

# Assessing Financial Literacy among Hispanics in the California Central Valley\*

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## Executive Summary

The purpose of this study is to gain a better understanding of the financial situations and practices of the Hispanic population in the California Central Valley. Hispanics comprise close to 50% of the region's population, making their financial well-being critically important to the success of the region's economy. This study seeks to provide information that will assist community organizations and the financial services sector in their efforts to better understand the financial education and services needs of this community.

This study collected information on the financial situations and practices of Hispanics in the California Central Valley using a telephone-based survey. The survey was implemented during the months of January, February and March 2009 by the Social Research Laboratory at California State University, Fresno. The survey was administered to a sample 1,336 people from six Central California counties - Fresno, Kern, Kings, Madera, Merced and Tulare. To enhance reliability, interviewers were fully bilingual in English and Spanish.

The survey included a range of questions addressing different aspects of the respondents' financial situations and practices, such as their financial attitudes and behaviors, banking and credit relationships, use of non-bank lenders (such as pay day lenders), mortgage status, and remittances. Key findings from this study include:

- While 45% of Hispanic respondents indicated that they wished they knew a lot or a bit more about money management, only slightly more than 20% of Non-Hispanic respondents reported feeling that way about their financial knowledge.
- While the majority of both Hispanic (73%) and Non-Hispanic (68%) respondents reported "learning on their own" as the way they learned about personal finance, a relatively small percentage of Hispanic respondents reported learning about personal finance from a financial professional (less than 6%), as opposed to 16% of Non-Hispanic respondents.
- Hispanic respondents expressed less confidence in their financial futures than Non-Hispanics - less than 21% of Hispanics reported feeling very confident that their financial future will be what they want it to be, while more than 33% of Non-Hispanics reported feeling that way.
- A smaller percentage of Hispanic respondents (79.4%) than Non-Hispanic respondents (99.1%) reported ever having had a bank account.
- The percentage of Hispanic respondents that reported ever having a bank account is not as high as that for Non-Hispanics in any county. Kings and Tulare counties have the lowest percentages of Hispanic respondents reporting having ever had bank accounts (65% and 72% respectively), while Fresno and Kern report the highest percentages (85% and 84% respectively).

- Good customer service is important for all groups of bank customers - 41% of Hispanic and 43% of Non-Hispanic respondents identified this is what they liked most about the banks they have worked with. On the other hand, 34% of Hispanic (and 24% of Non-Hispanic) respondents identified high or hidden fees as what they liked the least about the banks they have worked with.
- Both Hispanic (55%) and Non-Hispanic (65%) respondents reported banks as the most usual source for borrowing a large amount of money. More Hispanic (20%) than Non-Hispanic respondents (8.4%), however, identified family as the most usual source for borrowing a large amount of money.
- 31.7% of Hispanic respondents reported having ever been turned down when applying for credit, as opposed to 25.3% among Non-Hispanic respondents. The largest percentages of both Hispanic (41%) and Non-Hispanic (45%) respondents reported “credit problems” (factors that produce a low credit score) as a reason for being denied credit.
- Roughly 12% of Hispanic respondents reported having used the services of a pay lender, compared with 5% of Non-Hispanic respondents. In addition, Hispanic respondents reported using pay day lenders an average of 8.2 times per year, as compared to an average of 3.5 times per year among Non-Hispanic respondents.
- More Hispanic respondents (roughly 76%) than Non-Hispanic respondents (roughly 64%) reported that they currently have a mortgage. Around 90% of both Hispanics and Non-Hispanic respondents reported having mortgages with fixed interest rates, and mortgage interest rates below 8%.
- Banks were the most frequently identified source for borrowing a large amount of money by both groups of respondents – by roughly 55% of Hispanics and 65% of Non-Hispanics. A larger percentage of Hispanics (20%) than Non-Hispanics (8.4%) identified family as their most usual source for borrowing a large amount of money.
- 15% of Hispanic respondents reported they had been late or missed a mortgage payment during the last 12 months, compared with 9.4% of Non-Hispanic respondents. Less than 3% of either group reported having lost a home to foreclosure.
- 32.4% of Hispanic respondents reported that they send money to relatives outside the United States. While a small percentage (2%) reported sending money on a weekly basis, a large percentage of respondents (58%) reported sending money to relatives outside the United States several times a year.

## I. Introduction

In 2007 there were roughly 1.3 million individuals of Hispanic origin living in the California Central Valley.<sup>1</sup> The rapid growth rate of this group, which currently represents almost 50% of the population in this region and more than 35% of the state population, undoubtedly has important implications for the regional and state economies.<sup>2</sup> Little is known, however, about the financial situations and practices of this population group in the California Central Valley, particularly with regard to the nature and extent of their relationships with the financial system.

Research at the national level suggests that a fragile connection between Hispanics and the financial system makes this demographic group especially vulnerable to low income and poverty. National data show that Hispanics have particularly low rates of financial market participation. In addition, particularly among recent immigrants, national studies show Hispanics may “have a greater aversion towards banks and financial institutions than other population groups”<sup>3</sup> Rhine and Greene<sup>4</sup> have shown, for example, that the likelihood of being unbanked is higher for immigrants with less education, poverty-level income, or a larger family, but lower for immigrants with greater net worth or higher income. More specifically, these authors report that among immigrant groups, Mexican and other Latin American immigrants have the highest rates of being unbanked. Similarly, The Brookings Institution and the Federal Reserve of Chicago<sup>5</sup> report that many immigrants rely heavily on the alternative financial services sector to send remittances, cash checks, and pay bills. This is particularly true for immigrants such as Hispanics with low incomes and weak educational backgrounds. The report also concludes that poor English skills, weak institutions in the country of origin, and the tendency to cluster in immigrant enclaves contribute to an orientation away from banks and toward the alternative financial services sector.

Financial literacy is the ability of individuals to make informed and confident decisions regarding their spending, saving and use of financial products and services, from everyday banking to investing and planning for the future. The increasingly complex financial services offered to consumers provide a vast array of products, services, and providers to choose from. However, this also requires that consumers be equipped with the information, knowledge, and skills to evaluate their options and identify those that best suit their needs and circumstance. National studies assessing levels of basic financial literacy with respect to retirement planning and debt practices find that while financial illiteracy is high across

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<sup>1</sup> The California Central Valley is defined here to comprise Fresno, Kern, Kings, Madera, Merced and Tulare counties. U.S. Census Bureau, “American Community Survey 2007,” Table B03002; <http://factfinder.census.gov>

<sup>2</sup> U.S. Census Bureau, “American Community Survey 2007,” Table B03002; <http://factfinder.census.gov>

<sup>3</sup> Toussaint-Comeau, Maude, 2003, “Changing Hispanic Demographics: Opportunities and Constraints in the Financial Market,” *Chicago Fed Letter*, August (Number 192).

<sup>4</sup> Rhine, Sherrie L.W. and William H. Greene, 2006, “The Determinants of Being Unbanked for U.S. Immigrants,” *Journal of Consumer Affairs* 40(1): 21-40.

<sup>5</sup> “Financial Access for Immigrants: Lessons from Diverse Perspectives,” 2006, The Brookings Institution and Federal Reserve Bank of Chicago.

the U.S. population, it is particularly concentrated among certain groups, including those with low income and low education, members of racial-ethnic minority groups, and women.<sup>6</sup>

The purpose of this study is to examine some of the key issues concerning financial literacy and Hispanics at the regional-level, focusing on the financial situations and practices among Hispanics in the California Central Valley. The study seeks to assist the region's community organizations and the financial services sector in their efforts to better understand the financial education needs of the Hispanic population, and to identify ways in which the financial service needs of this population can be better served. Specifically, the study aims to produce information useful to Wells Fargo, the United Way of Fresno County,<sup>7</sup> and other banking and financial institutions serving regions with similar demographic characteristics to those of the California Central Valley.<sup>8</sup>

## **II. Methodology**

This study collected information on the financial status and practices of Hispanics in the California Central Valley using a telephone-based survey. The survey was implemented during the months of January, February and March 2009 by the Social Research Laboratory at California State University, Fresno, using Computer Assisted Telephone Interviewing (CATI) technology. Telephone numbers were purchased from Scientific Telephone Samples (STS)<sup>9</sup>, a company that provides phone numbers to research centers conducting random-digit dialing surveys.

