Appalachian Savings Project: Year 1 Outcomes

A report for the Women's Institute for a Secure Retirement

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Executive Summary

The Program

The Women's Institute for a Secure Retirement (WISER) recently completed the first year of the Appalachian Savings Project, an initiative to increase the financial security of childcare workers in rural Ohio and West Virginia. Childcare workers earn low wages, and all participants in the Project's first year were self-employed and therefore lacked access to employer-based benefits. The Project focused on helping participants build their savings. To that end, the program offered:

- A savings match of 50% for purchases of Series I U.S. Savings Bonds, up to a match of $500. The savings match was designed to simulate the federal Saver's Credit, a tax credit for lower-income households that contribute to qualified retirement accounts.
- Quarterly financial education workshops, which included training participants on how to use TreasuryDirect.gov to purchase savings bonds. The workshops counted towards the continuing education requirements needed to maintain one's childcare license.

Participant Outcomes

WISER and PolicyLab worked together over Year 1 of the program to gather information about participant outcomes. The six participants who completed the program and received a savings match were surveyed at the beginning and end of Year 1. Four participants also participated in telephone interviews. Data from the baseline survey show that participants' average monthly take-home income was less than $2,000, and none of the participants had retirement savings or investment accounts. Combining their personal savings bond purchases with the 50% match, participants had accumulated significant savings by the end of the program. Key findings from the surveys and interviews include:

- Participants' average self-reported holdings of savings bonds increased from $63 in December 2012 to $908 one year later. All of the interviewees planned to continue buying savings bonds.
- Participants saved an average of $642 in savings bonds before receiving the savings match, a substantial amount given the hourly wages of childcare workers.
- Savings bonds proved to be an appealing product for the target audience. Participants entered the program with limited familiarity with savings bonds but were strong proponents of them by the end.
- Participants reported that the 50% match was highly motivating, but the workshops were also important to them. Two interviewees noted that they got involved in the program due to the information they stood to learn, not the savings match.
- TreasuryDirect.gov proved straightforward to use, with participants offering minimal suggestions for improvement.
- Participants were highly satisfied with the program and looked forward to participating in Year 2.

Increasing Participation
Six individuals completed the program and received a savings match in Year 1. Nonparticipating childcare workers in the program area were surveyed to assess why they did not participate and whether they were interested in participating in the future. The vast majority of respondents turned out to be unfamiliar with the program. For Year 2, WISER plans to increase its outreach. The Year 2 expansion to workers at childcare centers should also boost participation. Nonparticipants from Year 1 will receive a follow-up survey in the second quarter of 2014.

Future Directions
WISER will start Year 2 of the Appalachian Savings Projects in the first quarter of 2014. WISER will update the program based on the experiences of Year 1, but the core elements of the program, the match for purchasing savings bonds and the requirement that participants attend financial education workshops, will remain in place. By extending the program to childcare center employees and adjusting its outreach strategy, WISER intends to reach significantly more childcare workers in Year 2. As the program expands and more data become available, we will gain more information about how the program affects participants' financial security.

I. Introduction

This report summarizes outcomes from the first year of the Appalachian Savings Project, which ran from December 2012 to December 2013. WISER developed the Project to enhance the financial security of self-employed childcare workers in the mid-Appalachian regions of Ohio and West Virginia. The program encourages participants to save by providing a generous savings match. Participants must attend financial education workshops.

WISER matches participants' purchases of Series I U.S. Savings Bonds at a rate of 50%, up to a $500 match. The savings match is intended to simulate the Saver's Credit, a nonrefundable federal tax credit for lower-income households that contribute to qualified retirement accounts.[1] The Appalachian Savings Project utilizes I Bonds because they are a low-risk savings vehicle that offer higher returns than savings accounts while protecting against inflation. Participants purchased I Bonds through automatic debits. Currently, I Bond purchases do not qualify for the Saver's Credit. Thus, the Appalachian Savings Project is a novel attempt to combine two existing financial resources, the (simulated) Saver's Credit and U.S. Savings Bonds, to enhance low- to moderate-income households' financial security.

