

Fermanian School of Business
Spring 2023
Economics 3080 - Money & Banking – 3 Units

Professor: D.K. (Denny) Sbarbaro
Days: Tuesday - Thursday
Location: FBC 104
Time: 6:00 – 7:15 PM
Final Exam: May 2 (6 PM)
Office Hours: Appointment via zoom
Phone:
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PLNU MISSION
TO TEACH – TO SHAPE – TO SEND

Point Loma Nazarene University exists to provide higher education in a vital Christian community where minds are engaged and challenged, character is modeled and formed, and service becomes an expression of faith. Being of Wesleyan heritage, we aspire to be a community where grace is foundational, truth is pursued, and holiness is a way of life.

FERMANIAN BUSINESS SCHOOL MISSION
Character – Professionalism -Excellence – Relationships -Commitment - Innovation

We strive to provide high quality business programs that equip students to make a positive impact in their workplace and community by connecting purpose to practice.

VISION OF THE FERMANIAN BUSINESS SCHOOL

To enable students to fully discover their purpose so they can transform society, organizations, and people

REQUIRED TEXT AND RESOURCES

1. The Economics of Money, Banking, and Financial Markets, Business School Fifth Edition (Mishkin)
2. Semester Wall Street Journal subscription <http://r.wsj.net/rDtfs>
3. Poll Everywhere access through professor's account

COURSE DESCRIPTION

This course provides an understanding of the financial system, monetary policy, financial institutions, central banks, and financial stability. Topics include an analysis of banking and monetary theory, the function and impact of money, credit, banking on the economic system, the impact of government fiscal policies, and how interest rates are determined.

COURSE LEARNING OUTCOMES

1. Exhibit an understanding of money and banking theories/principles, including the financial system, monetary policy, financial institutions, central bank, and financial stability
2. Apply various monetary and banking concepts to solve complex finance and business issues
3. Analyze and evaluate monetary and banking events to make informed financial decisions
4. Formulate finance and business decisions based upon ethical values
5. Use written and verbal communication to apply banking and monetary concepts

EXPECTATIONS & STANDARDS

Professor:

1. Bring industry experience and a passion for the course content
2. Make the course practical and useful for applying in managing finances throughout one's lifecycle
3. Make the class engaging and interactive
4. Provide multiple connection points (email, text, phone, text, office hours, ask instructor DB)
5. Provide timely response to students
6. Provide clear due dates and expectations/instructions for assignments

Students:

1. Adhere to the attendance and class participation policy
2. Come to class prepared
3. Give best effort
4. Take responsibility for learning
5. Be informed re: course assignments, reaching out if instructions/expectations are unclear
6. Turn in assignments on time
7. Respect and support the rights of the professor and other students by speaking and acting in a manner which does not offend standards of common decency or create disruptive in-class behavior
8. Comply with PLNU Academic honesty Policy

CLASS ETIQUITE

1. Be on time
2. No texts, emails, viewing other sites, or use of electronic devices unless needed for class activities
3. Dress and groom appropriately
4. Be respectful, encouraging, participative, engaging, interactive
5. Be thoughtful and respectful in sharing your ideas
6. Be open to new ideas
7. Eating, drinking not allowed
8. Disruptive behavior not permitted (classroom or instructor-related student behavior that would be considered interfering with or deviating from normal classroom, class related, or other faculty-student activity)

CLASS PREPARATION **FLIPPED CLASSROOM**

How: Students are expected to come to the class prepared by reading the assigned class lecture notes, text chapters, and completing an associated quiz

Why: To improve the quality of time in the class so it can be more engaging, interactive, and application based

COURSE SCHEDULE AND ASSIGNMENTS

January 12	Course Introduction and Syllabus
January 17	“Climbing the Ladder of Financial Success” Credit Cards, Credit Bureaus, Credit Reports, Credit Scores Assign Credit Report/Credit Score Assignment
January 19	Due Date Credit Report-Credit Score Assignment How Lenders Underwrite Consumer and Business Loans (5C’s) Assign Underwriting Consumer Loan Assignment
January 24	Due Date Underwriting Consumer Loan Assignment Foundational Money Management Principles Financial Standing Ratios Assign Calculating/Assessing Financial Standing Ratios
January 26	Due Date Calculating/Assessing Financial Standing Ratios Financial Planning Benefits + How We Make Financial Decisions Zero Based Budgeting (Key to Achieving Financial Success) Assign Zero Based Budget Assignment
January 31	Assessing, Setting, Achieving Financial Goals Assign Assessing, Setting, Achieving Prioritized Financial Goals Relationship Between Money, Marriage, Happiness
February 2	Acquiring and Using Foundational Money Management Skills Identity Theft
February 3	Due Date Financial Goals Assignment
February 7	Examination #1
February 9	Chapter 1: Overview of Financial Markets (Money, Bond, Equity) Chapter 2: Overview of Financial System Chapter 3: What is Money and Cryptocurrencies (Bitcoin) Assign Discussion Board (Income/Wealth Inequality Gap)
February 14	Chapter 4-6: Meaning, Behavior, Term Structure of Interest Rates Chapter 8: Economic Analysis of Financial Structure Chapter 9: Banking and the Management of Financial Institutions
February 16	Chapter 11: Banking Industry Structure & Competition Open Online Digital Banking, Fintech, Payment Sources (Crypto, Stablecoins) Assign Discussion Board (Traditional vs Fintech Banking)
February 21	Chapter 16: Central Bank/Fed Reserve System Chapter 17: The Money Supply Process Chapter 18: Tools of Monetary Policy Chapter 19: The Conduct of Monetary Policy (Strategy and Tactics)
February 23	Chapters 22-25 @ Key Takeaways @ Monetarists vs Modern Money Theory
February 28	Chapter 12: Financial Crises “Inside Job” Documentary Film Investment Banking & Shadow Banking