The survey was administered to a sample 1,336 people (682 males and 654 females) from six Central California counties: Fresno, Kern, Kings, Madera, Merced and Tulare. Of the total 1,336 respondents interviewed, 33.9% lived in Fresno County, 29.9% lived in Kern County, 5.9% lived in Kings County, 5.7% lived in Madera County, 9.1% lived in Merced County and 15.6% lived in Tulare County. The survey was administered to respondents 18 years of age and older only.<sup>10</sup> To enhance reliability, interviewers were fully bilingual in English and Spanish. Consequently, the survey instrument was administered in the language of preference of the respondents - 79.1% of the interviews were conducted in English and 20.9% were conducted in Spanish.

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<sup>6</sup> See for example: Lusardi, Annamaria and Olivia S. Mitchell, 2008, "How Much Do People Know About Economics and Finance? Financial Illiteracy and the Importance of Financial Education," Michigan Retirement Research Center, Policy Brief (Number 5) and Lusardi, Annamaria and Peter Tufano, 2009, "Debt Literacy, Financial Experiences, and Overindebtedness," National Bureau of Economic Research, Working Paper (March, Number 14808).

<sup>7</sup> The United Way of Fresno sponsors a variety of programs to promote financial stability among families in the California Central Valley. See: [www.unitedwayfresno.org](http://www.unitedwayfresno.org).

<sup>8</sup> In particular, the study may provide information of interest to two current initiatives -- "Bank on California" and the "California Bankers Cooperative" -- which bring together financial institutions, community organizations and government agencies to promote financial literacy among underserved and "unbanked" populations and promote economic development to assist low and moderate income communities.

<sup>9</sup> [www.stssamples.com](http://www.stssamples.com)

<sup>10</sup> As a result, the sample has a high mean age (50.3 years old).

The survey included a range of questions addressing different aspects of the respondents' financial situations and practices, including their financial attitudes and behaviors, formal banking and credit relationships, use of non-bank lenders (such as pay day lenders and pawn shops), mortgages, and remittances, as well as basic demographic characteristics. In some questions respondents were provided options to choose from, while other questions requested open-ended responses which were categorized by the authors for analysis (See the Appendix for a copy of the survey instrument).

The survey's findings are presented through a comparison of the responses from Hispanic and Non-Hispanic respondents. Respondents were categorized as Hispanic or Non-Hispanic based on their responses to the question "What race do you consider yourself to be?" Respondents who identified themselves as "Hispanic or Latino" were categorized as Hispanic; all others were categorized as Non-Hispanic. Table 1 shows the breakdown by race/ethnicity that respondents reported.

**Table 1: Race/Ethnicity**

	All	Hispanics*	Non-Hispanics
Race/Ethnicity	(N=1,336)	(n=595)	(n=741)
Caucasian or White	50.7%	4.6%	87.6%
African American or Black	3.3%	0.1%	2.1%
Native American	1.6%	1.1%	5.9%
Asian or Pacific Islander	2.6%	0.7%	4.1%
Hispanic or Latino	41.5%		
Other	0.3%	0.3%	0.3%

**Source:** 2009 Survey by Social Research Laboratory, California State University, Fresno  
**\* Note:** Since 'Hispanic' or 'Latino' is not considered a race, some respondents indicated to be Hispanic or Latino in addition to being of certain race. Thus, the Race/Ethnicity numbers for this column do not add up to 100%.

The survey's key findings are presented in the following sections of the report. First, the report presents information on the basic demographic characteristics of the sample such as age, gender, educational attainment, employment, and income. The next section presents information on the basic financial characteristics of the sample, including different aspects of the respondents' financial attitudes and behaviors, their basic banking and credit practices, and their mortgage status. This section is followed with information on the basic financial characteristics of the sample at the county-level. The report ends with a more detailed look at the banking and credit practices of the sample's respondents, as well as practices with respect to remittances and knowledge of the "Matrícula Consular" among the sample's respondents of Mexican descent.

### III. Basic Demographic Characteristics of the Sample

This section presents information on the basic demographic characteristics of the sample, comparing Hispanic and Non-Hispanic respondents (Table 2).

**Table 2: Basic Demographic Characteristics**

		All (N=1,336)	Hispanics* (n=595)	Non-Hispanics (n=741)
<b>Gender</b>	Male	51.0%	53.1%	49.4%
	Female	49.0%	46.9%	50.6%
<b>Age</b>	18-29	11.8%	20.6%	5.1%
	30-39	17.3%	26.1%	10.4%
	40-49	21.7%	28.2%	16.8%
	50-59	17.9%	13.7%	21.2%
	60-69	15.1%	6.5%	21.7%
	70+	16.2%	4.9%	24.8%
<b>Marital Status</b>	Married	61.9%	62.0%	61.8%
	Widowed	8.0%	2.9%	12.2%
	Divorced	10.9%	7.4%	13.6%
	Separated	1.5%	2.8%	0.5%
	Never Married	14.1%	18.3%	10.6%
	Living with a partner	3.2%	6.2%	0.9%
	Other	0.4%	0.3%	0.4%
<b>Education</b>	8th grade or less	15.2%	32.8%	1.0%
	Some high school	6.6%	10.0%	3.9%
	High school diploma or GED	16.8%	16.7%	16.8%
	Some college	21.2%	17.8%	23.7%
	2 yr. college / vocational degree	15.6%	13.0%	17.5%
	4 yr. college degree	13.4%	5.2%	19.9%
	Graduate school or degree	11.1%	4.0%	16.7%
<b>Current Employment Status</b>	Employed full time	38.2%	35.6%	40.6%
	Employed part time	10.8%	13.2%	8.9%
	Unemployed	25.0%	41.9%	11.4%
	Retired	26.0%	9.4%	39.1%
<b>Annual Household Income</b>	Less than \$10,000	7.6%	9.1%	5.1%
	10 to under \$20,000	12.8%	17.0%	6.7%
	20 to under \$30,000	14.4%	17.0%	9.6%
	30 to under \$40,000	11.6%	12.1%	9.3%
	40 to under \$50,000	8.0%	5.8%	8.9%
	50 to under \$60,000	8.8%	5.2%	10.9%
	60 to under \$70,000	6.1%	4.2%	7.0%
	70 to under \$80,000	5.6%	2.5%	7.7%
	80 to under \$90,000	3.7%	2.2%	4.7%
	90 to under \$100,000	4.2%	2.2%	5.5%
	100 to under \$150,000	11.5%	4.9%	16.2%
150 and over	5.9%	2.6%	8.2%	
<b>Languages Spoken at Home</b>	Only English	66.8%	30.1%	96.4%
	Only Spanish	18.6%	41.8%	0.7%
	Both English and Spanish	12.9%	28.0%	2.8%
	Other	1.5%	0.1%	0.1%

Source: 2009 Survey by Social Research Laboratory, California State University, Fresno

The percentage of female respondents in the sample is lower for Hispanics (46.9%) than Non-Hispanics (50.6%), and Hispanic respondents tended to be younger than Non-Hispanics. Almost 75% of Hispanic respondents report being less than 50 years old, while the same indicator for Non-Hispanics is roughly 32%. In terms of marital status, the differences between Hispanics and Non-Hispanics are less pronounced, with the majority (roughly 62%) of both groups reporting being married.

There are notable differences in the levels of educational attainment reported by Hispanic and Non-Hispanic respondents. A smaller share of Hispanics (roughly 5%) report having a college degree (as their highest level of education) compared to 20% of Non-Hispanic respondents. Similarly, close to 43% of Hispanics report some high school (as their highest level of education) compared to roughly 5% of Non-Hispanic respondents.

In terms of employment, 35.6% of Hispanics and 40.6% of Non-Hispanics report being employed full time. A much higher percentage of Hispanics than Non-Hispanics report being unemployed (41.9% vs. 11.4%), while a much lower percentage report being retired (9.4% vs. 39.1%). And, while more than 55% of Hispanic respondents report an income of less than \$40,000, the same indicator for Non-Hispanics is roughly 30%. While only 7.5% of Hispanics report incomes higher than \$100,000, more than 24% of Non-Hispanics report such incomes.

