

FINANCIAL WELL-BEING METRICS – PILOT 1 INSTRUMENT

This survey covers a variety of topics including money management, finding financial information and financial decision-making. The survey will help us understand how to measure financial skills and financial well-being. We appreciate your participation.

We know that people get financial information in different ways, and people have different financial goals and different unexpected expenses. The questions below refer to your own financial experiences and goals. The survey will provide us with information about all of these different ways that different people and families manage their money, make financial decisions, and get financial information.

RANDOMIZE THE PRESENTATION OF THE FINANCIAL WELL-BEING AND THE FINANCIAL ABILITY QUESTION BLOCKS.

BEGIN FINANCIAL ABILITY BLOCK

FA1. For this first set of statements, please select the response that best indicates how well the statement describes you. Please use a 5-point scale where “5” indicates that the statement “Describes you completely” and “1” indicates that the statement “Does not describe you at all.” You can select any number between 1 and 5 for your response.

GRID TOP

5 – Describes me completely
4 – Describes me very well
3 – Describes me somewhat
2 – Describes me very little
1 – Does not describe me at all

8 – DK
9 – Refused

GRID SIDE – RANDOMIZE. REPEAT GRID TOP AND INSTRUCTIONS ON NEW PAGE AFTER 10 STATEMENTS.

- a. I know where to find the information or advice I need to make financial decisions.
- b. I know the right questions to ask when looking for financial information or advice.
- c. When it comes to complicated matters involving money, I don't know where to start.
- d. I usually do research before making a major purchase.
- e. I know where to go or who to ask for a second opinion on major decisions involving money.
- f. Others come to me when they need help finding information on money matters.
- g. I trust my ability to find reliable information to help me make a financial decision.
- h. I recognize when I make financial mistakes.
- i. I can tell a trustworthy source of financial information.
- j. I know when there is something wrong with my statement or bill.

- k. I know when financial information is too good to be true.
- l. I know when something looks or sounds like a scam.
- m. I can tell when an offer has strings attached.
- n. I know how to make complex financial decisions.
- o. I understand the long-term effects of the financial decisions I might make.
- p. I can determine when I should not trust the financial advice of others.
- q. I am able to make good financial decisions on subjects that are new to me.
- r. I know how to get myself to follow through on my financial intentions.
- s. I know how to regularly evaluate my financial behavior to see where improvements could bring me closer to my goals.
- t. Once I make a financial decision, I know how to act on it.
- u. When it comes to money, I know how to be disciplined.
- v. I am able to recognize a good financial investment.
- w. I know how to keep myself from spending too much.
- x. Once I set a financial goal, I know how to reach it.
- y. I can tell when I need to change a spending habit.
- z. I know how to make myself save.
- aa. I know the right questions to ask when making financial decisions.
- bb. I have the skills required to make sound financial decisions.
- cc. I know the right sources to consult to make wise financial decisions.
- dd. If my financial decision turned out badly, I could figure out why.
- ee. If money is tight, I know where to make cuts in my spending.
- ff. If my budget is tight, I know how to make myself stay within it.

FA2. For this next set of statements, we are interested in learning how often this statement applies to you or your situation. Please select the response that best indicates how often you would be able to make this statement about yourself using a 5-point scale where "5" indicates that you could make that particular statement about yourself "All the Time" and "1" indicates that you could "Never" make that particular statement about yourself. You can select any number between 1 and 5 for your response.

GRID TOP

5 – Always
 4 – Often
 3 – Sometimes
 2 – Rarely
 1 – Never

8 – DK
 9 – Refused

GRID SIDE – RANDOMIZE. REPEAT GRID TOP AND INSTRUCTIONS ON NEW PAGE AFTER 10 STATEMENTS.

- a. I know when I do not have enough information to make a financial decision.
- b. I "go with my gut" when I make decisions involving money.
- c. I do detailed calculations or research when I make decisions involving money.
- d. I can tell when I need financial advice.