March 2	Chapter 15: Conflicts of Interest
March 6-10	Spring Break
March 14	Chapter 10: Economic Analysis of Financial Regulation Assign Discussion Board (“Too Big to Fail Banks”)
March 16	2010 Dodd-Frank Bank Reform Overhaul Act
March 21	Exam 2
March 23	Assign Team Video Project Home Mortgage Loan Underwriting Assign Underwriting Home Mortgage Loan Assignment Cash Management/Justified Purchases
March 28	Due Date Home Loan Mortgage Loan Assignment Home Mortgage Loan Process Protective Consumer Laws and Regulations Credit Denial, Repayment/Legal Options
March 30	Chapter 13: Health Insurance & Patient Protection/Affordable Care Act aka “Obamacare Assign Discussion Board (Obamacare)
April 4	Due Date for Tracking Income Expenses Assignment Chapter 13: Insurance Assign Biblical View of Money Assignment
April 6	Easter Break
April 11	Chapter 13: Magnificent 13 Investment Principles Assign Business Loan Interview Assignment
April 13	Due Date Biblical View of Money Assignment Chapter 13: Investments (Stocks, Bonds, Mutual Funds)
April 18	Chapter 13: Investments (Real Estate, Hedge Funds, Private Equity, Venture Capital, SPAC’s, Social Media, Commodities, Cryptocurrency) Assign Discussion Board (Cryptocurrencies)
April 20	Due Date: Group Team Project Chapter 13: Pensions, Retirement, College Funding
April 25	Due Date Business Loan Interview Assignment Chapter 13: Pensions, Retirement, College Funding
April 27	Income Taxes, Tax Returns, Tax Planning Estate Planning (Protecting, Preserving, Giving Assets)
May 2	Final Exam

ASSESSMENT & GRADING

Attendance & Class Participation	50
Quizzes	100
Exercises	30
Discussion Boards	50
Group Team Video Project	30
Examinations:	
• Exam 1	100
• Exam 2	125
• Final	<u>175</u>
	400
Assignments:	
• Credit Report & Credit Score	40
• Calculating/Assessing Financial Standing Ratios	60
• Assessing, Setting, Achieving Financial Goals	60
• Underwriting Home Mortgage Loan	60
• Tracking Income/Expenses to Develop a Budget	60
• Biblical View of Money	60
• Business Loan Interview	<u>60</u>
	340
Total Points	1000

Grading criteria distribution by weighted percentage:

• Attendance & Class Participation	5%
• Quizzes	15%
• Examinations	45%
• Practical Assignments	<u>35%</u>
	100%

Grading Scale

Grades will be assigned using the following scale:

A = 93-100	B+ = 87-89	C+ = 77-79	D+ = 67-69	
A- = 90-92	B = 83-86	C = 73-76	D = 63-66	F < 60%
	B- = 80-82	C- = 70-72	D- = 60-62	

Students are expected to keep up to date by tracking their YTD grade in CANVAS to eliminate any potential grade shock. An assessment appointment will be scheduled for students earning less than a C during the semester.

GRADING COMPONENTS

ATTENDANCE AND CLASS PARTICIPATION **(5% Course Grade)**

PLNU attendance policy requires regular and punctual attendance for optimum academic achievement. If a student is absent for more than 10% of class meetings, the faculty member will issue a written warning of de-enrollment. If the absences exceed 20% , the student may be de-enrolled without notice until the university drop date or, after that date, receive the appropriate grade for their work and participation.

Additionally, it is the professor's policy to have the option of lowering the students final grade 5% for absences exceeding 10% of class meetings, and one full letter grade for absences exceeding 20%.

Being late disrupts the class and is unfair to the instructor and classmates. Students can leave class early only with the permission of the instructor; otherwise, it will be counted as an absence.

An excused absence will be granted for the following reasons:

- a. University sponsored event in which the student participates
- b. Illness/accident
- c. Family emergency
- d. Any other extenuating, unavoidable circumstance that is approved by the professor

It is the **responsibility** of the student to notify the instructor of an absence and reason thereof in advance of all scheduled classes, or as soon thereafter as possible thereafter in the case of an emergency.

No contact explaining the reason for missing class will be counted as an unexcused absence.