Finally, it is worth noting that 41.8% of Hispanics indicated that only Spanish is spoken at home, while only 28% of Hispanics indicated that both Spanish and English are spoken at home.

#### **IV. Basic Financial Characteristics of the Sample**

This section presents information on the basic financial characteristics of the sample -- financial attitudes and behaviors (Table 3), banking and credit practices (Table 4), and mortgage status (Table 5 and Chart 1) -- comparing Hispanic and Non-Hispanic respondents.

While 45% of Hispanics indicate that they wished they knew a lot or a bit more about money management, only slightly more than 20% of Non-Hispanic respondents report feeling that way about their financial knowledge. And, although a majority (61.7%) of Hispanic respondents reported that they pay all their bills on time, an even higher percentage of Non-Hispanics (83.5%) reported this about their financial situation.

While the majority of both Hispanics (73%) and Non-Hispanics (68%) reported “learning on their own” as the way they learned about personal finance, Non-Hispanics report learning personal finance from other sources at a higher rate. In particular, a relatively small percentage of Hispanics report learning about personal finance from a financial professional (less than 6%), as opposed to 16.1% of Non-Hispanics.

**Table 3: Financial Attitudes and Behaviors**

		All (N=1,336)	Hispanics (n=595)	Non-Hispanics (n=741)
<b>Feeling about ability to manage own finances</b>	Wish to know a lot more	9.6%	14.5%	6.2%
	Wish to know a little bit more	20.9%	30.5%	14.3%
	Understands most of it	41.8%	36.4%	47.6%
	Understand everything	25.5%	18.5%	31.9%
<b>Which of the following best describes your own financial situation?</b>	Pay all bills on time	73.3%	61.7%	83.5%
	Sometimes miss payment	14.3%	20.9%	9.1%
	Struggle to pay bills	7.2%	12.0%	3.5%
	Struggle to pay bills / calls from debt collector	2.0%	2.4%	1.7%
	Considering bankruptcy or have filed already	2.6%	3.0%	2.2%
<b>Confidence that financial future will be what wanted</b>	Very confident	27.2%	20.3%	33.4%
	Somewhat confident	44.9%	46.4%	45.0%
	Not very confident	20.2%	26.3%	16.2%
	Not at all confident	5.9%	6.9%	5.4%
<b>Where did you learn what you know about your personal finances?</b>	Learn on his/her own	70.2%	73.1%	68.0%
	From parents	49.3%	47.1%	51.1%
	From school	26.3%	23.9%	28.5%
	At work	19.2%	16.6%	21.2%
	From self-help books or media	13.6%	9.6%	16.9%
	From financial professional	11.5%	5.9%	16.1%
	From friends	14.0%	12.8%	15.0%

**Source:** 2009 Survey by Social Research Laboratory, California State University, Fresno

Overall, Hispanic respondents expressed less confidence in their financial futures than Non-Hispanics - less than 21% of Hispanics reported feeling very confident that their financial future will be what they want it to be, while more than 33% of Non-Hispanics reported feeling that way.

In terms of basic banking and credit practices, a smaller percentage of Hispanic than Non-Hispanics respondents reported having ever had a bank account (79.4% and 99.1%, respectively). And, 30.7% of Hispanics reported having requested a copy of their credit report in the last 12 months, as opposed to 43% of Non-Hispanics. Further, while only about 56% of Hispanic respondents reported having a credit score above 700 points, almost 80% of Non-Hispanic respondents reported having a credit score of that magnitude. Among Hispanic respondents, 31.7% report having ever been turned down when applying for credit, compared to 25.3% among Non-Hispanics.

Hispanic and Non-Hispanic respondents differed in terms of their reported use of credit services offered by informal, non-bank financial institutions. For example, while more than 12% of Hispanics reported having used the services of a pay day lender, less than 5% of Non-Hispanics reported the same. In addition, Hispanic respondents reported using pay day lenders an average of 8.2 times per year, as compared to an average of 3.5 times per year among Non-Hispanic respondents. Slightly more Hispanics than Non-Hispanics (roughly 7% vs. 6%) reported having used the services of a pawn shop to obtain a small loan.

**Table 4: Basic Banking and Credit Practices**

		All (N=1,336)	Hispanics (n=595)	Non-Hispanics (n=741)
Ever had a bank account	YES	90.3%	79.4%	99.1%
	NO	9.7%	20.6%	0.9%
Requested copy of credit report in last 12 months	YES	37.6%	30.7%	43.4%
	NO	61.9%	69.3%	56.6%
Credit Score	Less than 500 points	4.2%	4.3%	4.1%
	500 - 599 points	6.1%	11.8%	3.4%
	600 - 699 points	17.5%	27.6%	12.7%
	700 or more points	72.2%	56.3%	79.8%
Ever been turned down when applying for credit	YES	28.2%	31.7%	25.3%
	NO	71.8%	68.3%	74.7%
Ever used payday lenders	YES	8.3%	12.4%	4.9%
	NO	91.7%	87.6%	95.1%
Average number of times payday lenders are used in a year		5.8	8.2	3.5
Ever used pawn shop for small loan	YES	6.4%	7.2%	5.7%
	NO	93.6%	92.8%	94.3%

**Source:** 2009 Survey by Social Research Laboratory, California State University, Fresno

Although a similar percentage (90-91%) of Hispanic and Non-Hispanic respondents reported that they had *ever* had a mortgage, a higher percentage of Hispanics than Non-Hispanics reported that they *currently* have a home mortgage (roughly 76% and 64%, respectively). The types and magnitudes of the interest rates for these mortgages do not show marked difference across the two groups of respondents. Most respondents (around 90% for both Hispanics and Non-Hispanics) reported having mortgages with fixed interest rates, and mortgage interest rates below 8%.

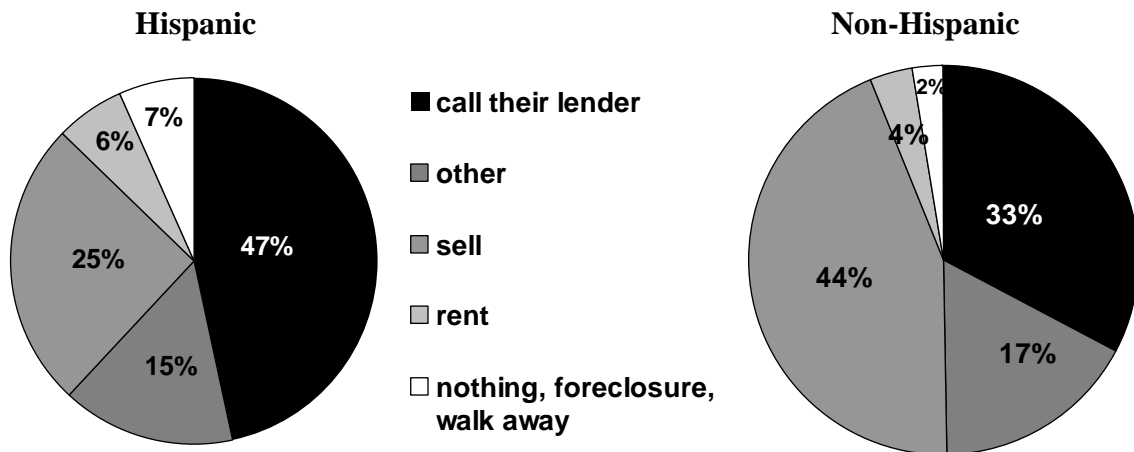
In terms of the ability of respondents to maintain their mortgages, 15% of Hispanic respondents reported that they had ever been late or missed a mortgage payment during the last 12 months, while the same indicator for Non-Hispanics was 9.4%. When asked what they would do if they could no longer afford their home (Chart 1), a larger percentage of Hispanics (47%) than Non-Hispanics (33%) reported that they would call their lender first. A smaller percentage of Hispanics (25%) than Non-Hispanics (44%) reported that they would sell the property. Less than 3% of either group of respondents reported having lost a home to foreclosure.