Participants also attend quarterly financial education workshops, either in-person or remotely through a webcast. WISER organizes the workshops, which cover a range of topics around savings, retirement, and other issues relevant to participants. Importantly, the workshop speakers also lead participants through the process of using TreasuryDirect.gov. Paper bonds are no longer available for purchase at financial institutions, so individuals must purchase U.S. Savings Bonds electronically through TreasuryDirect.gov.[2] Participation in the workshops counts towards the education requirements needed to maintain one's childcare license.

[1] More information about the Saver's Credit is available from the IRS here.
[2] Individuals may use their tax refunds to purchase paper savings bonds.

Data from the Bureau of Labor Statistics shed light on the financial status of childcare workers. Nationally, childcare workers earn an average hourly wage of $10.25. Childcare workers in West Virginia have the lowest average hourly wage of any state at $8.60. Although the average hourly wage for childcare workers in Ohio ($10.19) is near the national average, statewide averages mask local variations. The average wage for childcare workers in the Parkersburg-Marietta-Vienna WV-OH area is $8.27.[3] The childcare workers who participated in Year 1 of the program were all self-employed, so they lack access to employer-based benefits (e.g., retirement accounts, various insurances) other than those held by a spouse. Data presented later in this report from the Year 1 surveys affirm the financial vulnerability of the target population.

Over Year 1 of the program, WISER and PolicyLab worked together to collect information on participant outcomes. The rest of this report describes those outcomes. The next section overviews the project's research questions and process. Then, we discuss key findings from each of the three data sources collected during Year 1. The discussion section provides higher-level synthesis of the results. The report concludes with an overview of next steps in the research process as the program enters its second year.

II. Research Questions and Process

As WISER implemented Year 1 of the Appalachian Savings Project, WISER and PolicyLab collected data to begin to understand the effects of the program on participants' financial security. The following sections describe the research questions and process.

Research Questions

The primary research questions we sought to answer were:

1. How financially secure are childcare workers who choose to participate in the Appalachian Savings Project?
2. How does the program affect participants' savings levels? Can we begin to understand the importance of the 50% savings match relative to other factors in influencing participants' savings behavior?
3. Does purchasing savings bonds affect other aspects of participants' balance sheets?
4. What feedback do participants have about specific features of the program including the workshops, TreasuryDirect.gov, and I Bonds?
5. What barriers prevent eligible childcare workers in the program area from participating in the Appalachian Savings Project?

To answer these questions, we collected data from participants and eligible nonparticipants.

Participant Survey

PolicyLab and WISER developed a three page survey to measure participants' financial status before and after the program. When possible, the survey questions were modeled after existing

[3] Bureau of Labor Statistics wage data are available here. Childcare workers are coded 399011 in the BLS data.

questions used in national surveys. Appendix A contains a copy of the follow-up survey. The baseline survey included additional demographic questions instead of the participant feedback section; otherwise, the financial questions were the same on the baseline and follow-up surveys.

WISER administered the baseline survey in December 2012 at the initial program meeting. The follow-up survey was administered approximately 12 months later, in November and December 2013, after participants had received their savings matches. WISER entered the survey data into a database maintained by PolicyLab. The data provided to PolicyLab contained participant identification numbers but no personally identifiable information. The participant identification numbers were used to match the baseline and follow-up surveys.

Baseline and follow-up surveys were collected from all six participants who completed the program and received a savings match in Year 1, though some participants did not respond to certain questions or sections of the surveys. Two other individuals completed the baseline survey but later dropped out of the program. Their data is not included in this report because their responses cannot be matched to the follow-up survey. In addition to the survey data, WISER provided administrative data on the savings match each participant received.

Participant Interviews

To supplement the findings of the participant surveys, PolicyLab interviewed four participants in December 2013, after they had received their savings matches. The other two participants could not be reached. The interviews were conducted over the telephone and designed to take 15 minutes. A copy of the interview protocol is included in Appendix B. As a privacy safeguard, participants' interview responses were not linked to the surveys. Together, the survey data and interview findings provide a rich set of information about participants' experiences in the Appalachian Savings Project.

Nonparticipant Survey

WISER and local partners administered a survey to 25 childcare workers who did not participate in the Appalachian Savings Project's first year. The survey was administered at three events in the program area during the second quarter of 2013. Respondents received $5 for completing the survey. WISER provided de-identified data to PolicyLab.

