**Economics**

**UNIT 6: Monetary Policy**

**9 Days:** October 15 - 25

**Quizzes:** Money and Banking

The Fed and Monetary Policy

**Homework:** Terms and Concepts

**Unit Test:** October 25

**SSEMA2 Explain the role and functions of the Federal Reserve System.**

1. Explain the roles/functions of money as a medium of exchange, store of value, and unit of account/standard of value.
2. Describe the organization of the Federal Reserve System (12 Districts, Federal Open Market Committee (FOMC), and Board of Governors).
3. Define monetary policy.
4. Define the tools of monetary policy including reserve requirement, discount rate, open market operations, and interest on reserves.
5. Describe how the Federal Reserve uses the tools of monetary policy to promote its dual mandate of price stability, and full employment, and how those affect economic growth

**Terms and Concepts**

1. medium of exchange
2. store of value
3. unit of account
4. Commodity Money
5. Fiat Money
6. Federal Reserve System
7. Federal Open Market Committee (FOMC)
8. Fed Board of Governors
9. Monetary Policy
10. Expansionary Monetary Policy
11. Contractionary Monetary Policy
12. Reserve Requirement
13. Interest on Required and Excess Reserves
14. Discount Rate
15. Open Market Operations
16. Federal Funds Rate (FFR)
17. Treasury Bonds

