

Teacher:  
Ms. C. Davis

Subject Area:  
Banking and Financial Services

Room No.:  
C227

**Chapter 3:** Money and Interest

**Lesson 1:** “The Money Supply”

**Lesson Date:**  
November 10, 2014 – November 14, 2014

**Meeting Time/Period:**  
4<sup>th</sup> and 6<sup>th</sup>

**Grade Levels:**  
12

**What is the lesson objective?** The student will be able to:

- Define terms (*money supply, liquidity, aggregate measures, commodity money, fiat money, fractional reserve system*)
- Define “*money supply*” and explain how it is measured.
- Describe two types of money, and explain the fractional reserve system.

**Differentiated Objective(s):** The student will create a graphic organizer using the internet and their textbook to describe the essential elements of the money supply and the fractional-reserve system.

**TEKS 130.163, c1a, b, 8a,b**

- 1(a) outline the evolution of money and banking in the United States economy.
- (b) explain the operation of the Federal Reserve Bank and its role in the economy.
- 8(a) describe the manner in which banks generate profit and explain measures banks take to ensure profitability
- (b) use financial formulas commonly used in banking to aid in the growth and stability of banking services...

**Do Now:** [www.edmodo.com](http://www.edmodo.com)

- What makes up the money supply?
- Why do economists use different measurements to track the money supply?
- What is “*fiat money*”?
- What is meant by “*fractional reserve*”?

**Instructional Delivery:**

- Direct Instruction
- Peer-tutoring
- Guided Practice
- Independent Practice
- Facilitator
- Quizzes & Tests

**Guided Practice and Monitoring:**

- Vocabulary Exercise
- Partner Reading
- Banking Math

**Independent Practice:**

- Vocabulary Exercise
- Banking Math
- Quizzes & Tests

**Review/Reteach:**

- Review Questions (handout) and Quizzes

**Closure:** Students will reflect on what was covered and create a graphic organizer to illustrate understanding of the concepts covered.

**Materials/References:**

- Notebook, Computer, Internet, Flash-drive, handouts, Textbook