This "nonparticipant" survey serves two primary purposes. First, the survey contained questions designed to assess why respondents did not sign up for the Project's first year and whether they are interested in participating in the future. Second, nonparticipants who completed the survey will serve as a comparison group in future reports about the program. The nonparticipant survey contains the same financial questions as the participant survey. Thus, once nonparticipants complete a follow-up survey in the second quarter of 2014, we will be able to compare their responses to those of participants. Currently, only baseline data are available for nonparticipants. We decided that the nonparticipant survey should have the same 12-month follow-up period as the participant survey.

III. Participant Survey Findings

Findings from the participant baseline and follow-up surveys are presented in three sections: participant backgrounds, savings outcomes, and additional financial outcomes.

Participant Backgrounds

Table 1 displays demographic information for the six participants who completed the program and received the 50% savings match. Demographics were collected primarily from the baseline survey. The follow-up survey repeated two of the demographic questions, employment status and monthly take-home income, because those two factors relate so closely to one's ability to save.

Table 1. Participant Demographics

	Baseline	Follow-up[1]
Age		
Average	46	
Range	39-59	
Highest educational attainment		
High School or Equivalent	1	
Some College or an Associate's Degree	5	
Employment status[2]		
Full-time	6	5
Part-time	0	1
Unemployed	0	0
Monthly take-home income		
$401-$800	0	1
$801-$1,200	2	1
$1,201-$1,600	0	0
$1,601-$2,000	1	0
$2,001-$2,400	1	3
$2,401-$2,800	0	1
$2,801 or greater	2	0
Average[3]	$1,934	$1,801
Race/ethnicity		
White or Caucasian	6	
Marital status		
Married	4	
Divorced or separated	2	
Total number of individuals in household		
Average	3.17	
Range	1-5	

Notes: n=6. 1. Only employment status and monthly take-home income were asked on both the baseline and follow-up surveys. 2. All participants were self-employed. 3. Midpoints were used to calculate the average monthly take-home income; $2,801 was used for the highest income category because it lacks an upper bound.

Participants' ages ranged from 39-59 and averaged 46. In terms of participants' highest educational attainment, one participant had completed high school or the equivalent, and five had attended some college or received an Associate's Degree. All six of the participants worked full-time when they completed the baseline survey. Five participants continued to work full-time when the follow-up survey was administered, but one had switched to part-time. Importantly, for Year 1 of the program, all participants were self-employed. WISER limited the program to self-employed individuals during the program's first year but will extend the program to childcare center employees in 2014.

In December 2012, three participants had monthly take-home incomes of $2,000 or less, and three had monthly take-home incomes greater than $2,000. When the follow-up survey was administered in late 2013, four participants reported monthly incomes greater than $2,000, and two reported incomes less than that amount. Using midpoints (e.g., the $401-$800 income range is converted to $600.50), respondents' average monthly take-home incomes were $1,934 and $1,801 on the baseline and follow-up surveys, respectively. The decrease in average monthly income on the follow-up survey is difficult to interpret given the small sample size and the inherent noise of self-reported income measures. The change is not statistically significant. Table 1 also displays information about participants' race/ethnicity, marital status, and household size.

Savings Outcomes

The primary objective of the Appalachian Savings Project was to enhance childcare workers' financial security by encouraging them to purchase Series I U.S. Savings Bonds. Savings outcomes for the six participants are available from three sources:

A. WISER's administrative data on the amount of each participant's savings bond purchases and the corresponding 50% match. WISER provided these data to PolicyLab.

B. Both the baseline and follow-up surveys asked participants to list the total amount of money they had in U.S. Savings Bonds, allowing us to compare the amounts between the two surveys.

C. Participants' responses to the follow-up survey question, "Including the savings match you received, how much money have you saved because of your participation in this project?" This question was intentionally broad and allowed participants to include any additional savings they may have accumulated beyond savings bonds.

Table 2 displays participants' average savings across these three data points, along with ranges. WISER's administrative data (A) show that participants saved an average of $642 of their own money and received an average match of $317. The average match was slightly less than 50% of $642 because the match was capped at $500 and one participant saved $1,050. Combining participants' savings with the 50% match, their average total savings in U.S. Savings Bonds was $959 and ranged from $750 to $1,550.