- e. I do research before making a major purchase.
- f. I find it is worth taking the time to think through financial decisions.
- g. Friends and family come to me for financial advice.
- h. I feel overwhelmed when I have to make a major financial decision.
- i. I feel overwhelmed when trying to make sense of financial advice or information.
- j. I have a hard time making heads or tails of financial information.
- k. I can separate financial advice I should use from advice I shouldn't.
- l. I can tell the difference between what I need to buy and what I want to buy.
- m. I am good at making complex financial decisions.
- n. I make well-informed financial decisions.
- o. I make financial decisions with full understanding of how they will affect my future.
- p. I can tell when I am not following through on my intentions to manage my money well.
- q. I can tell when I should have done a better job of researching my financial decisions.
- r. I recognize when there is a better way to handle my money.
- s. When money is tight, I know how to make things work.

FA3. How difficult are the following? You can select any number between "1", which indicates "Not Difficult at all," and "5" which indicates "Very Difficult" for your response.

GRID TOP

5 – Very Difficult
 4 – Somewhat difficult
 3 – Neutral
 2 – Not very difficult
 1 – Not difficult at all

8 – DK
 9 – Refused

GRID SIDE – RANDOMIZE. REPEAT GRID TOP AND INSTRUCTIONS ON NEW PAGE AFTER 10 STATEMENTS.

- a. Knowing which is the best option out of all of the financial options available
- b. Making sense of financial advice or information
- c. Seeing how the decisions you make today influence your future financial situation
- d. Seeing how the way you manage my money today will affect your life in the future
- e. Figuring out the future impact of the financial decisions you make today
- f. Figuring out how to manage your money
- g. Ensuring that you follow through on your intentions to manage your money well
- h. Finding financial information that is right for you
- i. Telling the difference between trustworthy and untrustworthy sources of financial information
- j. Applying your experience to a new type of financial decision
- k. Setting financial goals

END FINANCIAL ABILITY BLOCK

BEGIN FINANCIAL WELL-BEING BLOCK

FWB1. For this first set of statements, please select the response that best indicates how well the statement describes you or your current situation. Please use a 5-point scale where "5" indicates that the statement "Describes you completely" and "1" indicates that the statement "Does not describe you at all." You can select any number between 1 and 5 for your response.

GRID TOP

5 – Describes me completely
4 – Describes me very well
3 – Describes me somewhat
2 – Describes me very little
1 – Does not describe me at all

8 – DK
9 – Refused

GRID SIDE – RANDOMIZE. REPEAT GRID TOP AND INSTRUCTIONS ON NEW PAGE AFTER 10 STATEMENTS.

- a. I am a financial role model for others.
- b. I manage my money well.
- c. I could handle a major unexpected expense.
- d. I can handle unexpected expenses.
- e. I have enough of a financial cushion to tide me over if something were to happen to me or my job (or, if applicable, my spouse's or partner's job).
- f. I am just getting by financially.
- g. I am financially secure.
- h. I have done enough to protect myself and my loved ones in case of a financial emergency.
- i. I have peace of mind with respect to my finances.
- j. I am on track to meet my financial goals.
- k. I will reach the financial goals I have set for myself.
- l. I feel like my financial goals will probably never be realized.
- m. I know where I will be financially in 10 years.
- n. My money will last me to the end of my life.
- o. I am concerned my money won't last.
- p. I am on track to get where I want to be financially.
- q. I am in a place financially where I can make the choices that allow me to enjoy life.
- r. I am able to support the standard of living I want.
- s. Because of my money situation, I feel like I'll never have the things I want in life.
- t. I will be able to achieve most of the financial goals I set for myself.

u. In general, I think that I can obtain the financial outcomes that are important to me.

FWB2. For this next set of statements, we are interested in learning how often this statement applies to you and/or your situation. Please select the response that best indicates how often you would be able to make this statement about yourself using a 5-point scale where "5" indicates that you could make that particular statement about yourself "Always" and "1" indicates that you could "Never" make that particular statement about yourself. You can select any number between 1 and 5 for your response.

