

Summary of Selected Findings: District of Columbia

	D.C.	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	12%	11%	13%	
Somewhat difficult	38%	39%	39%	
Not at all difficult	47%	48%	45%	
Spending vs. saving				
Spending less than income	48%	40%	41%	
Spending about equal to income	29%	38%	36%	
Spending more than income	21%	18%	19%	
Overdraw checking account occasionally	22%	19%	20%	Respondents with checking accounts
Have unpaid medical bills	16%	21%	23%	
Number of times mortgage payments have been late				
Once	14%	7%	8%	Respondents with mortgages
More than once	11%	9%	10%	
Have taken a loan from retirement account in past year	13%	13%	17%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year	12%	10%	14%	
Have experienced large unexpected drop in income in past year	23%	22%	25%	
Planning Ahead				
Have emergency funds	47%	46%	46%	
Do not have emergency funds	47%	50%	49%	
Have tried to figure out retirement savings needs	45%	39%	39%	Non-retired respondents
Have not tried to figure out retirement savings needs	49%	56%	56%	
Have set aside money for children’s college education	49%	41%	42%	Respondents with financially dependent children
Have not set aside money for children’s college education	47%	56%	55%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	55%	53%	49%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	33%	28%	25%	
Regularly contribute to self-directed retirement account	85%	79%	80%	Respondents with self-directed employer plan or non-employer plan

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Stocks, Bonds, and Mutual Funds

Invest in stocks, bonds, mutual funds, or other securities outside of retirement account

35%	30%	30%
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Managing Financial Products

Banking

Have checking account

86%	91%	91%
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Have savings account, money market account, or CDs

77%	75%	75%
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Credit Cards

Credit card behaviors in past year

Always paid credit cards in full

59%	52%	52%
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Carried over a balance and was charged interest

43%	47%	48%
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Paid the minimum payment only

30%	32%	33%
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Charged a late fee for late payment

21%	14%	15%
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Charged an over the limit fee for exceeding credit line

9%	8%	10%
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Used the cards for a cash advance

12%	11%	15%
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Respondents with credit cards

Other Payment Methods

Use reloadable prepaid debit cards

31%	24%	27%
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Use mobile payment methods

35%	22%	23%
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Mortgages

Have mortgage

53%	57%	59%
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Have home equity loan

22%	16%	16%
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Homeowners

Home “underwater” (negative equity)

9%	9%	12%
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Homeowners

Other Debt

Have student loan

35%	26%	25%
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Have auto loan

16%	30%	31%
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Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan

9%	10%	12%
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Short term ‘payday’ loan

17%	12%	13%
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Pawn shop

18%	16%	19%
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Rent-to-own store

10%	10%	11%
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Used one or more non-bank borrowing methods in past 5 years

26%	26%	27%
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Financial Knowledge & Decision-Making

Financial Literacy

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)	75%	75%	72%
Exactly \$102	7%	8%	9%
Less than \$102	4%	5%	6%
Don't know	12%	12%	12%

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	13%	10%	11%
Exactly the same	12%	10%	11%
<u>Less than today</u> (correct answer)	54%	59%	57%
Don't know	20%	20%	20%

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

They will rise	25%	19%	21%
<u>They will fall</u> (correct answer)	26%	28%	28%
They will stay the same	6%	5%	5%
There is no relationship between bond prices and the interest rate	10%	9%	10%
Don't know	32%	38%	35%

Suppose you owe \$1,000 on a loan and the interest rate you are charged is 20% per year compounded annually. If you didn't pay anything off, at this interest rate, how many years would it take for the amount you owe to double?

Less than 2 years	8%	4%	4%
<u>At least 2 years but less than 5 years</u> (correct answer)	36%	33%	31%
At least 5 years but less than 10 years	29%	29%	30%
At least 10 years	4%	8%	8%
Don't know	22%	25%	26%

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)	66%	75%	72%
False	13%	8%	10%
Don't know	20%	16%	17%

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

True	14%	10%	14%
<u>False</u> (correct answer)	43%	46%	42%
Don't know	42%	44%	43%

Mean number of correct quiz answers	3.00	3.16	3.03
Mean number of incorrect quiz answers	1.46	1.25	1.37
Mean number of "don't know" quiz answers	1.47	1.54	1.54

Comparison Shopping

Compared credit cards

Did not compare credit cards

D.C. Nation Region

46%	35%	37%
50%	58%	55%

*Respondents with
credit cards*

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

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

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.

Survey was conducted June - October 2015.

For additional findings and details, full survey results are available for download at
http://usfinancialcapability.org/downloads/NFCS_2015_Full_Data_Tables.xls