Table 2. Participant Savings

	Average	Range
A. WISER administrative data on U.S. Savings Bond balances		
Individual savings	$642	$500-1,050
50% match ($500 cap)	$317	$250-500
Total savings	$959	$750-1,550
B. Self-reported U.S. Savings Bond balances		
Baseline Survey	$63	$0-150
Follow-up Survey	$908	$700-1,130
C. Total savings attributed to the program	$1,108	$700-2,000

Notes: n=6 for measures A and C. n=4 for measure B. WISER provided measure A, measure B was collected on the baseline and follow-up surveys, and measure C was collected on the follow-up survey. U.S. Savings Bond balances (B) are only available for the four participants who completed the relevant question on both the baseline and follow-up surveys.

Participants' self-reported savings in U.S. Savings Bonds (B) parallels WISER's administrative data. Respondents had an average of $63 in U.S. Savings Bonds when the baseline survey was administered and an average of $908 at follow-up. Despite the small sample size, the dramatic increase of $845 is statistically significant. Finally, participants reported that they had saved an average of $1,108 due to their participation in the program (C). This figure is slightly more than the average amount they had saved in savings bonds, suggesting that participants may have saved money in addition to their savings bond purchases.

> *Participants' self-reported savings in U.S. Savings Bonds increased from an average of $63 to $908 over the course of the program. Participants reported that they had saved an average of $1,108 due to the program, suggesting they may have saved money in addition to their savings bond purchases.*

One weakness of looking exclusively at U.S. Savings Bond balances rests in the fact that participants may have responded to the program by saving less in other types of accounts or taking on more debt. The baseline and follow-up surveys asked participants to list the total amount of money they had saved across five types of accounts: checking, savings, U.S. Savings Bonds, retirement savings or investment accounts, and other non-retirement savings (e.g., CD's). Participants also reported the amount of debt they held in student loans, medical debt, and credit card debt. Unfortunately, only four participants completed this set of information on both the baseline and follow-up surveys. Average savings increased across all five sources from baseline to follow-up, and the average amount of student loan and medical debt decreased. Credit card debt increased for two of the three participants who provided sufficient data, however. Because the sample size is so small, we cannot draw any definitive conclusions about these changes, none of which are statistically significant.

As the sample size increases in Year 2 of the program, we will be able to explore the effects of the program on participants' balance sheets in greater depth. Currently, it is clear that the program led to dramatic increases in participants' purchases of U.S. Savings Bonds. During the participant interviews, participants were asked to describe how the program affected other aspects of their finances.

Additional Financial Outcomes

The baseline and follow-up surveys collected additional measures of participants' financial behavior and outcomes. Because the sample size is small (n=6), any differences between the two surveys are not statistically significant. Instead, the survey responses should be interpreted as snapshots of participants' financial management at the beginning and end of the program.

Table 3. Participant Financial Management (Number "Yes." Out of 5 unless otherwise noted)

	# Yes Baseline	# Yes Follow-up
Accounts		
Checking account	5	5
Savings account	3	3
U.S. Savings Bonds	3	5
Retirement savings or investment account(s)	0	2
Other savings (e.g., CD's, non-retirement investments)	1	1
Debt		
Student loans	1	1
Medical debt	3	1
Credit card debt	4	4
Product usage and familiarity		
Before the program, ever purchased U.S. Savings Bonds for oneself? †	1	
Before the program, familiar with TreasuryDirect.gov? †	1	
Used mobile banking in the past 12 months? ‡		2
Use prepaid or stored value cards? ‡		1
Received most recent tax refund through direct deposit?	4	5
Financial behavior and outcomes		
Over the last 3 months, followed a personal budget, spending plan, or financial plan?	5^	4^
In the last 3 months, used an automatic deposit or transfer to put money away for a future use?	4	5
Set aside emergency or rainy day funds that would cover your expenses for 3 months?	1	3
Over the past 3 months, spending greater than your regular income?	3^	3^
In the last 3 months, paid a late fee on a loan or bill?	1^	1^
In the last 3 months, received a call from a creditor or bill collector?	2^	1^
Saving more today than 3 months earlier?	3^	4^

Notes: These data were collected on the baseline and follow-up participant surveys. Figures marked ^ are the number "Yes" out of six participants. All other figures are the number "Yes" out of five participants. Questions marked † were only asked on the baseline survey. Questions marked ‡ were only asked on the follow-up survey. None of the differences are statistically significant, as the sample size is small.