GRID TOP

5 – Always

4 – Often

3 – Sometimes

2 – Rarely

1 – Never

8 – DK

9 – Refused

GRID SIDE – RANDOMIZE. REPEAT GRID TOP AND INSTRUCTIONS ON NEW PAGE AFTER 10 STATEMENTS.

- a. I feel like I am playing catch-up with my finances.
- b. My finances control my life.
- c. My finances feel out of control.
- d. Whenever I feel in control of my finances, something happens that sets me back.
- e. I feel like I can't catch a break when it comes to my finances.
- f. Giving a gift for a wedding, birthday or other occasion would put a strain on my finances for the month.
- g. I have money left over at the end of the month.
- h. I worry that my money will not last me through to the end of my life.
- i. I have to choose which bill to pay.
- j. My finances keep me from doing things that would have made my life better.
- k. I am unable to fully enjoy life because I obsess too much about money.
- l. I have the money I need to enjoy what matters to me in life.
- m. I feel I'm not able to do what I want in life because of my financial situation.
- n. I feel financially secure.

FWB3. How difficult are the following? You can select any number between "1", which indicates "Not Difficult at all," and "5" which indicates "Very Difficult" for your response.

GRID TOP

5 – Very Difficult
4 – Somewhat difficult
3 – Neutral
2 – Not very difficult
1 – Not difficult at all

8 – DK
9 – Refused

GRID SIDE – RANDOMIZE. REPEAT GRID TOP AND INSTRUCTIONS ON NEW PAGE AFTER 10 STATEMENTS.

- a. Improving my financial situation
- b. Staying in control of my finances
- c. Covering my expenses for the month
- d. Reaching my financial goals
- e. Planning for my financial future
- f. Paying all of my bills each month
- g. Completely paying off all of my bills or debts
- h. Supporting the standard of living I want
- i. Affording the things I want in life
- j. Having something left over after paying my bills each month to do something I want to do

END FINANCIAL WELL-BEING BLOCK

Begin WAVE 1 VALIDATION BLOCK

RANDOMLY ASSIGN RESPONDENT TO 1 OF THE FOLLOWING QUESTIONS.

TREAT V1 AND V1A AS A SET IN RANDOMIZATION.

V1. In the past 12 months, have you obtained a copy of your credit report or checked your credit score? (check all that apply)

- 1. Yes, have obtained a copy of my credit report
- 2. Yes, have checked my credit score
- 0. No, I have not done any of these

8. Don't know
9. Refused

V1A. IF V1 = 1 OR V1 = 2, ASK. ELSE SKIP. What was your credit score the last time you checked?

1. 620 or lower
2. 621 to 719
3. 720 or higher
4. Credit score not indicated on report

8. Don't Know
9. Refused

V3. How often do you or your spouse check the balance in your retirement accounts? (check one)

1. Multiple times a year
2. Once a year
3. Once every few years
4. Never
5. Don't have a retirement account

8. Don't Know
9. Refused

TREAT V4 AND V5 AS A BLOCK FOR RANDOMIZATION. IF ASSIGNED, ASK AS A SET.

BEGIN V4-V5 BLOCK.

V4. How many credit cards do you have and use? RECORD ACTUAL.

- a. Credit cards have and use [ENTER WHOLE NUMBER]
- b. IF V4A > 0, ASK. ELSE SKIP. How many of them currently carry a balance that you do not pay in full each month? [ENTER WHOLE NUMBER. CHECK TO BE SURE IT IS LESS THAN A.]

V5. IF V4A > 0 ASK. ELSE SKIP. In the PAST 12 MONTHS, which of the following describes your experience with credit cards?

GRID TOP

Yes
No

GRID SIDE.

- a. I always pay my credit cards in full.
- b. More than once, I carried over a balance and was charged interest.

- c. More than once, I only paid the minimum payment.
- d. More than once, I was charged a late fee for late payment.
- e. More than once, I was charged an over the limit fee for exceeding my credit line.
- f. In some months, I used the cards for a cash advance.

END V4-V5 BLOCK.