**Table 5: Mortgage Status**

		All (N=1,336)	Hispanics (n=595)	Non-Hispanics (n=741)
	<b>Number in Sample</b>			
<b>Currently have mortgage</b>	YES	67.4%	75.9%	63.2%
	NO	32.6%	24.1%	36.8%
<b>Type of primary or main mortgage</b>	Fixed rate	91.5%	89.8%	92.5%
	Adjustable rate	4.5%	5.8%	3.8%
	Interest only rate	2.6%	3.2%	2.3%
	Reverse rate	1.1%	0.8%	1.2%
	Other	0.3%	0.4%	0.2%
<b>Interest rate on primary or main mortgage</b>	Less than 6%	56.1%	53.7%	57.5%
	6% to less than 8%	38.9%	37.8%	39.6%
	8% to less than 10%	3.8%	6.7%	2.1%
	10% to less than 12%	0.7%	0.7%	0.6%
	More than 12%	0.5%	1.1%	0.2%
<b>Ever lost a home because of foreclosure</b>	YES	2.4%	2.9%	2.2%
	NO	97.6	97.1	97.8
<b>Have you ever bought a house?</b>	YES	64.3%	48.9%	79.6%
	NO	35.7%	51.1%	20.4%
<b>Have you ever had a mortgage?</b>	YES	90.4%	90.0%	90.8%
	NO	9.6%	10.0%	9.2%
<b>Have you refinanced your mortgage?</b>	YES	56.2%	53.9%	58.6%
	NO	43.8%	46.1%	41.4%
<b>Have you ever been late or missed a mortgage payment during last 12 months?</b>	YES	12.2%	15.0%	9.4%
	NO	87.8%	85.0%	90.6%
<b>Have your ever lost a home because of foreclosure?</b>	YES	2.6%	2.9%	2.2%
	NO	97.5%	97.1%	97.8%

Source: 2009 Survey by Social Research Laboratory, California State University, Fresno

**Chart 1: If you could no longer afford your home, what would you do first?**



Source: 2009 Survey by Social Research Laboratory, California State University, Fresno

## **V. Basic Financial Characteristics of the Sample by County**

This section presents information on selected financial characteristics of the sample for the six counties of the Central Valley -- Fresno, Kern, Kings, Madera, Merced and Tulare -- comparing Hispanic and Non-Hispanic respondents (Table 6).

In terms of respondents' views on their current financial situation, in all six counties fewer Hispanic respondents indicated that they pay all their bills on time than Non-Hispanic respondents. This difference is most pronounced in the case of Kings County, where only 52% of Hispanics report paying all their bills on time, while the same indicator for all other counties is at least 62%.

The percentage of Hispanics that reported ever having a bank account is not as high as that for Non-Hispanics in any county. Kings and Tulare counties have the lowest percentages of Hispanic respondents reporting having ever had bank accounts (65% and 72% respectively), while Fresno and Kern report the highest percentages (85% and 84% respectively).

The percentage of Hispanic and Non-Hispanic respondents that report having requested a copy of their credit report in the last 12 months is more or less uniform across counties, where the rate for Hispanics is typically above 30% and the rate for Non-Hispanics is above 40%. The percentage of respondents reporting a high credit score is consistently lower for Hispanics than for Non-Hispanics across counties. The most dramatic difference is in Fresno County, where only 55% of Hispanics report a credit score of 700 points or more, compared to 85% for Non-Hispanics.

With regard to having been turned down when applying for credit, Kings, Madera and Merced counties show the lowest rates among Hispanic respondents. In fact, in Merced County, the percentage of Hispanics that have been turned down when applying for credit (28%) is lower than the percentage of Non-Hispanics (34%). In contrast, in Fresno County 35% of Hispanic respondents reported having been turned down when applying for credit, compared to 24% among Non-Hispanics.

In terms of obtaining a loan from either a payday lender or a pawn shop, Kings County shows the highest rate for Hispanics, with 18% reporting they have received a loan from a payday lender or pawnshop. In general, across the six counties examined, a higher percentage of Hispanics report obtaining loans from either payday lenders or pawn shops than Non-Hispanics, although the differences are not marked.

In each of the six counties in the sample a higher proportion of Hispanics than Non-Hispanics reported currently having a mortgage, and in some cases the differences are marked. For example, in Kern County, 81% of Hispanic respondents reported currently having a mortgage, while the same indicator for Non-Hispanics is only 59%.

**Table 6: Basic Financial Characteristics by County**

		Fresno		Kern		Kings		Madera		Merced		Tulare	
		H	N-H	H	N-H	H	N-H	H	N-H	H	N-H	H	N-H
<b>Which of the following best describes your own financial situation?</b>	<b>Pay all bills on time</b>	62%	82%	62%	85%	52%	91%	62%	81%	64%	81%	64%	83%
	<b>Sometimes miss payment</b>	20%	11%	20%	7%	33%	5%	26%	12%	13%	8%	22%	8%
	<b>Struggle to pay bills</b>	12%	5%	12%	3%	9%	2%	12%	2%	20%	2%	10%	3%
	<b>Struggle to pay bills / calls from collector</b>	3%	1%	3%	2%	6%	0%	0%	2%	0%	5%	1%	2%
	<b>Considering bankruptcy or have filed</b>	3%	2%	3%	2%	0%	2%	0%	2%	4%	5%	4%	4%
<b>Ever had a bank account</b>	<b>YES</b>	85%	98%	84%	99%	65%	95%	79%	95%	81%	98%	72%	99%
	<b>NO</b>	15%	2%	16%	1%	35%	5%	21%	5%	19%	2%	28%	1%
<b>Requested copy of credit report in last 12 months</b>	<b>YES</b>	30%	43%	31%	43%	23%	48%	38%	52%	33%	38%	31%	44%
	<b>NO</b>	70%	57%	69%	57%	77%	52%	62%	48%	67%	62%	69%	56%
<b>Credit Score</b>	<b>Less than 500 points</b>	5%	5%	2%	1%	13%	4%	15%	4%	7%	7%	6%	6%
	<b>500 - 599 points</b>	9%	3%	12%	5%	19%	4%	23%	9%	7%	4%	13%	4%
	<b>600 - 699 points</b>	30%	6%	27%	16%	38%	9%	15%	22%	20%	15%	32%	15%
	<b>700 or more points</b>	55%	85%	59%	78%	31%	83%	46%	65%	67%	74%	48%	76%
<b>Ever been turned down when applying for credit</b>	<b>YES</b>	35%	24%	33%	25%	26%	20%	26%	26%	28%	34%	31%	27%
	<b>NO</b>	65%	76%	67%	75%	74%	80%	74%	74%	72%	66%	69%	73%
<b>Ever used payday lenders</b>	<b>YES</b>	13%	7%	11%	6%	18%	2%	9%	2%	7%	2%	17%	2%
	<b>NO</b>	87%	93%	89%	94%	82%	98%	91%	98%	93%	98%	83%	98%
<b>Ever used pawn shop for small loan</b>	<b>YES</b>	9%	7%	8%	5%	18%	9%	3%	2%	3%	8%	6%	4%
	<b>NO</b>	91%	93%	92%	95%	82%	91%	97%	98%	97%	92%	94%	96%
<b>Currently have mortgage</b>	<b>YES</b>	67%	64%	81%	59%	78%	65%	73%	71%	78%	67%	80%	65%
	<b>NO</b>	33%	36%	19%	41%	22%	35%	27%	29%	22%	33%	20%	35%
<b>Type of primary or main mortgage</b>	<b>Fixed rate</b>	83%	91%	92%	96%	89%	87%	91%	84%	85%	89%	91%	95%
	<b>Adjustable rate</b>	8%	3%	3%	3%	11%	9%	9%	12%	15%	7%	6%	2%
	<b>Interest only rate</b>	5%	5%	5%	0%	0%	4%	0%	0%	0%	0%	3%	2%
	<b>Reverse rate</b>	3%	1%	0%	2%	0%	0%	0%	0%	0%	4%	0%	2%
	<b>Other</b>	2%	0%	0%	0%	0%	0%	0%	4%	0%	0%	0%	0%
<b>Interest rate</b>	<b>Less than 6%</b>	56%	63%	56%	50%	43%	50%	60%	63%	57%	50%	44%	60%
	<b>6% to less than 8%</b>	32%	32%	40%	47%	57%	50%	40%	38%	24%	50%	44%	34%
	<b>8% to less than 10%</b>	8%	5%	4%	1%	0%	0%	0%	0%	19%	0%	6%	2%
	<b>10% to less than 12%</b>	2%	0%	0%	2%	0%	0%	0%	0%	0%	0%	3%	2%
	<b>More than 12%</b>	3%	0%	0%	0%	0%	0%	0%	0%	0%	0%	3%	2%
<b>Ever lost a home because of foreclosure</b>	<b>YES</b>	4%	3%	5%	1%	10%	4%	9%	4%	10%	7%	14%	2%
	<b>NO</b>	96%	97%	95%	99%	90%	96%	91%	96%	90%	93%	86%	98%
<b>Number of Respondents</b>		<b>198</b>	<b>255</b>	<b>165</b>	<b>234</b>	<b>35</b>	<b>44</b>	<b>33</b>	<b>43</b>	<b>58</b>	<b>63</b>	<b>106</b>	<b>102</b>