Class participation will be a positive grade if you:

1. Meet the attendance policy
2. Participate in class activities
3. Participate in polling questions
4. Participate in breakout room sessions
5. Complete and submit in-class exercises
6. Volunteer when asked or c

EXERCISES **(3% Course Grade)**

Exercises for each weekly module will be assigned and due by no later than Friday. Exercises will help maximize exam grades for understanding, retention, and lifelong application in achieving financial goals and financial peace of mind.

QUIZZES **(10% Course Grade)**

A pre-class quiz covering the lecture notes and/or the assigned text chapters will be due at the beginning of each class. Late quizzes will receive zero credit unless approved for an excused reason.

Benefits of quizzes include:

1. Provides evidence students are reading, studying, and understanding the assigned lecture notes/text chapters before coming to class

2. Improves the quality of time together in class by minimizing the need to lecture so class time can be more interactive with practical discussion and application of the assigned topics
3. Allows students to conduct a self-assessment of learning to make any needed adjustments in their learning strategies

DISCUSSION BOARDS
(3% Course Grade)

Periodic discussion boards will be assigned with instructions and grading rubrics

GROUP TEAM VIDEO PROJECT
(3% Course Grade)

Assigned teams will create a 10-15 minute video presentation covering a money, banking, or personal finance topic of their choice as if they were teaching the topic to the class for understanding, retention, and application. Instructions and a grading rubric will be posted in Canvas.

EXAMINATIONS
(40% Course Grade Impact)

Exams are comprehensive and long consisting of multiple choice, true-false, matching, short answer, essay, case problems.

Prepare thoroughly by studying:

- Lecture notes
- Text chapters
- Exercises
- Quizzes
- Class handouts
- Assignments
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ASSIGNMENTS
(34% Course Grade)

Instructions and assessment criteria will be posted in Canvas.

Assignment #1:	Credit Report – Credit Score
Assignment #2:	Calculating & Assessing Financial Standing Ratios
Assignment #3:	Assessing, Setting, Achieving Prioritized Financial Goals
Assignment #4:	Underwriting a Home Mortgage Loan
Assignment #5:	Zero-Based Budget
Assignment #6:	Biblical View of Money
Assignment #7:	Business Loan Interview

LATE ASSIGNMENT POLICY

Assignments are to be submitted on time.

- It is the student's responsibility to notify the instructor in advance of the due date if the assignment will not be completed on time and the reason(s) thereof
- For approved reasons, there will be no deduction for late submission
- For unapproved reasons, there will be no credit unless the professor, at his discretion, allows late submission, in which case the student's grade will be lowered a minimum of one full letter grade

PLNU ACADEMIC HONESTY POLICY

Students should demonstrate academic honesty by doing original work and by giving appropriate credit to the ideas of others. Academic dishonesty is the act of presenting information, ideas, and/or concepts as one's own when in reality they are the results of another person's creativity and effort. A faculty member who believes a situation involving academic dishonesty has been detected, including cheating on in class or Honorlock proctored exams, may assign a failing grade for that assignment or examination, or, depending on the seriousness of the offense, for the course. Faculty will follow and students may appeal using the procedure in the university catalog. See Academic Policies for definitions of kinds of academic dishonesty.

PLNU ACADEMIC ACCOMMODATIONS POLICY

PLNU is committed to providing equal opportunity for participation in all its programs, services, and activities. Students with disabilities may require course related accommodations by contacting the Educational Access Center (EAC), located in Bond Academic Center (EAC@pointloma.edu or 619-849-2486). Once a student's eligibility for an accommodation has been determined, the EAC will issue an academic accommodation plan (AP) to all faculty who teach courses in which the student is enrolled each semester.

PLNU highly recommends that students speak with their professors during the first two weeks of each semester/term about the implementation of their AP in that particular course and/or if they do not wish to utilize some or all of the elements of their AP in that course.

Students who need accommodations for disability should contact the EAC as early as possible (i.e., ideally before the beginning of the semester) to assure accommodations can be provided. It is the student's responsibility to make the first contact with the EAC.

ELECTRONIC DEVICES AND TAPING OF CLASS

1. No electronic devices allowed except when required to connect to Poll Everywhere
3. Taping of the class is not permitted unless allowed by need

USE OF TECHNOLOGY

To be successful in your courses, you will need to meet the minimum technology and system requirements; please refer to the Technology and System Requirements information. Additionally, students are required to have headphone speakers, microphone, or webcams compatible with their computer available to use for any online or hybrid classes or online proctored exams requiring a computer with a camera (tablets are not compatible) to complete exams online. Problems with technology do not relieve you of the responsibility of participating, turning in your assignments, or completing your class work.

PLNU COPYRIGHT POLICY

PLNU, as a non-profit education institution, is entitled by law to use materials protected by the US Copyright Act for classroom education. Any use of those materials outside the class may violate the law.

FINAL EXAMINATION POLICY

Successful completion of this class requires taking the final examination on its scheduled day May 2, 2023. No requests for early examinations or alternative days will be approved.