V6. In the past year, have you missed any monthly bill payments or made late payments? (check all that apply)

- a. Yes, missed payments
- b. Yes, made late payments
- c. No, neither of these

TREAT V9 THROUGH V11 AS A BLOCK FOR THE RANDOMIZATION – ASK AS A SET IF ASSIGNED.

BEGIN V9-V11 BLOCK.

V9. Suppose you had \$100 in a savings account and the interest rate was 2 percent per year. After 5 years, how much do you think you would have in the account if you left the money to grow? (check one)

- 1. More than \$102
- 2. Exactly \$102
- 3. Less than \$102

- 8. Do not know
- 9. Refuse

V10. Imagine that the interest rate on your savings account was 1 percent per year and inflation was 2 percent per year. After 1 year, would you be able to buy:

- 3. More than today with the money in this account
- 2. Exactly the same as today with the money in this account
- 1. Less than today with the money in this account

- 8. Do not know
- 9. Refuse

END V9-V11 BLOCK.

TREAT V12A to V12xx AS A BLOCK FOR RANDOMIZATION.

BEGIN V12A TO V12M BLOCK.

V12A. Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, would you be able to buy:

- 4. More than today with the money in this account
- 3. Exactly the same as today with the money in this account
- 2. Less than today with the money in this account

- 8. Do not know
- 9. Refuse

V12B. Do you think that the following statement is true or false? "Bonds are normally riskier than stocks."

- 1. True
- 0. False

- 8. Do not know
- 9. Refuse

V12C. Considering a long time period (for example 10 or 20 years), which asset described below normally gives the highest return?

- 1. Savings accounts
- 2. Stocks
- 3. Bonds

- 8. Do not know
- 9. Refuse

V12D. Normally, which asset described below displays the highest fluctuations over time?

- 1. Savings accounts
- 2. Stocks
- 3. Bonds

- 8. Do not know
- 9. Refuse

V12E. When an investor spreads his money among different assets, does the risk of losing a lot of money:

- 3. Increase
- 1. Decrease
- 2. Stay the same

- 8. Do not know
- 9. Refuse

V12F. Do you think that the following statement is true or false? "If you were to invest \$1000 in a stock mutual fund, it would be possible to have less than \$1000 when you withdraw your money."

- 1. True
- 0. False

- 8. Do not know
- 9. Refuse

V12G. Do you think that the following statement is true or false? "A stock mutual fund combines the money of many investors to buy a variety of stocks."

- 1. True
- 0. False

- 8. Do not know
- 9. Refuse

V12H. Do you think that the following statement is true or false? "After age 70 1/2, you have to withdraw at least some money from your 401(k) plan or IRA."

- 1. True
- 2. False
- 3. It depends on the type of IRA and/or 401(k) plan

- 8. Do not know
- 9. Refuse

V12I. Do you think that the following statement is true or false? "A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less."

- 1. True
- 0. False

- 8. Do not know
- 9. Refuse

V12J. Suppose you had \$100 in a savings account and the interest rate is 20% per year and you never withdraw money or interest payments. After 5 years, how much would you have on this account in total?

- 3. More than \$200
- 2. Exactly \$200
- 1. Less than \$200

- 8. Do not know
- 9. Refuse

V12K. Which of the following statements is correct?

- 1. Once one invests in a mutual fund, one cannot withdraw the money in the first year
- 2. Mutual funds can invest in several assets, for example invest in both stocks and bonds
- 3. Mutual funds pay a guaranteed rate of return which depends on their past performance
- 4. None of the above

- 8. Do not know
- 9. Refuse

V12L. Which of the following statements is correct? If somebody buys a bond of firm B:

- 1. He owns a part of firm B
- 2. He has lent money to firm B
- 3. He is liable for firm B's debts
- 4. None of the above

- 8. Do not know
- 9. Refuse

V12M. Suppose you owe \$3,000 on your credit card. You pay a minimum payment of \$30 each month. At an Annual Percentage Rate of 12% (or 1% per month), how many years would it take to eliminate your credit card debt if you made no additional new charges?

- 1. Less than 5 years
- 2. Between 5 and 10 years
- 3. Between 10 and 15 years
- 4. Never

8. Do not know
9. Refuse

END V12A TO V12M BLOCK

V13. Do you (or does a member of your household) have a checking or savings account?