Source: 2009 Survey by Social Research Laboratory, California State University, Fresno

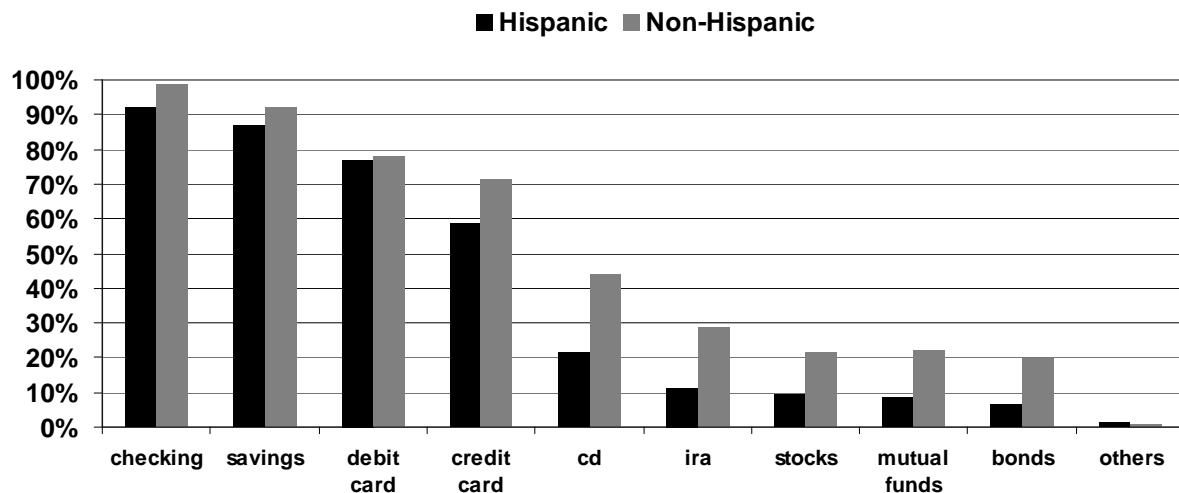
The vast majority of respondents reported having fixed rate mortgages across the six counties, and with the exception of Fresno and Madera counties, the differences between Hispanics and Non-Hispanics were very small. The highest percentages of Hispanic respondents reporting mortgages with interest rates of 8% or more were in Fresno, Merced and Tulare counties (13%, 19% and 13% respectively).

Finally, the percentage of respondents reporting they have lost a home due to foreclosure was higher for Hispanics than for Non-Hispanics in all six counties. Fresno County shows the lowest rates and little difference between Hispanics (4%) and Non-Hispanics (3%). In contrast, Tulare County shows a high rate for Hispanics (14%) and a low rate for Non-Hispanics (2%).

## VI. Detailed Information on the Banking and Credit Practices of the Sample

To gain more information on respondents’ financial practices and relationships with financial institutions, the survey included a series of questions about their banking and credit experiences. This section presents detailed information on the banking and credit practices of the sample, comparing Hispanic and Non-Hispanic respondents.

**Chart 2: Which types of accounts have you had at your banks?**



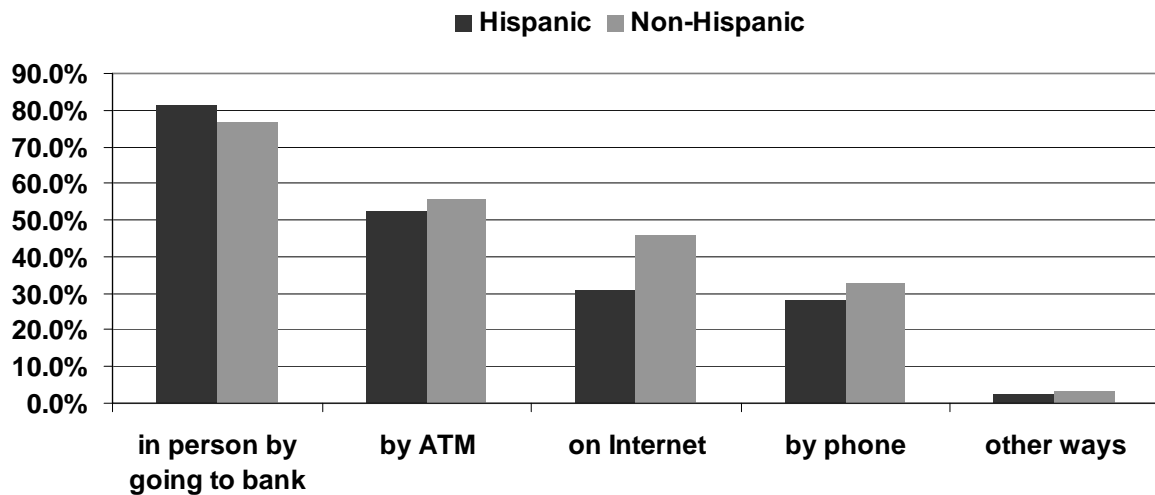
**Source:** 2009 Survey by Social Research Laboratory, California State University, Fresno

As indicated earlier (Section IV, Table 4), 79.4% of Hispanic respondents and 99.1% of Non-Hispanic respondents reported having ever had a bank account. Chart 2 illustrates the types of accounts respondents reported having had at their banks, and shows that more than 75% of both Hispanics and Non-Hispanics reported having a checking account, savings account and a debit card,<sup>11</sup> although the percentages are somewhat lower for Hispanics than Non-Hispanics. The majority of respondents also report having a credit card with their

<sup>11</sup> Since respondents were given the option to say which type of individual accounts they have had, this large percentage does not mean that the same people have all three accounts.

banks, and again, the percentage is lower for Hispanics (58%) than Non-Hispanics (71%). In terms of other types of accounts – particularly those associated with financial investments and retirement saving– smaller percentages of Hispanics than Non-Hispanics report having such accounts at their banks. For example, 21.6% of Hispanic and 44.3% of Non-Hispanic respondents report having a certificates of deposit (cd), 11.2% of Hispanic and 28.8% of Non-Hispanic respondents report having an individual retirement account (ira), and 9.3% of Hispanic and 21.7% of Non-Hispanic respondents report having stocks.

