 2. Weekly Discussion Posts (140 Points)

Each week, you will participate in a discussion relevant to the material. Topics/questions will be given for each discussion post. Posts are due on canvas. Please see the schedule for the due dates. They will be graded for content, grammar, spelling, richness and timeliness. In addition to a discussion post, students will be required to comment on at least one other student's discussion post each week. Comments should not be longer than a paragraph (5 sentences max). Lengthy posts will not, however, lose points. Your grade will be given for posting a discussion and responding to another student's discussion post with a comment. The goal of this assignment is to encourage students to discuss topics and share opinions. Each discussion post is worth 10 points. Posts should be clearly written, organized, and use correct grammar, syntax, and punctuations where relevant. If you are out of town or, for some reason, miss a discussion post, it will be counted as a zero, unless it is an emergency and there is verified documentation.

### 3. Exams (200 Points)

There will be two midterms each worth 50 points and a final exam worth 100 points. All exams will be administered on Connect. Each exam will comprise of multiple choice, problems and short essay questions. Each exam will not be cumulative. A student's own notes, textbook, and class material may not be used as reference during any exam, i.e. all exams are closed book, closed notes. Calculators are however, allowed. If you are out of town or, for some reason, miss an exam, it will be counted as a zero, unless it is an emergency and there is verified documentation.

### 4. Presentations (30 Points)

Each person is required to give one presentation on a current news topic related to the material covered in class. Please see the schedule for the presentation dates. We will be signing up for slots for presentations during the first week of classes.

### 5. Participation (20 Points)

Participation grade will be determined through the completion of iClicker questions during most Friday lectures. You will be asked 2 questions on the material covered that week. Each question is worth 1 point. Total points possible is 20 points. These points are merely “extra credit” opportunities.

### Grading Schedule

Assignment	Frequency/points per assignment	Points	% of grade
Weekly Quizzes	14 @ 15 pts	= 210 pts	30%
Weekly Discussion Posts	14 @ 10 pts	= 140 pts	10%
Presentations	1 @ 30 pts	= 30 pts	10%
Midterm Exams	2 @ 50 pts	= 100 pts	25%
Final Exam	1 @ 100 pts	= 100 pts	25%
Participation Points	20 @ 1 pt	= 20 pts	
		Total = 600 pts	Total = 100%

### Letter Grades

90%– 100%	A
80%. – 89%.	B
70%– 79%.	C
60% – 69%.	D
0% – 59%	F

### Weekly Course Time Estimates

The expectations for homework or other work outside of instructional time equivalent to the federal credit hour definition of 2 hours of outside work for each contact hour

Reviewing Lectures and Taking Notes	2
Reading the Assigned Textbook	3
Quizzes on Connect	1
Complete Discussion Post	1
Exam Study Time	2
<b>Total hours</b>	<b>9 hours per week</b>

### Make-ups, Missing Assignments, and Regrades

No makeup exams, quizzes, discussion posts, presentations, or participation point activities will be allowed. The only exceptions are for exams, quizzes and discussion posts in cases of documented medical or family emergencies or conflicts with University sanctioned activities and generally these need to be made up prior to the actual deadline, with rare exception.

### Academic Integrity

We take academic integrity seriously. At minimum, academic integrity means that no one will use another’s work as their own. The CSU writing center defines plagiarism this way:

*“Plagiarism is the unauthorized or unacknowledged use of another person’s academic or scholarly work. Done on purpose, it is cheating. Done accidentally, it is no less serious. Regardless of how it occurs, plagiarism is a theft of intellectual property and a violation of an ironclad rule demanding credit be given where credit is due.”*



—Writing Guides: Understanding Plagiarism.

<http://writing.colostate.edu/guides/researchsources/understandingplagiarism>

**Academic Dishonesty could result in expulsion from the university.** This course will adhere to the CSU Academic Integrity [Policies and Guiding Principles](#) as found in the General Catalog and the [Student Conduct Code](#). At a minimum, violations will result in a grading penalty in this course and a report to the Office of Conflict Resolution and Student Conduct Services. Of course, academic integrity means more than just avoiding plagiarism and cheating. It also involves doing your own reading and studying. It includes class attendance, careful consideration of all class materials, and engagement with the class and your fellow students.

### CSU honor pledge

Academic integrity lies at the core of our common goal: to create an intellectually honest and rigorous community. Because academic integrity, and the personal and social integrity of which academic integrity is an integral part, is so central to our mission as students, teachers, scholars and citizens, I will ask that you affirm the CSU Honor Pledge as part of completing your work in this course. Each exam and assignment you submit, you will be required to affirm the following statement:

***"I have not given, received, or used any unauthorized assistance."***

Further information about Academic Integrity is available at CSU's [Practicing Academic Integrity](#) <http://learning.colostate.edu/integrity/index.cfm>.

### Department Statement on Copyright

Please do not share material from this course in online, print or other media. Course material is the property of the instructor who developed the course. Materials authored by third parties and used in the course are also subject to copyright protections. Posting course materials on external sites (commercial or not) violates both copyright law and the CSU Student Conduct Code. Students who share course content without the instructor's express permission, including with online sites that post materials to sell to other students, could face disciplinary or legal action.