Table 3 displays the number of participants who responded “Yes” on the baseline and follow-up surveys to a range of questions. Unless otherwise noted, all of the numbers are out of five respondents, as one of the six participants failed to complete the entire survey. We focus here primarily on the follow-up survey.

At follow-up, all participants had checking accounts, three had savings accounts, two had retirement accounts, and one had another form of savings. As expected, all five participants had U.S. Savings Bonds. One respondent had student debt, one had medical debt, and four had credit card debt. Prior to the program, one participant had ever purchased a savings bond for herself, and one respondent was familiar with TreasuryDirect.gov. All of the respondents received their tax refunds in 2013 through direct deposit. One used a prepaid or stored value card, and two had used mobile banking in the past year.

Table 3 also includes information about participants’ financial behavior and outcomes over the previous three months, along with an emergency savings question. Most notably, at follow-up, three respondents had emergency savings funds that would cover their expenses for three months, which is a higher number than one might expect among a financially vulnerable population. Although a majority of respondents used a budget at follow-up, three spent more than their regular incomes. On the other hand, four were saving more than they did three months earlier. One respondent had received a call from a creditor in the past three months, and one had paid a late fee on a bill over the same period. Finally, all of the respondents used automatic deposit to save money for a future use, a noteworthy behavior given that all respondents were self-employed. During the program, participants used automatic debits to purchase savings bonds through TreasuryDirect.gov.

Program Satisfaction and Feedback

Participants provided feedback about the program and TreasuryDirect.gov on the follow-up survey. Five of the six participants were likely or very likely to recommend the program to a family member, friend, or coworker. One participant indicated she was very unlikely to recommend the program but did not provide additional detail through a write-in response. Because WISER has spoken to the participants individually without receiving such negative feedback, the participant may have mistakenly selected “very unlikely.” The other five respondents provided write-in responses, all of which were highly positive about the program. Participants found the information about Social Security, retirement more generally, and wills to be most useful. One participant found information about TreasuryDirect to be among the most useful. The only suggestion for improving TreasuryDirect was that it accept debit cards.

Participants provided positive feedback about the program:

“I would love to see this program continue! Saving has become simpler for me, and I have learned a great deal.”

“The goals of this program are great, and for the short amount of my time required the rewards are huge.”

IV. Participant Interviews

Interviews with four of the six participants shed additional light on their experiences. Three of the four participants initially learned about the program from the Corporation for Ohio Appalachian Development, and one learned about it through Choices Child Care Resource & Referral. Two of the participants stated that they were primarily drawn to the program to learn more about their finances from the workshops, rather than to receive the savings match. The other two were more focused on building savings, with one indicating that she calculated the hourly return of attending the workshops based on the potential match she could receive.

Prior to the program, none of the interviewees had purchased savings bonds for themselves, but they were generally familiar with savings bonds. By December 2013, all of the interviewees had become strong proponents of savings bonds. Two participants like the fact that savings bonds are more difficult to access than savings accounts, a feature that helps them build savings. Participants compared savings bonds favorably to alternatives such as CD's and savings accounts. Each interviewee planned to continue purchasing savings bonds, a plan supported by their unanimous intention to participate in Year 2 of the program.

> Participants entered the program with limited familiarity with U.S. Savings Bonds. By the end of the program, all interviewees were strong proponents of savings bonds, comparing them favorably to a range of alternatives including savings accounts, CD's, and whole life insurance.

All of the interviewees indicated that their savings had increased since the start of the program and that the 50% match was motivating. Isolating the exact effect of the 50% match is difficult, as three interviewees mentioned other factors aside from the program that had affected their savings over the course of Year 1. For example, one participant's husband had started a better job, and another has been able to save more after purchasing a house for her father. The program clearly encouraged participants to purchase savings bonds, and the anticipated increase in the number of participants in Year 2 will allow us to explore the effects of the 50% match more precisely. Interviewees planned to wait to use their savings bonds until retirement, though one also mentioned that savings bonds remain available as emergency savings.

The four interviewees all spoke positively about the program and appreciated the opportunity to participate. Two participants were especially grateful for the information they learned about Social Security and Medicare, including the processes for applying. The program did not seem to affect participants' plans about when to claim their Social Security benefits, a potential topic for future workshops given the financial implications. Participants enjoyed the workshops, though one person who attended the workshops via webcast suggested that WISER rotate the location of the in-person meetings. One interviewee lamented the relatively low participation in Year 1 given the benefits of the program. She hopes the program can reach more people in Year 2. Consistent with the surveys, participants indicated that TreasuryDirect.gov was straightforward to use.

