

## Toss a Term

### Description:

In this game of catch, student teams compete to define terms and concepts from The Fed Experience. The winning team takes the prize, but all students gain a more complete understanding of the concepts presented! This post-visit activity reinforces the content in the exhibit and promotes overall student comprehension.

### Age Level:

Middle and high school students

### Content Standards:

The Fed Experience is designed to complement Virginia Standards of Learning for Civics and Economics. For detailed information on specific standards, please see [www.thefedexperience.org](http://www.thefedexperience.org).

The Fed Experience also correlates to CEE National Standards in Economics

- Standard 10: Institutions
- Benchmark 1, Grade 8: Banks and other financial institutions channel funds from savers to borrowers and investors.

### Concepts:

|                               |                            |
|-------------------------------|----------------------------|
| Business Cycles               | Growth of Living Standards |
| Consumption                   | Inflation                  |
| Consumer Price Index          | Innovation                 |
| Deflation                     | Market                     |
| Economics                     | Market Economy             |
| Economic Growth               | Monetary Policy            |
| Equilibrium Price             | Money Supply               |
| Federal Reserve System        | Price                      |
| Federal Open Market Committee | Price Stability            |
| Gross Domestic Product        | Standard of Living         |

### Objective:

Students will be able to:  
Define and identify economic concepts from The Fed Experience.

### Time Required:

Approximately 25-30 minutes.

### Materials:

- Handout 1: The Fed Experience Glossary Sheet – one for each student or group of students
- Handout 2: The Fed Experience Terms. Make one copy. Cut apart terms and crumple into balls. Alternately, to create reusable terms, reduce term font size, laminate, cut apart and place in plastic colored eggs or dog treat ball.

### Procedure:

1. Display the terms and definitions from The Fed Experience Glossary Sheet.
2. Allow students 5 minutes to review the terms. Remove terms and definitions from students' sight.
3. Divide the class into two teams. Decide which team will go first.
4. Toss a crumpled "term" to first team of students. The student who catches the term has to define it. If the student correctly defines the term, the team earns a point. If the student cannot define the term, the other team can steal the term and the point.
5. The team with the most points wins a



THE FED EXPERIENCE

where you and the economy come together

## Toss a Term

### Handout 1: The Fed Experience Glossary Sheet

| Term                                 | Definition   |
|--------------------------------------|--|
| <b>Business Cycles</b>               | The ebb and flow of economic activity.   |
| <b>Consumption</b>                   | The purchase of goods and services.  |
| <b>Consumer Price Index</b>          | Measures the purchasing power of money over time. It compiles average prices for purchases made by households each month.  |
| <b>Deflation</b>                     | A decrease in the overall price level, which can be accompanied by slower economic growth.   |
| <b>Economics</b>                     | The study of how people choose to use scarce resources in production, trade and consumption.   |
| <b>Economic Growth</b>               | The increase in the amount of the goods and services produced in an economy over time.   |
| <b>Equilibrium Price</b>             | The price at which quantity demanded equals quantity supplied.   |
| <b>Federal Reserve System</b>        | The central bank of the USA which includes the Board of Governors in Washington, D.C. and 12 regional Reserve Banks and their branches across the country.   |
| <b>Federal Open Market Committee</b> | A part of the Federal Reserve System. Made up of the Board of Governors and Federal Reserve Bank Presidents. The FOMC sets monetary policy.  |
| <b>Gross Domestic Product</b>        | The total market value of all final goods and services produced in a country within a year. GDP is often used as an indicator of economic growth. When GDP increases, standard of living also tends to increase. |

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### Handout 1: The Fed Experience Glossary Sheet

| Term                              | Definition   |
|-----------------------------------|--|
| <b>Growth of Living Standards</b> | The increasing ability of people to produce and consume more of what they want, enjoy greater leisure time, better working conditions, a cleaner environment and healthier and longer lives. |
| <b>Inflation</b>                  | An increase in the overall price level which can reduce the purchasing power of money.   |
| <b>Innovation</b>                 | Invention of new products and better ways to do things. Key to the growth of living standards.   |
| <b>Market</b>                     | A physical or virtual place where buyers and sellers exchange goods or services.   |
| <b>Market Economy</b>             | An economy in which the goods and services produced are determined by consumer and producer choices and where choices are influenced by relative prices of goods.                            |
| <b>Monetary Policy</b>            | The Fed's actions to manage the money supply to keep inflation low and stable.   |
| <b>Money Supply</b>               | The amount of currency, coins and checking account deposits available in the economy.  |
| <b>Price</b>                      | Set by forces of supply and demand. Influences the choices made by consumers and quantity of products supplied by producers.   |
| <b>Price Level</b>                | The average price of all goods and services in an economy.   |
| <b>Price Stability</b>            | The persistent absence of significant inflation and deflation.   |
| <b>Standard of Living</b>         | The necessities, comforts, and luxuries people enjoy.  |



Business Cycles

Consumption

Consumer Price Index



Deflation

Economics

Equilibrium Price





Economic Growth

Federal Reserve System

Gross Domestic Product





Inflation

Innovation

Individual Price



Market

Market Economy

Monetary Policy



Money Supply

Price

Price Level



Standard of Living

Growth of Living  
Standards

Price Stability





# Federal Open Market Committee

