

Summary of Selected Findings: District of Columbia

		D.C.	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
	Very difficult	16%	18%	19%	
	Somewhat difficult	44%	43%	42%	
	Not at all difficult	39%	36%	36%	
Overdraw checking account occasionally		34%	26%	25%	Respondents with checking accounts
Number of times mortgage payments have been late					
	Once	--	8%	9%	Respondents with mortgages
	More than once	--	13%	14%	
Have taken a loan from retirement account in past year		10%	10%	11%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year		9%	8%	8%	
Spending vs. saving					
	Spending less than income	42%	42%	42%	
	Spending about equal to income	30%	35%	35%	
	Spending more than income	23%	20%	20%	
Have experienced large unexpected drop in income in past year		31%	40%	41%	
Planning Ahead					
Have emergency funds		39%	35%	36%	
Do not have emergency funds		58%	60%	60%	
Have tried to figure out retirement savings needs		37%	37%	37%	Non-retired households
Have not tried to figure out retirement savings needs		59%	58%	58%	
Have set aside money for children's college education		36%	31%	33%	Respondents with financially dependent children
Have not set aside money for children's college education		61%	66%	64%	
Managing Financial Products					
Banking					
Have checking account		88%	91%	91%	
Have savings account, money market account, or CDs		77%	74%	74%	

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Non-Bank Borrowing				
Non-bank borrowing methods used in past 5 years				
Auto title loan	4%	6%	6%	
Short term 'payday' loan	13%	9%	8%	
Advance on tax refund (refund anticipation loan)	8%	6%	6%	
Pawn shop	11%	12%	14%	
Rent-to-own store	3%	7%	6%	
Used one or more non-bank borrowing methods in past 5 years	25%	24%	24%	
Credit Cards				
Number of credit cards				
No credit cards	24%	24%	25%	
1	15%	15%	14%	
2-3	30%	30%	29%	
4 or more	27%	28%	28%	
Credit card behaviors in past year				
Always paid credit cards in full	44%	41%	40%	
Carried over a balance and was charged interest	52%	56%	57%	
Paid the minimum payment only	37%	40%	40%	Respondents with credit cards
Charged a late fee for late payment	33%	26%	25%	
Charged an over the limit fee for exceeding credit line	23%	15%	16%	
Used the cards for a cash advance	16%	13%	13%	
Mortgages				
Have mortgage	68%	66%	68%	Homeowners
Have home equity loan	23%	22%	24%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension plan, 401(k))	57%	52%	49%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	29%	24%	23%	
Regularly contribute to self-directed retirement account	78%	75%	75%	Respondents with self-directed employer plan or non-employer plan
Portion of retirement portfolio invested in stocks or mutual funds that contain stocks				
More than half	41%	37%	38%	Respondents with self-directed employer plan or non-employer plan
Less than half	24%	25%	26%	
None	10%	9%	11%	
Don't know	20%	26%	22%	
Stocks, Bonds, and Mutual Funds				
Invest in stocks, bonds, mutual funds, or other securities outside of retirement account	40%	36%	35%	All except unbanked respondents

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Financial Knowledge & Decision-Making			
<i>Financial Literacy</i>			

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

<u>More than \$102</u> (correct answer)	79%	78%	77%
Exactly \$102	8%	6%	6%
Less than \$102	2%	5%	5%
Don't know	10%	10%	10%

Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, how much would you be able to buy with the money in this account?

More than today	7%	7%	7%
Exactly the same	8%	7%	7%
<u>Less than today</u> (correct answer)	65%	65%	63%
Don't know	20%	19%	21%

If interest rates rise, what will typically happen to bond prices?

They will rise	18%	18%	18%
<u>They will fall</u> (correct answer)	30%	28%	29%
They will stay the same	4%	5%	5%
There is no relationship between bond prices and the interest rate	11%	10%	10%
Don't know	34%	37%	37%

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.

<u>True</u> (correct answer)	67%	76%	77%
False	8%	9%	9%
Don't know	24%	15%	14%

Buying a single company's stock usually provides a safer return than a stock mutual fund.

True	9%	6%	7%
<u>False</u> (correct answer)	51%	53%	53%
Don't know	38%	40%	39%

Mean number of correct quiz answers	2.92	2.99	2.98
Mean number of incorrect quiz answers	0.76	0.73	0.74
Mean number of "don't know" quiz answers	1.26	1.21	1.20

Comparison Shopping

Compared credit cards	38%	32%	31%	<i>Respondents with credit cards</i>
Did not compare credit cards	59%	62%	63%	
Compared auto loans	--	44%	46%	<i>Respondents with auto loans</i>
Did not compare auto loans	--	53%	50%	

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<i>Credit Reports and Credit Scores</i>			
Obtained a copy of credit report in past year	47%	42%	45%
Checked credit score in past year	42%	41%	42%

Notes:

Region = South Atlantic Census Division (Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia).

D.C. figures are weighted by age x gender, ethnicity and education.

National figures are weighed by age x gender, ethnicity, education and Census Division.

Census Division figures are weighted by age x gender, ethnicity and education.

Differences between groups may or may not be statistically significant.

Percentages may not add up to 100 because of missing or “don’t know” responses.

-- Indicates insufficient sample.

Survey was conducted June - October 2009.

For additional findings and details, full survey results are available for download at http://www.usfinancialcapability.org/table_pdf/full_data_tables.xls