

Assessing Financial Capability Outcomes Pilot

PRA Submission Supporting Materials

Youth Survey Question Justification and Sources

Question 2.

We will compare the responses to this question back to administrative data we are collecting on student account balances to measure student awareness of accounts.

Question 5.

There is a growing body of research on children's understanding of college, savings and the connection between the two. There is evidence that children understand the idea of the future by the age of three as well as the idea of their future selves by the ages of four and five. (Oyserman 2012). Interviews with 2nd and 4th graders suggested that students had a fairly sophisticated understanding of college and many understood that saving was a way to finance college (Elliott, et al. 2010). Saving money towards the college may be a way to help students connect their present actions to their future goals:

First, the act of saving now for a later collegebound self implies that it future is near enough that current action is needed. This should improve chances of children spending time on homework as well as their engagement in classroom activities. Second, the act of saving now for a later college-bound self is not easy but implies that the future college-bound self is an important goal. This should improve chances of children persisting on difficult school tasks. Third, the act of saving now for a future collegebound self implies that people like oneself can get ahead, making strategies for persisting school more likely to come to mind.

(Oyserman, 2012)

Citations

- Oyserman, D. 2012. Not Just Any Path: Implications of Identity-Based Motivation for Disparities in School Outcomes. *Economics of Education Review*. <http://dx.doi.org/10.1016/j.econedurev.2012.09.002>
- Elliott, W., et al. 2010. Young Children's Perceptions of College and Saving: Potential Role of Child Development Accounts. *Children and Youth Services Review*. 32 (11):1577-1584.

Other Related Literature

- Sherraden, M., et al, 2013. Contributions of Qualitative Research to Understanding Savings for Children and Youth. *Economics of Education Review*. 32: 66-77.
- Otto, A. 2012. Saving in childhood and adolescence: Insights from developmental psychology. *Economics of Education Review*. <http://www.sciencedirect.com/science/article/pii/S0272775712001173>

Source for questions 24, 25, 26, 27

- Otto, A. 2009. The economic psychology of adolescent saving. Unpublished PhD thesis, The Exeter Research and Institutional Content archive (ERIC), University of Exeter <http://hdl.handle.net/10036/83873>

Source for questions 31, 33, 34

- Simons-Morton, B.G., and A.D. Crump. 2003. Association of Parental Involvement and Social Competence with School Adjustment and Engagement among Sixth Graders. *Journal of School Health* 73 (3):121-126.

Many other questions in the survey were taken/adapted from the literature, including:

- Lusardi, A., and O. Mitchell. 2007. Financial Literacy and Retirement Preparedness: Evidence and Implications for Financial Education. *Business Economics* 42 (1):35-44.
- Walstad, W.B., and K. Rebeck. 2005. *Financial Fitness for Life Upper Elementary Test Examiner's Manual: Grades 3-5*. New York: National Council on Economic Education.
- National Education Longitudinal Study: Base Year Through Fourth Follow-Up, 1988-2000, National Center for Education Statistics.
- The Maryland Adolescent Development In Context Study (MADICS).
- The Financial Capability Study, National/State samples, 2009, FINRA Investor Education Foundation

Incentives in the Adult Pilot

Church (1993) conducted a meta analysis of 38 studies that explored the effects of incentives in mail surveys. He concluded that cash pre-incentives are more effective than promised post-incentives or pre-incentive gifts, and that response rates increase with increasing amounts of money. Edwards et al. (2002) report similar findings from a larger and more recent meta-analysis. These studies and more are summarized in the most recent major work by University of Wisconsin's Eleanor Singer (2013) which reviewed more recent literature and generally concluded the empirical evidence supports pre-incentives for mail-based surveys.

Our study design, which offers a \$10 pre-incentive rather than a \$5 pre-incentive, takes into account these findings. The [University of Wisconsin Survey Center](#) considers a \$10 pre-incentive to be standard in its administration of mail surveys. Recall a quarter or more of respondents are in homeless shelters or transient housing; the research team has experience with other surveys with similar populations and based on this prior work does not recommend changing incentive designs See Ver Ploeg, et al (2002) for more discussion is special issues related to this population.

Citations

Church, Allan H. 1993. "Estimating the Effect of Incentives on Mail Survey Response Rates: A Meta-Analysis." *Public Opinion Quarterly* 57:62-79.

Dillman, Don A., Jolene D. Smyth and Leah Melani Christian. 2009. *Internet, Mail and MixedMode Surveys: The Tailored Design Method*, 3rd edition. John Wiley: Hoboken, NJ

Edwards, Phil, Ian Roberts, Mike Clarke, Carolyn DiGuseppi, Sarah Pratap, Reinhard Wentz, and Irene Kwan. 2002. Increasing response rates to postal questionnaires: Systematic review. *British Journal of Medicine* 324 (7347): 1183–91.

Singer, Eleanor and Cong Ye. 2013. The Use and Effects of Incentives in Surveys. *The Annals of the American Academy of Political and Social Science*. 645: 112-141.

Ver Ploeg, Michele, Robert A. Moffitt, and Constance F. Citro. 2002. "Studies of Welfare Populations: Data Collection and Research Issues." Committee on National Statistics, Division of Behavioral and Social Sciences and Education of the National Research Council (See section titled: EFFECTS IN SURVEYS OF LOW-INCOME POPULATIONS) online at: <http://aspe.hhs.gov/hsp/welf-res-data-issues02/04/04.htm>

See also

Groves, Robert M. Nonresponse Rates and Nonresponse Bias in Household Surveys *Public Opinion Quarterly* (2006) 70(5): 646-675.