

Teacher:
Ms. C. Davis

Subject Area:
Banking and Financial Services

Room No.:
C227

Chapter 3: Money and Interest

Lesson 2: “Money Creation and Circulation”

Lesson 3: “Interest and Interest Rates”

Lesson Date: *(continued)*

November 24, 2014 – November 25, 2014

(November 26-28 – Thanksgiving Holiday)

Meeting Time/Period:

4th and 6th

Grade Levels:

12

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

- Define terms (*primary reserves, secondary reserves, excess reserves, multiplier effect, federal funds rate, discount rate, and prime rate*)
- Describe how money is created by bank activities.
- Explain how money circulates in the United States.
- List factors that affect interest rates.
- Explain which factors the Federal Reserve affects.

Differentiated Objective(s): The student will create a graphic organizer using the internet and their textbook to describe the essential elements of the money creation, circulation, and interest rates.

TEKS 130.163, c1b, 8a,b

- 1(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...

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- Why must banks keep money on reserve? What is the multiplier effect?
- What interest rates does the Federal Reserve control or affect?

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