V. Nonparticipant Survey

The nonparticipant survey was administered in the second quarter of 2013. The survey included questions that assessed participants' familiarly with and interest in the Appalachian Savings Project. Respondents were childcare workers who lived in the program area, so they were eligible to participate in the program.

The overwhelming finding from the nonparticipant survey is that respondents were unfamiliar with the Project. Three of 24 respondents had heard of the Project, and only one had ever talked about the Project with somebody who participates in the program. When asked to select the reason(s) why they do not participate, a majority of responses (22 of 28) cited a lack of familiarity with the program or WISER. Six nonparticipants indicated that they had no money to put towards long-term savings. Respondents also listed their questions about the program. Of the eleven responses, five questions were about the logistics of the workshops. The only other issue raised by more than one person involved the security and potential risks of participating (e.g., the security of money transfers).

One of the unforeseen consequences of the survey was raising awareness and interest in Year 2 of the program. WISER reports that the nonparticipant survey ended up serving as a recruitment mechanism for the Project's second year. WISER expects several individuals who completed the survey to join the program. Interest in the program is also supported by the fact that 15 of 21 respondents indicated they would be likely or very likely to put $500 in a long-term savings account if they received a $250 match. Five respondents were unsure and one was unlikely. This finding indicates strong general interest in the underlying concept of the program, notwithstanding any potential challenges in attending the workshops that appear to concern some prospective participants.

The tables in Appendix C display additional data from the nonparticipant survey. These data provide more information about the population that WISER seeks to reach through the Project. Nonparticipants' estimated average monthly take-home income is $1,439, which is $17,268 annually. Sixty percent of respondents work full-time. Four of the twenty five respondents have U.S. Savings Bonds; the highest balance listed among those four is $200 (not shown in the table). Although 60% of respondents have savings accounts, only 16% have retirement accounts. None have any additional forms of savings such as CD's or other non-retirement savings. Only one-in-four have emergency savings that would cover their expenses for three months. About 30% have student loans, with similar percentages reporting that they have medical debt and credit card debt. One-in-three use automatic deposits to put money toward long-term savings, a behavior required in the Appalachian Savings Project. Overall, these findings highlight the financial vulnerability of the target population.

Nonparticipants will receive a follow-up survey in the second quarter of 2014. Once that survey is completed, we will be able to compare outcomes between the nonparticipant and participant surveys.

VI. Discussion

Year 1 of the Appalachian Savings Project demonstrates the promise of combining a simulated Saver's Credit with the purchase of Series I U.S. Savings Bonds. Savings bonds proved to be an appealing product for the target audience. Participants entered the program with limited familiarity with savings bonds but were strong and well-informed proponents of them by the end. The program successfully encouraged low-wage childcare workers to save significant amounts of money. Participants saved an average of $642 before receiving the 50% match, a substantial amount given the hourly wages of childcare workers. Participants are committed to continuing to purchase savings bonds in the future, and to the extent they follow through, the results in this report understate the effects of Year 1 of the program. Using TreasuryDirect.gov did not prove to be challenging for participants, though the program did provide specific training on using it.

Currently, the list of accounts that qualify for the Saver's Credit does not include U.S. Savings Bonds, and many of the accounts that qualify for the credit are not available to self-employed individuals. The findings from the Appalachian Savings Project suggest that savings bonds are an appealing product for lower-income households interested in building longer-term savings. None of the interviewees planned to use the funds they accumulated in the immediate future, indicating that the program was instilled with a sense of building one's longer-term financial security. One interviewee did note that the funds remain available as emergency savings, an important point given the significance of having sufficient funds to cover unforeseen expenses. R-Bonds, a proposed U.S. Savings Bond with the same tax advantages as Individual Retirement Accounts, represent a potential opportunity for extending the Saver's Credit to savings bonds.

VII. Next Steps

WISER will start Year 2 of the Appalachian Savings Project in the first quarter of 2014. WISER is modifying certain aspects of the program based on its experiences in Year 1, most notably by extending the program to individuals who work at childcare centers. Year 1 was limited to self-employed childcare workers. The core elements of the program, the savings match and the requirement that participants attend financial education workshops, will remain in place.