**Chart 3: How have you most frequently banked?**

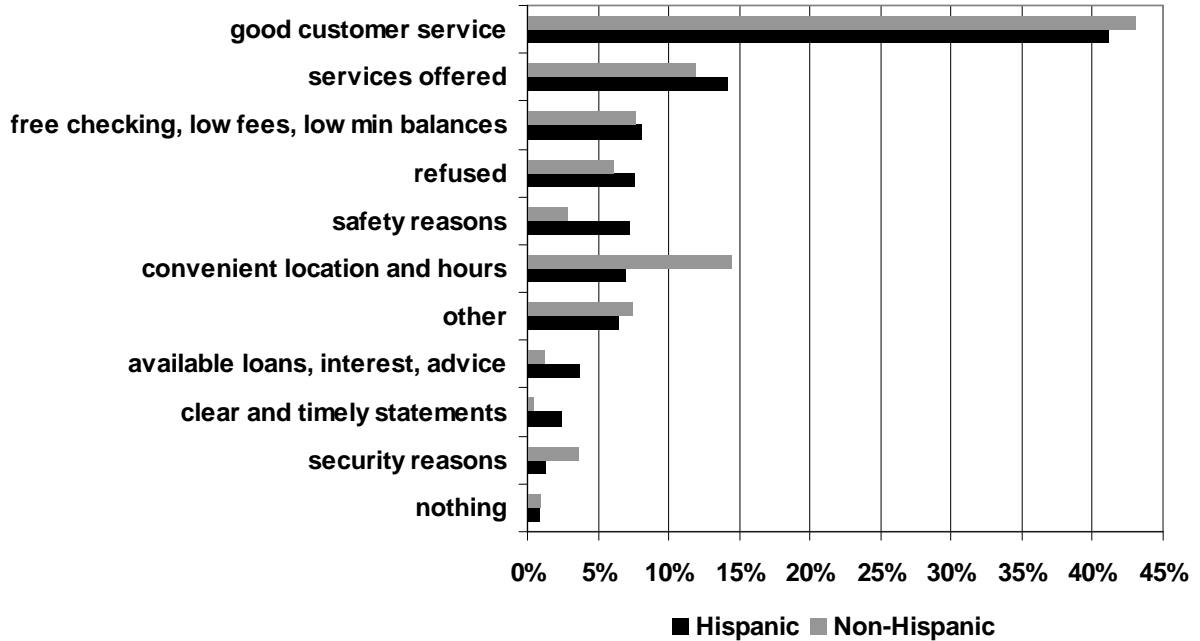


**Source:** 2009 Survey by Social Research Laboratory, California State University, Fresno

Chart 3 illustrates the most frequent ways of conducting bank transactions reported by respondents. Going in person to the bank is the most popular way to bank among both Hispanics and Non-Hispanics. Roughly 80% of Hispanics and nearly 77% of Non-Hispanics report this method of banking. This method is followed in popularity by banking using ATMs, on Internet and by phone. Using the Internet shows the largest difference between Hispanic and Non-Hispanics – 10.3% of Hispanic respondents identify this as their most frequent way of conducting bank transactions, as compared to 14.5% for Non-Hispanics.

The survey also contained questions asking respondents what they liked the most (Chart 4) and least (Chart 5) about the banks they have worked with.

**Chart 4: What do you like the MOST about the banks you have worked with?**



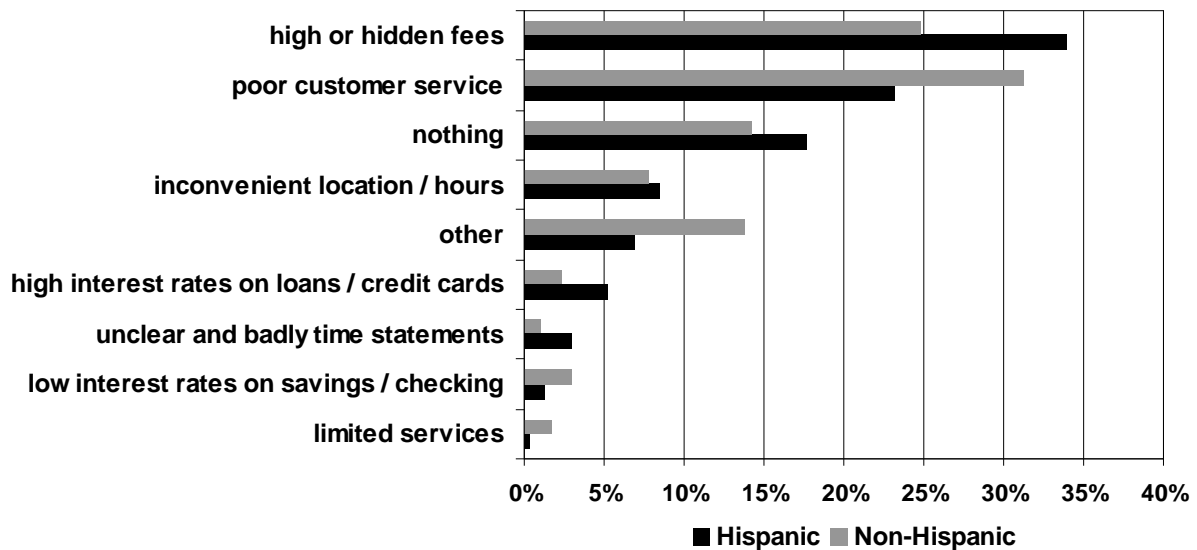
**Source:** 2009 Survey by Social Research Laboratory, California State University, Fresno

As illustrated in Chart 4, good customer service is important for all groups of bank customers – 41% of Hispanics and 43% of Non-Hispanics identified this as what they liked most about the banks they have worked with. This is followed in importance by the services offered -14% of Hispanics and 12% of Non-Hispanics identified this as what they liked most about the banks they had worked with. A smaller percentage of Hispanic respondents (7%) than Non-Hispanics (14.5%) identified the convenience of locations and hour of operation as what they liked most about the banks they had worked with.

When responding to this question, respondents showed an inclination to distinguish between security and safety reasons as what they liked most about the banks they had worked with. For the most part, security was referred as the financial soundness of the bank, and to the fact that respondents knew the funds they in their accounts are guaranteed by the federal government. Similarly, safety was typically referred to as the feeling that keeping money in the bank was safer than keeping at home or at any other place. More Hispanics (7.3%) than Non-Hispanics (2.9%) identified safety-related features as what they like the most about the banks they had worked with, but fewer Hispanics (1.3%) than Non-Hispanics (3.6%) identified security-related features as what they like the most about the banks they have worked with.

Finally, although in smaller percentages, more Hispanics than Non-Hispanics report clear and timely bank statements, as well as the available loans, interest charged and advice provided, as what they liked most about the banks they have worked with.

**Chart 5: What do you like the LEAST about banks you have worked with?**



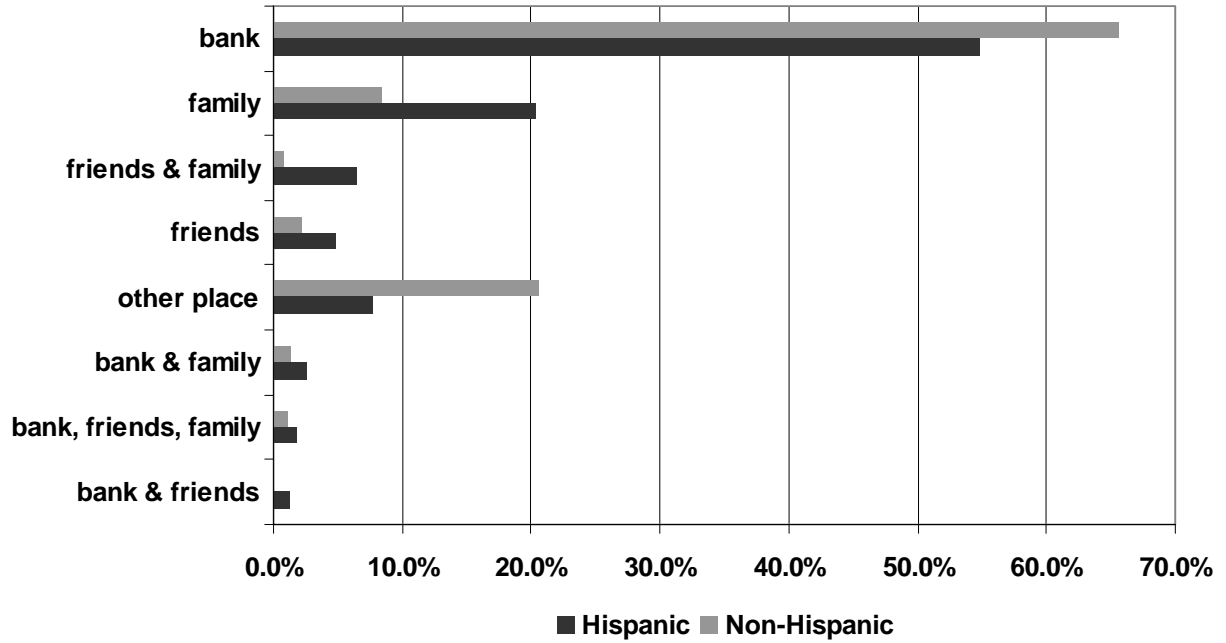
**Source:** 2009 Survey by Social Research Laboratory, California State University, Fresno

As illustrated in Chart 5, high or hidden fees and poor customer service are what both Hispanic and Non-Hispanic respondents identify as liking least about the banks they have worked with. Among Hispanic respondents, high or hidden fees were identified most often (identified as what they liked least by 34% of Hispanics and 24% of Non-Hispanics), while poor customer service was identified most often by Non-Hispanic respondents (identified as what they liked least by 23% of Hispanics and 31% of Non-Hispanics). Similar percentages of Hispanics and Non-Hispanics (8% and 7%, respectively) identified inconvenient locations and hours of operation as what they like least about the banks they have worked with. More Hispanics than Non-Hispanics (3% and 1%, respectively) identify unclear and poor timing of bank statements as what they like least about the banks they have worked with. Finally, it is interesting to note that roughly 17% of Hispanics and roughly 14% of Non-Hispanics reported that there was nothing that they liked least about the banks they have worked with.

