Catalyst for the U.S. payments mechanism. The deposit-taking activities of banks, their management of deposited funds and the competitive and regulatory environments in which banks operate are the central subjects of the text.

Entry Level Standards:
None

Prerequisites:
None

Textbook(s) and Other Reference Materials Basic to the Course:

I. Week/Unit/Topic Basis:

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<th>Week</th>
<th>Topic</th>
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<td>1</td>
<td>Introduction to course; Overview of U.S. payments; Mechanism</td>
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<td>2</td>
<td>Review; Deposits and depositories</td>
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<td>3</td>
<td>Regulatory structure</td>
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<td>4</td>
<td>Paper payments; Electronic payments: the retail funds transfer systems</td>
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<td>Electronic payments: the interbank wire transfer systems; Midterm</td>
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<td>Sources and uses of bank funds</td>
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<td>Review and final examination</td>
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II. Course Objectives*: 

*"Course Objectives" refers to specific learning outcomes or competencies that students are expected to achieve by the end of the course.
A. Examine the U.S. payments mechanism and the legal and regulatory environment. I, II
B. Acquaint bankers with electronic components of the nation’s payment mechanism. I, II, III
C. Understand changes that have occurred in bank operations and where banking is headed over the next two decades. I, II, III, IV

*Roman numerals after course objectives reference goals of the Business and Community Services department.

**III. Instructional Processes*:

Students will:

1. Use critical thinking skills to interpret and evaluate the financial statements of existing companies and make informed judgments about these statements to facilitate in decision making and problem solving strategies. *Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies*

2. Discuss the impact of social, political, economic, and environmental issues on the financial statements of selected companies. *Communication Outcome, Problem Solving and Decision Making Outcome, Cultural Diversity and Social Adaptation Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies, Transitional Strategy*

3. Use electronic mail to correspond with the instructor and other students enrolled in the course. *Communication Outcome, Technological Literacy Outcome*

*Strategies and outcomes listed after instructional processes reference Pellissippi State’s goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the classroom, and encouraging students to take active and responsible roles in the educational process.

**IV. Expectations for Student Performance*:

Upon successful completion of this course, the student should be able to:

1. Develop an awareness and an appreciation of why banks operate the way they do and of the regulatory and procedural framework that defines bank operations. *A*

2. Describe the U.S. payments mechanism and the deposit operations of banks and on the payment services bank depositors want from banks. *A, B*

3. Understand the changing definitions and roles of the nation's depositories and of the changing legal and regulatory environment in which they operate. *C*

4. Become familiar with the check collection process, the rules and practices that govern banks' activities in effecting paper payments, and the risks banks incur in processing checks. *B*

5. Describe the electronic components of the nation's payments mechanism, the ways electronic payments differ from paper payments, the operational, cost, and regulatory issues that have arisen over EFT in America, and the risks banks incur in the interbank wire transfer systems. *B*

6. Discuss the profound changes that have occurred in bank sources and uses of funds and in bank deposit management, and the strategies banks employ in marketing their services. *B*
7. Describe how banks create deposits and the factors that affect that process.  B

8. List the range of cash management services banks offer.  B

9. List and discuss the changes that have occurred in banking operations, the rapidity of current change, where banking may be headed over the next 2 decades, and the important need for banks to increase productivity to remain competitive and profitable in the 1990s and beyond.  C

*Letters after performance expectations reference the course objectives listed above.

V. Evaluation:

A. Testing Procedures:

   Midterm   40%
   Final     45%

B. Laboratory Expectations:

   N/A

C. Field Work:

   N/A

D. Other Evaluation Methods:

   Class Participation  10%
   Attendance           5%

E. Grading Scale:

   90 - 100    A
   80 - 89     B
   70 - 79     C
   60 - 69     D
   Below 60    F

VI. Policies:

Attendance Policy:

Pelissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course.