1. Yes, have checking or savings account
0. No, neither checking nor savings

V14. [PLANNING FOR MONEY] Please tell me the extent to which you agree or disagree with each of the following statements. Use a 6-point scale where "6" means that you "Strongly Agree" and "1" means that you "Strongly Disagree." You may use any number from 1 to 6 for your answer.

GRID TOP

6 – Strongly Agree

5

4

3

2

1 – Strongly Disagree

GRID SIDE – RANDOMIZE.

- a. I set financial goals for the next 1-2 years for what I want to achieve with my money.
- b. I decide beforehand how my money will be used in the next 1-2 years.
- c. I actively consider the steps I need to take to stick to my budget in the next 1-2 years.
- d. I consult my budget to see how much money I have left for the next 1-2 years.
- e. I like to look to my budget for the next 1-2 years in order to get a better view of my spending in the future.
- f. It makes me feel better to have my finances planned out for the next 1-2 years.

FINANCIAL DEMOGRAPHICS. ASK EVERYONE. [CAN REMOVE IF SSI HAS UPDATED VERSION OF THESE.]

D2. Have you set aside emergency or rainy day funds that would cover your expenses for 3 months in case of sickness, job loss, economic downturn or other emergencies?

Yes

No

D3. We are interested in your present job status. Which one of the following BEST describes your current employment situation?

1. Employed now
2. Temporarily laid off
3. Not employed, but looking for a job
4. Not employed and not looking for a job
5. Homemaker
6. Student
7. Disabled
8. Retired

D4. In the past 12 months, did you or any members of your household experience any of the following events?

PROGRAMMING NOTE: CODE SELECTED ITEMS AS 1 AND NON-SELECTED ITEMS AS 0.

- a. I lost a job
- b. I had my work hours and/or pay reduced
- c. My spouse/partner lost a job
- d. My spouse/partner had their work hours and/or pay reduced
- e. Received a foreclosure notice
- f. A business I owned had financial difficulty
- g. Health emergency
- h. Divorce
- i. Had a baby
- j. Death of primary breadwinner
- k. None of the above

D5. Are any of the following statements true of your situation? Please check all that are true for you.

- a. I can afford to eat balanced/healthy meals.
- b. There has been a time in the last year when I needed food but couldn't afford to buy it.
- c. There has been a time when I couldn't afford a place to stay.
- d. In the past 12 months there was at least one time when I did not pay the full amount of the rent or mortgage.

- e. During the last 12 months I was evicted from my home or apartment for not paying rent or mortgage.
- f. In the past 12 months there was at least one time when I did not pay the full amount of the gas, oil, or electricity bills.
- g. In the past 12 months, there was at least one time when I or someone in my household needed to see a doctor or go to the hospital but did not go because we couldn't afford it.
- h. Everyone in my household is covered by health insurance such as Medicare, Medicaid, Veteran's benefits, Blue Cross, Prudential, an HMO, or any other program.

D6. Do you have enough money saved to cover three months of expenses?

- 1. Yes
- 2. No

TREAT D7A TO D7D AS A BLOCK FOR RANDOMIZATION.

BEGIN D7A TO D7D BLOCK.

D7A. During the past 12 months, have you experienced confusion or memory loss that is happening more often or is getting worse?

- 3. Yes
- 4. No

D7B. During the past 12 months, how often have you given up household activities or chores you used to do, because of confusion or memory loss that is happening more often or is getting worse?

- 1. Always
- 2. Usually
- 3. Sometimes
- 4. Rarely
- 5. Never

D7C. During the past 12 months, how often has confusion or memory loss interfered with your ability to work, volunteer, or engage in social activities?

- 1. Always
- 2. Usually
- 3. Sometimes
- 4. Rarely
- 5. Never

D7D. During the past 30 days, how often has a family member or friend provided any care or assistance for you/this person because of confusion or memory loss?

- 1. Always
- 2. Usually
- 3. Sometimes
- 4. Rarely

5. Never