### Accommodations and Tutoring Options

- **Resources for Disabled Students:** Students with disabilities may be eligible for accommodations in accordance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act. It is the student's responsibility to disclose any learning disabilities. Please contact the instructor if a special accommodation is required. To request accommodations, students should contact Resources for Disabled Students at (970) 491-6385 or go to <http://rds.colostate.edu>. Documentation of disability is required and the RDS office will assist in this process.

## Econ 315: Class Schedule, Fall 2017

WEEK	TOPIC	READING	ASSIGNMENT
<b>Week 1</b> 8/21-8/27	<ul style="list-style-type: none"> <li>Bingo &amp; Syllabus Overview</li> <li>An Introduction to Money and the Financial System</li> </ul>	Chapter 1	8/27 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 1 due</li> <li>Discussion Post 1 due</li> </ul>
<b>Week 2</b> 8/28-9/3	<ul style="list-style-type: none"> <li>Evolution of Money and Banks</li> <li>Money and the Payments System</li> </ul>	Chapter 1 Chapter 2	9/3 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 2 due</li> <li>Discussion Post 2 due</li> </ul>
<b>Week 3</b> 9/4-9/10	<ul style="list-style-type: none"> <li>Financial Instruments, Financial Markets and Financial Institutions</li> </ul>	Chapter 3	No class on 9/4 9/10 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 3 due</li> <li>Discussion Post 3 due</li> </ul>
<b>Week 4</b> 9/11-9/17	<ul style="list-style-type: none"> <li>Future Value, Present Value and Interest Rates</li> <li>Understanding Risk</li> </ul>	Chapter 4 Chapter 5	9/17 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 4 due</li> <li>Discussion Post 4 due</li> </ul>
<b>Week 5</b> 9/18-9/24	<ul style="list-style-type: none"> <li>1st batch of 10 min presentations</li> </ul>		9/24 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 5 due</li> <li>Discussion Post 5 due</li> </ul>
<b>Week 6</b> 9/25-10/1	<ul style="list-style-type: none"> <li>Mid-term exam 1: 9/25</li> <li>Stocks, Stock Markets and Market Efficiency</li> </ul>	Mid-term exam 1  Chapter 8	10/1 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 6 due</li> <li>Discussion Post 6 due</li> </ul>
<b>Week 7</b> 10/2-10/8	<ul style="list-style-type: none"> <li>The Bond Market and the Determination of Interest Rates</li> </ul>	Chapter 6	10/8 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 7 due</li> <li>Discussion Post 7 due</li> </ul>
<b>Week 8</b> 10/9-10/15	<ul style="list-style-type: none"> <li>The Economics of Financial Intermediation</li> <li>Depository Institutions: Banks and Management</li> </ul>	Chapter 11 Chapter 12	10/15 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 8 due</li> <li>Discussion Post 8 due</li> </ul>
<b>Week 9</b> 10/16-10/22	<ul style="list-style-type: none"> <li>2nd batch of 10 min presentations</li> </ul>		10/22 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 9 due</li> <li>Discussion Post 9 due</li> </ul>
<b>Week 10</b> 10/23-10/29	<ul style="list-style-type: none"> <li>Mid-term exam 2 :10/24</li> <li>The Structure of Central Banks: The Federal Reserve and the European Central Bank</li> </ul>	Mid-term exam 2  Chapter 16	10/29 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 10 due</li> <li>Discussion Post 10 due</li> </ul>
<b>Week 11</b> 10/30-11/5	<ul style="list-style-type: none"> <li>The Central Bank Balance Sheet and the Money Supply Process</li> </ul>	Chapter 17	11/5 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 11 due</li> <li>Discussion Post 11 due</li> </ul>
<b>Week 12</b> 11/6-11/12	<ul style="list-style-type: none"> <li>Monetary Policy: Stabilizing the Domestic Economy</li> </ul>	Chapter 18	11/12 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 12 due</li> <li>Discussion Post 12 due</li> </ul>
<b>Week 13</b> 11/13-11/19	<ul style="list-style-type: none"> <li>Money Growth, Money Demand and Modern Monetary Policy</li> </ul>	Chapter 20	11/19 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 13 due</li> <li>Discussion Post 13 due</li> </ul>
<b>Week 14</b> 11/20-11/26	<b>FALL</b>	<b>RECESS</b>	<b>NO CLASSES</b>
<b>Week 15</b> 11/27-12/3	<ul style="list-style-type: none"> <li>Output, Inflation and Monetary Policy</li> </ul>	Chapter 21	12/3 at 12pm MDT <ul style="list-style-type: none"> <li>Quiz 14 due</li> <li>Discussion Post 14 due</li> </ul>
<b>Week 16</b> 12/4-12/10	<ul style="list-style-type: none"> <li>3rd batch of 10 min presentations</li> </ul>		
<b>Week 17</b> 12/11-12/10	<ul style="list-style-type: none"> <li>Final Exam</li> </ul>	Final Exam (Covers Weeks 10-16)	