To learn more about respondents’ borrowing practices, they were asked where they would usually go if they needed to borrow a large amount of money (such as \$10,000). As illustrated in Chart 6, banks were the most frequently identified source by both groups of respondents – by roughly 55% of Hispanics and 65% of Non-Hispanics. A larger percentage of Hispanics (20%) than Non-Hispanics (8.4%) identified family as their most usual source for borrowing a large amount of money. Also, more Hispanics than Non-Hispanics identified friends and family as their usual borrowing source (6% for Hispanics and 1% for Non-Hispanics<sup>12</sup>).

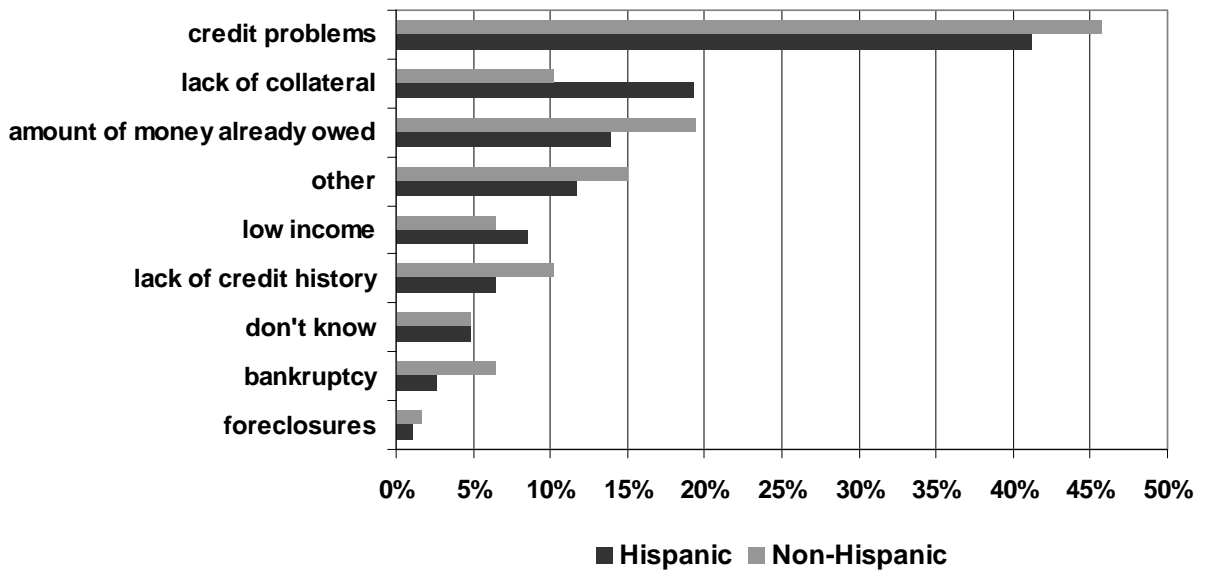
<sup>12</sup> Respondents had the option of identifying combinations of borrowing sources, since many people do not borrow money from a single place.

**Chart 6: When you need a lot of money (say \$10,000) where do you usually get the money?**



Source: 2009 Survey by Social Research Laboratory, California State University, Fresno

**Chart 7: What were the reasons you were turned down for credit?**



Source: 2009 Survey by Social Research Laboratory, California State University, Fresno

As indicated earlier (Section IV, Table 4) 31.6% of Hispanic and 25.3% of Non-Hispanic respondents reported that they had been turned down when applying for a credit. Chart 7 illustrates the reasons respondents had been turned down when applying for credit,<sup>13</sup> and shows that the largest percentages of both Hispanic (41%) and Non-Hispanic (45%) respondents reported “credit problems” -- which combines all possible factors that produce having a poor credit history. Lack of collateral was identified by a larger percentage of Hispanics (reported by 19% of Hispanic and 10% of Non-Hispanics), while the amount already owed was identified by a larger percentage of Non-Hispanics (reported by 13% of Hispanics and 19% of Non-Hispanics). Given the lower incomes reported by Hispanics in the sample, it is not surprising that a larger percentage of Hispanic respondents (8%) reported “low income” than Non-Hispanics (6%). A smaller percentage of Hispanics (6.4%) than Non-Hispanics (10.2%), however, identified the “lack of credit history” as a reason for being turned down when applying for credit. Although the percentages are small, a similar pattern is seen for “bankruptcy” (identified as a reason for being denied credit by 2.7% of Hispanics and 6.5% of Non-Hispanics) and for “foreclosures” (identified as a reason for being denied credit by 1.1% of Hispanics and 1.2% of Non-Hispanics).

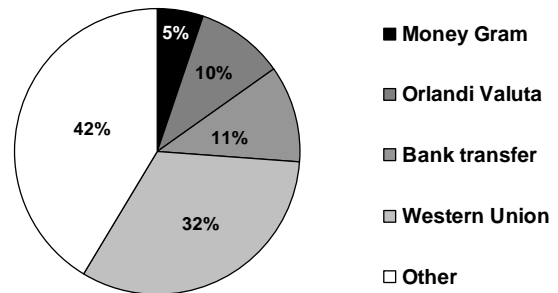
## VII. Information on Remittances and Knowledge of the “Matrícula Consular” from the Sample

The survey also addressed the issues of remittances from residents of the Central Valley to families and relatives in their home countries, and whether or not respondents were familiar with the possibilities of using of a “Matrícula Consular” as identification in opening a bank account.

**Chart 8: How often do you send money to your relatives outside the U.S.?**



**Chart 9: What provider do you use to send money to relatives outside the U.S.?**



Source: 2009 Survey by Social Research Laboratory, California State University, Fresno

<sup>13</sup> Respondents could identify more than one reason for being turned down when applying for credit.

From the 594 Hispanics interviewed, 192 (32.4%) indicated that they send money to relatives outside the United States. Furthermore, nearly all (190) of these respondents reported being of Mexican descent. In terms of how often money is sent to relatives outside the United States, Chart 8 illustrates that while a small percentage of respondents (2%) reported sending money on a weekly basis, a large percentage (58%) reported sending money to relatives outside the United States several times a year. Respondents were also asked to identify the provider that it is typically used to send money to relatives outside the United States, and close to one-third (32%) identified Western Union as their provider for money transfer service (Chart 9).

Given the large proportion of Central Valley residents of Mexican descent, the survey asked whether respondents of Mexican descent were aware that they could open a bank account with a “Matrícula Consular.” The “Matrícula Consular de Alta Seguridad” (Consular Matriculation of High Security) is an identification card issued by the Government of Mexico through its consulate offices to Mexican nationals residing outside of Mexico regardless of their emigration status. Several U.S. states, municipalities, and businesses (including the financial sector) have been accepting the Matrícula Consular as an official form of identification. When asked this question, 83.7% of respondents reported knowing that a “Matrícula Consular” can be used as identification to open a bank account.

## APPENDIX

### SURVEY INSTRUMENT

Good morning/afternoon/evening. My name is \_\_\_\_\_ and I'm calling from the Social Research Lab at California State University Fresno. We're doing a brief survey about financial literacy and we would like to speak with an adult member of this household.