By extending the program to childcare center employees and adjusting the outreach strategy, WISER intends to expand the program significantly in Year 2. This expansion will allow for more data to be collected through surveys and interviews. As the sample size increases, we will be able to offer more detailed estimates of the effects of the program on participants' financial security. All of the Year 1 participants plan to participate in Year 2, so there will be additional opportunities to follow-up with them. Nonparticipants from Year 1 will receive a follow-up survey in the second quarter of 2014. Once that survey is completed, we will be able to compare the nonparticipant and participant surveys, shedding further light on the program's effects.

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Appendix A. Participant Follow-up Survey

Your Financial Goals

1. What is your <u>main</u> financial goal?

2. How confident are you in your ability to achieve a financial goal you set for yourself today?

○ Not at all confident ○ A little confident ○ Moderately confident ○ Very confident ○ Not sure

3. Over the last 3 months, have you followed a personal budget, spending plan, or financial plan?

○ Yes ○ No ○ Not sure

4. In the last 3 months, did you use an automatic deposit or transfer to put money away for a future use such as saving for retirement or education?

○ Yes ○ No ○ Not sure

5. 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 ○ Not sure

6. Over the past 3 months, would you say your level of spending was more than your regular income?

○ Yes ○ No ○ Not sure

Paying Bills

7. In the last 3 months, have you paid a late fee on a loan or bill?

○ Yes ○ No ○ Not sure

8. In the last 3 months, have you received a call from a creditor or bill collector?

○ Yes ○ No ○ Not sure

9. Compared to 3 months ago, are you currently saving more today than before?

○ Yes ○ No ○ Not sure

10. How would you rate your current credit record?

○ Very bad ○ Bad ○ About average ○ Good ○ Very good ○ Not sure

11. Currently, how much stress do you feel about your financial situation?

○ None ○ A little ○ Some ○ A lot ○ Extreme

12. On a scale from 1 to 7, where 1 means very low and 7 means very high, how would you assess your overall financial knowledge?

Very Low ... Very High

1	2	3	4	5	6	7
○	○	○	○	○	○	○

Using Bank Products

13. Checking account ○ Yes ○ No ○ Not sure

About how much do you have in checking? $

14. Savings account(s) ○ Yes ○ No ○ Not sure

About how much do you have in savings? $

15. U.S. Savings Bond(s) ○ Yes ○ No ○ Not sure

About how much do you have in U.S. Savings Bonds? $

16. Retirement savings or investment account(s) ○ Yes ○ No ○ Not sure

About how much do you have in retirement savings/investments? $

17. Other savings (CD's, non-retirement investments, etc.) ○ Yes ○ No ○ Not sure

About how much do you have in other savings? $

18. Student loans ○ Yes ○ No ○ Not sure

About how much student loan debt do you have? $

19. Medical debt ○ Yes ○ No ○ Not sure

About how much medical debt do you have? $

20. Credit card debt ○ Yes ○ No ○ Not sure

About how much credit card debt do you have? $

21. How did you get your most recent income tax refund?

○ Check by mail ○ Direct deposit to bank ○ Direct Express Debit Card ○ Other ○ Not sure

22. Mobile banking allows you to access your bank account, credit card account, or other financial account with a mobile phone. This can be done either by accessing your bank's web page through the web browser on your phone, via text messaging, or by using an application downloaded to your phone.

Have you used mobile banking in the past 12 months?
○ Yes ○ No ○ Not sure

23. Currently, do you use prepaid or stored value cards?
○ Yes ○ No ○ Not sure

U.S. Savings Bonds

24. How can the TreasuryDirect.gov website be improved?

About You

25. Are you currently employed?

- ◯ Yes, full-time or more
- ◯ Yes, part-time
- ◯ No

26. Which of the following comes closest to your total monthly take-home income from all sources?

- ◯ Less than $400
- ◯ $401-$800
- ◯ $801-$1,200
- ◯ $1,201-$1,600
- ◯ $1,601-$2,000
- ◯ $2,001-$2,400
- ◯ $2,401-$2,800
- ◯ $2,801 or greater

Program Feedback

27. Including the savings match you received, how much money have you saved because of your participation in this project? $

28. During your involvement in this project over the last year, what was the most important piece of new information that you learned?

