

SUPPORTING STATEMENT
NATIONAL SURVEY OF UNBANKED AND UNDERBANKED HOUSEHOLDS
PART B

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

1. Universe and Respondent Selection

The Census Bureau will conduct the June 2011 National Survey of Unbanked and Underbanked Households supplement (“FDIC supplement”) in conjunction with the Current Population Survey (CPS), for which the universe is expected to be about 118 million U.S. households. From this universe, the Census Bureau selects a statistical sample of approximately 72,000 households each month, of which approximately 59,000 are eligible for CPS. The Census Bureau actually interviews about 54,000 households each month and will ask these households to participate in the FDIC supplement.

The FDIC supplement represents the second administration of this supplement. The first administration was conducted in January 2009. As in 2009, the enumeration unit will be the household, and the respondent will be a household member who participates in the financial decisions of the household.

The response rate for the basic CPS is about 92 percent. Although all respondents to the basic CPS will be invited to participate in the FDIC supplement at the conclusion of the basic CPS interview, there may not be a qualified household member available to provide responses to the FDIC supplement, and no follow-up interview attempts will be made. Therefore, not all of the basic CPS respondents will participate in the FDIC supplement. Based on our experience with the 2009 supplement, we expect that about 86 percent of 54,000 basic CPS respondents will participate in the 2011 FDIC supplement.

If the FDIC supplement response rate does not exceed 85 percent, the FDIC plans to investigate the potential for nonresponse bias by making some basic comparisons of the characteristics of the households that provide responses to the FDIC supplement to those that provide responses to the basic CPS but not to the FDIC supplement. For example, a comparison will be made for renter- or owner-occupied households to see if the percent of renter-occupied households that responded to the FDIC supplement varied from the corresponding percent of households that did not respond to the FDIC supplement. The same type of comparison may be made for other household characteristics that are available, such as type of structure (single or multiple-family) or household size (all persons in the housing unit, including unmarried children under 18 years of age).

If the FDIC finds that the percent of renter-owned units varies much between respondents and nonrespondents to the FDIC supplement, we will check to see if the answers to survey questions varies by renters versus owners, which would give us a measure of the potential for nonresponse bias. The same type of analysis will be conducted for one or two other household variables that are available.

2. Procedures for Collecting Information

The FDIC supplement will be a supplemental survey associated with the CPS in June 2011. Attachment D gives an overview of the CPS sample design and weighting methodology and response rates. As a CPS supplement, the statistical properties of this supplemental survey will be the same as those associated with the CPS itself.

3. Methods to Maximize Response

Response rates and data accuracy for the CPS are maintained at high levels through interviewer instruction, self-study training, and follow-up of refusal interviews with more experienced senior interviewers. Additionally, the Census Bureau closely monitors data output. (Refer to Item 5 of Attachment D for a discussion of the CPS nonresponse.)

4. Testing of Procedures

Questionnaire design for the 2009 FDIC supplement was the result of a collaborative effort between the FDIC and a national consulting firm that specializes in public opinion research, with input from the Census Bureau's Demographic Surveys Division and the Labor Department's Bureau of Labor Statistics.

The FDIC's contractor for the 2009 FDIC supplement, under the FDIC's supervision, conducted four rounds of cognitive pre-testing of the supplemental survey questions. The goal of each round was to determine respondents' comprehension of each question, test the flow of the questions, find major recall difficulties, ascertain the sensitivity or inappropriateness of any questions, and gauge the operational feasibility of the supplement.

Each round of testing included about 25 interviews, with a mixture of in-person and telephone interviews. The interview subjects included both unbanked and underbanked individuals. Based on feedback received from the first two rounds of pre-testing, the survey questionnaire was revised. Because of these revision, third and fourth rounds of pre-testing were conducted. No changes to the survey were recommended following the fourth round of testing.

