



## **Course Description**

### **BAN1004 | Principles of Banking | 3.00 credits**

In this course, students will learn the foundation, structure and function of financial systems. The course plan includes a review of the role of banks as businesses and their impact on the economy. The students will receive an overview of the main entities that comprise the financial system: financial intermediaries, investments and financial markets. The students will be able to describe the risk infrastructure of financial institutions, the regulatory environment, and the responsibilities inherent in complying with regulatory requirements associated with the safety and soundness of banks.

### **Course Competencies:**

**Competency 1:** The student will attain an understanding of the foundation, structure, and function of financial systems by:

1. Providing an overview of the leading entities that comprise the financial system: financial intermediaries, investments and financial markets
2. Describing how financial firms achieve competitive advantage by reducing legal risk and using the law to create economic value
3. Explaining the milestones associated with the evolution of financial systems, including the history of money and banking
4. Relating to different bank products and services, including traditional, non-traditional, and electronic products.
5. Explaining the role of the Federal Reserve in providing control, structure, and maintaining the safety and soundness of the financial institutions that comprise the banking industry

**Competency 2:** The student will achieve proficiency in the essentials of risk management, laws, and regulations applicable to financial institutions by:

1. Providing an overview of the banking and financial services industry under US law and where these laws intersect with international banking supervision structures and principles
2. Navigating the various overlapping legal and regulatory regimes applying to banks, bank holding companies and investment firms
3. Describing the root causes of the financial crisis in 2008 and the regulatory framework that has evolved to address this systemic risk.
4. Comparing the bank regulatory system in the United States, comprised of multiple state and federal regulators, with the “single financial regulator” system operating in many other jurisdictions
5. Describing the administrative procedures associated with bank examinations and supervision, the regulatory, supervisory process, and bank enforcement actions

**Competency 3:** The student will develop an increased understanding of the influences and future trends impacting the financial services industry by:

1. Describing the impact of mobile banking, payments, and electronic systems in the profile of the clients in the financial services industry
2. Providing an overview of new software and automation programs that are streamlining work and expanding areas servicing businesses and individuals in the financial services industry
3. Analyzing the threat and impact of fintech on financial institutions, risks, and mitigating factors.
4. Describing the advantages and disadvantages of geographic and demographic expansion and the proliferation of internet-based medium of exchange to conduct financial transactions
5. Examining financial practices in the developing world, such as payment and remittance systems, which allow foreign nationals to transfer funds internationally within and outside traditional banking systems

**Learning Outcomes:**

- Solve problems using critical and creative thinking and scientific reasoning
- Formulate strategies to locate, evaluate, and apply information
- Demonstrate knowledge of ethical thinking and its application to issues in society
- Use computer and emerging technologies effectively