29. How likely are you to recommend the Appalachian Savings Project to an eligible family member, friend, or coworker?

◯ Very Unlikely ◯ Unlikely ◯ Likely ◯ Very Likely

30. Please share any additional feedback about the program in the space below.

Appendix B. Participant Interview Questions

The interviews were conducted via telephone and designed to take 15 minutes. Four interviews were completed in December 2013. The interview responses were not linked to the surveys.

1. How did you get involved in the Savings Project?
   a. How did you hear about it?
   b. What attracted you to the program?
2. What do you think about having to save using savings bonds (versus another savings product)?
   a. Plan to continue purchasing savings bonds after the program?
      i. Why/why not?
   b. What do you think about the TreasuryDirect.gov website?
      i. Suggestions for improving it?
3. How motivating was the 50% match?
4. How did purchasing savings bonds through the program affect your other spending and savings patterns?
   a. Spending less? Saving less in other types of accounts?
5. How do you plan to use the savings you accumulated?
6. Do you plan to participate in Year 2 of the program?
7. Any suggestions about how to improve the program?
8. How valuable were the workshops?
   a. Most and least valuable information?
   b. Right number and content?
   c. Overall, worth the time and effort?
9. Final thoughts about the program?

Appendix C. Nonparticipant Baseline Survey Tables

Table A1. Comparison Group Demographics

	Baseline Survey	Number of Repsondents
Age		25
Average	40	
Range	20-59	
Highest educational attainment		25
Some High School	4%	
High School or Equivalent	20%	
Some College or an Associate's Degree	60%	
Bachelor's Degree	16%	
Employment Status		25
Full-time	60%	
Part-time	20%	
Unemployed	20%	
Monthly take-home income		24
Less than $400	4%	
$401-$800	17%	
$801-$1,200	21%	
$1,201-$1,600	25%	
$1,601-$2,000	8%	
$2,001-$2,400	8%	
$2,401-$2,800	4%	
$2,801 or greater	13%	
Average [1]	$1,459	
Race/ethnicity		25
White or Caucasian	100%	
Marital Status		23
Married	52%	
Single, never married	30%	
Divorced or separated	9%	
Widowed	4%	
Other	4%	
Total number of individuals in household		25
Average	3.16	
Range	1-7	

Notes: The data were collected on the comparison group baseline survey. 1. Midpoints were used to calculate average monthly take-home income. $2,801 was used for the highest income category because it lacks an upper bound.

Table A2. Comparison Group Financial Management	% Yes Baseline	Number of respondents
Accounts		
Checking account	80%	25
Savings account	60%	25
U.S. Savings Bonds	16%	25
Retirement savings or investment account(s)	16%	25
Other savings (e.g., CD's, non-retirement investments)	0%	24
Debt		
Student loans	29%	24
Medical debt	28%	25
Credit card debt	35%	23
Product usage and familiarity		
Ever purchased U.S. Savings Bonds for oneself?	16%	25
Familiar with TreasuryDirect.gov?	8%	25
Received most recent tax refund through direct deposit?	92%	24
Financial behavior and outcomes		
Over the last 3 months, followed a personal budget, spending plan, or financial plan?	56%	25
In the last 3 months, used an automatic deposit or transfer to put money away for a future use?	32%	25
Set aside emergency or rainy day funds that would cover your expenses for 3 months?	24%	25
Over the past 3 months, spending more than your regular income?	21%	24
In the last 3 months, paid a late fee on a loan or bill?	33%	24
In the last 3 months, received a call from a creditor or bill collector?	32%	25
Saving more today than 3 months earlier?	29%	24

Note: These data were collected on the comparison group baseline survey.

Table A3. Comparison Group Subjective Financial Status	Baseline Average	Number of Respondents	Scale
How confident are you in your ability to achieve a financial goal you set for yourself today?	2.8	25	1: Not at all - 4: Very
How would you rate your current credit record?	3.5	23	1: Very bad - 5: Very good
Currently, how much stress do you feel about your financial situation?	3.5	25	1: None - 5: Extreme
Self-assessed financial knowledge	4.2	25	1: Very low - 7: Very high

Notes: These data were collected on the comparison group baseline survey. "Not sure" responses are excluded from the averages.