For the 2011 FDIC supplement the questionnaire has been modified slightly to sharpen the data collection focus. The revised instrument was subjected to an “expert review” carried out by Census Bureau staff. Comments were received from the Census Bureau, and have been incorporated into the revised survey instrument.

5. Contacts Statistical Aspects and Data Collection

The following Census Bureau staff may be contacted on the statistical data collection and analysis operations:

Statistical Design

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6. Data Analysis Plan

The main survey estimates to be prepared from the data collected in the June 2011 National Survey of Unbanked and Underbanked Households will be the number and percentage of households (and persons 16+) that are “unbanked” (i.e., do not have a deposit account at a bank or credit union) or “underbanked” (i.e., have a deposit account but also rely on alternative, non-bank financial service providers). These estimates will be prepared for the nation, for states, and for large metropolitan areas (MAs).

For unbanked households, results from the FDIC supplement will be used to quantify the reasons why households are unbanked. For both unbanked and underbanked households, estimates will be prepared of the usage levels of alternate, non-bank financial services, such as check cashing firms, payday lenders, pawn shops, and rent-to-own service providers.

Also, the economic and demographic information included in the CPS will be used to prepare tables that show, and allow comparisons of, the economic and demographic characteristics of unbanked, underbanked, and banked households. Furthermore, this basic CPS data will permit the FDIC to examine whether the usage of and reasons for choosing alternative non-bank financial services providers varies across economic or demographic segments of the population.

The FDIC will produce cross-tabulations of many of the basic CPS variables with responses to questions about the following items: account ownership, reasons for not having a deposit account (for unbanked respondents), the usage of specific alternative nonbank financial services, the reasons for use of these services, and the usage of prepaid cards. The following is a list of basic CPS variables that we plan to include in these tables:

- 1) Age of household reference person
- 2) Educational attainment of household reference person
- 3) Race/Ethnicity of household reference person
- 4) Marital Status of household reference person
- 5) Household composition (i.e., family or group household)
- 6) Citizenship of household reference person (US versus foreign born)
- 7) Household Income
- 8) Health Insurance Coverage of household reference person
- 9) Labor force status of household reference person

Cross-tabulations of survey results will be produced for the nation, for states, and for large MAs. Following are examples of table shells for these cross-tabulations:

Table 1. Age of Household Reference Person by Banking Status: Estimated Total Household Counts (with Row Percents in Parentheses) for the Nation (or XYZ State or MA).

Age of Household Reference Person	Household Banking Status			Total
	Banked	Underbanked	Unbanked	
16-24				
25-34				
35-49				
50-64				
65+				
Total				

Table 2. Education of Unbanked Household Reference Person by “Banks Have Inconvenient Hours” as a Reason for Not Having a Bank Account: Estimated Total Household Counts (with Row Percents in Parentheses) for the Nation (or XYZ State or MA).

Education of Unbanked Household Reference Person	“Banks Have Inconvenient Hours” Cited as a Reason for Not Having a Deposit Account		Total
	Yes	No	
Less than High School			
High School			
Some College			
College Degree			
Post College			
Total			

Table 3. Citizenship of Household Reference Person by Use of Payday Lender: Estimated Total Household (with Row Percents in Parentheses) for the Nation (or XYZ State or MA).

Citizenship of Household Reference Person	Has Household Ever Used Payday Loan or Payday Advance Services?		Total
	Yes	No	
U.S. Born			
Foreign Born			
Total			

ATTACHMENTS

- A1. FDIC National Unbanked and Underbanked Household Survey (English version)
- A2. FDIC National Unbanked and Underbanked Household Survey (Spanish version)
- B. Current Population Survey – Advance Letter and Frequently Asked Questions
- C1. Current Population Survey Confidentiality Brochure
- C2. Fact Sheet for the Current Population Survey
- D. Current Population Survey Design and Methodology Overview, October 2006 (available at the following link: <http://www.census.gov/prod/2006pubs/tp-66.pdf>)