**I'd like you to know that your participation is voluntary and everything you tell us will be kept confidential.**

**Is it ok to continue?**

1. YES
2. NO

**It's important for us to speak to people from all areas throughout the Central Valley so that the results will truly represent all the people in the central valley. In order to do that I need to ask you a few questions about yourself.**

**What county do you live in?**

1. Kern
2. Kings
3. Fresno
4. Madera
5. Merced
6. Tulare
7. other
8. DON'T KNOW
9. REFUSED

**And could you tell me what your zip code is?**

**I would like to start by asking you a few questions about your financial situation.**

**Which of the following statements best describes how you feel about your ability to manage your own finances?**

1. I wish I knew a lot more about money management.
2. I wish I knew a little more about money management.
3. I understand most of what I need to know to manage my finances.
4. I understand everything I need to know about money management.
8. DON'T KNOW
9. REFUSED

**Which of the following best describes your own financial situation?**

1. I pay all of my bills on time.
2. I sometimes miss a payment.
3. I struggle to pay my bills every month.
4. I am getting calls from bill collectors.
5. I am seriously considering filing for bankruptcy or have filed for bankruptcy in the past three years.
8. DON'T KNOW
9. REFUSED

**Where did you learn what you know about personal finances? Did you learn about it:**

1. from your parents
2. at work
3. from friends
4. from school
5. from self-help books or the media
6. from a financial professional such as a banker or financial consultant
7. I learned on my own
8. NO MORE/NONE OF THESE
9. DON'T KNOW
10. REFUSED

**You indicated that you learned about personal finances: \_\_\_\_\_**

**Which of these was your most important source?**

**Have you ever received professional advice about financial issues from an individual or organization? By professional I mean someone who does this for a living rather than from friends or family.**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Do you know where to go for professional financial advice?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Where would you go for this type of advice?**

**How confident are you that your financial future will be what you want it to be? Are you:**

1. very confident
2. somewhat confident
3. not very confident
4. not at all confident
8. DON'T KNOW
9. REFUSED

**Now we would like to ask you some questions about banks and credit.**

**Have you ever had a bank account?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Would you tell us why you haven't had a bank account?**

**What do you like most about the banks you have worked with?**

**What do you like least about the banks you have worked with?**

**Have you frequently banked:**

1. in person by going to the bank
2. by phone
3. on the Internet
4. by ATM
5. in any other ways
6. NO MORE/NONE OF THESE
7. DON'T KNOW
8. REFUSED

**Has any bank ever offered to help you with your finances?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**What type of help have they offered?**

**Which of the following types of accounts have you had at your banks?**

1. checking
2. savings
3. credit card
4. debit card
5. cd or certificate of deposit
6. stocks

7. bonds
8. mutual funds
9. ira
10. NO MORE/NONE OF THESE
11. DON'T KNOW
12. REFUSED

**Would you tell us why you haven't had any of these kinds of financial accounts?**

**About how many bank credit cards do you have?**

**Have you requested a copy of your credit report in the past 12 months?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Do you know how to get a copy of your credit report?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Do you know what your credit score is?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Is it less than 500, 500 to 599, 600 to 699, or 700 or more?**

1. LESS THAN 500
2. 500 TO 599
3. 600 TO 699
4. 700 OR MORE
8. DON'T KNOW
9. REFUSED

**Do you have the documents you need to open a savings or checking account?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**When you need a lot of money, let's say \$10,000, where do you usually get the money? Is it from the bank, from friends, from family, or from some other place?**

0. BANK
1. FRIENDS
2. FAMILY
3. SOME OTHER PLACE
4. BANK AND FRIENDS
5. BANK AND FAMILY
6. FRIENDS AND FAMILY
7. ALL THREE -- BANK, FRIENDS, FAMILY
8. DON'T KNOW
9. REFUSED

**Have you ever been turned down when you were applying for credit?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**What were the reasons that you were turned down for credit? Was it:**

1. credit problems
2. bankruptcy
3. the amount of money that you already owe
4. foreclosures on property you owned
5. lack of collateral
6. some other reason
7. NO MORE/NONE OF THESE
8. DON'T KNOW
9. REFUSED

**Now we would like to ask you a few questions about pay day lenders.**

**Do you ever use pay day lenders such as Payday, Cash Advance, Check-and-Go, or grocery stores that charge you to cash your check?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**How much money do they usually charge you to cash your check?**

**Is there any reason that you use these lenders instead of banks?**

**How many times during the last year have you borrowed money from a pay day lender such as Payday, Cash Advance, Check-and-Go, or grocery stores?**

**Think about the last time that you borrowed money from a pay day lender. Would you tell me the reasons for borrowing money that time?**

**Have you ever used a pawn shop for a small loan where the shop holds the item you pawned until you pay back the loan?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Now we would like to ask you several questions about your mortgage if you have one.**

**Have you ever bought a house?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Do you currently have a home mortgage of any type?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Have you ever had a mortgage?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Have you refinanced your mortgage?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Thinking now about your primary or main mortgage, is it a fixed rate mortgage, an adjustable rate mortgage, an interest only mortgage, a reverse mortgage, or another type of mortgage?**

1. FIXED RATE
2. ADJUSTABLE RATE
3. INTEREST ONLY
4. REVERSE
5. SOMETHING ELSE
8. DON'T KNOW
9. REFUSED

**Is the interest rate on your mortgage less than 6%, 6% to less than 8%, 8% to less than 10%, 10% to less than 12%, more than 12%, or don't you know?**

1. LESS THAN 6%
2. 6% TO LESS THAN 8%
3. 8% LESS THAN 10%
4. 10% TO LESS THAN 12%
5. MORE THAN 12%
8. DON'T KNOW
9. REFUSED

**Have you ever been late or missed a mortgage payment during the last 12 months?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**If you could no longer afford your home, what would you do first?**

1. CALL THEIR LENDER
2. OTHER
8. DON'T KNOW
9. REFUSED

**Would you call your lender?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Would you tell me why?**

**Have you ever lost your house as a result of a foreclosure?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**This is the last set of questions. Now I need to know a little about you. The information you give us will be used for statistical purposes only.**

**Which of the following categories best describe the highest grade of school or year of college that you have completed?**

1. 8th grade or less
2. Some high school
3. High school diploma
4. Some college
5. 2 year college degree/vocational degree
6. 4 year college degree
7. Graduate school or degree
8. DON'T KNOW
9. REFUSED

**What is your marital status?**

1. MARRIED
2. WIDOWED
3. DIVORCED
4. SEPARATED
5. NEVER MARRIED
6. LIVING WITH PARTNER
7. OTHER
8. DON'T KNOW
9. REFUSED

**How many children under the age of 18 do you have living at home with you now?**

**What race do you consider yourself to be?**

1. CAUCASIAN OR WHITE
2. NATIVE AMERICAN
3. AFRICAN-AMERICAN OR BLACK
4. ASIAN/PACIFIC ISLANDER
5. HISPANIC OR LATINO
6. OTHER
9. REFUSED

**Would you describe yourself as being of Hispanic or Latino origin or descent such as Mexican, Puerto Rican, Cuban, or some other Latin American background?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Do you send money to relatives outside the United States?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**How often do you send money to your relatives outside the US?**

1. every week
2. every month
3. several times a year
4. once a year
5. every few years
6. never
8. DON'T KNOW
9. REFUSED

**What provider do you use to send money to relatives outside the US?**

**Are you Mexican or of Mexican descent?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**Are you aware that with a "Matricula Consular" you can open a bank account?**

1. YES
2. NO
8. DON'T KNOW
9. REFUSED

**What country were you born in?**

1. US
2. MEXICO
3. OTHER
8. DON'T KNOW
9. REFUSED

**What year did you come to the US?**

**Are you currently:**

1. employed full time
2. employed part time
3. unemployed
4. retired
8. DON'T KNOW
9. REFUSED

**What languages do you usually speak at home?**

1. ONLY ENGLISH
2. ONLY SPANISH
3. BOTH ENGLISH AND SPANISH
4. OTHER
8. DON'T KNOW
9. REFUSED

**Would you please tell me what year you were born in?**

**To get some idea of people's financial situation, we need to know the general range of incomes of all the households we talk to. What is the total yearly income last year in 2008 of all persons living in your household. Please stop me when I reach the category that best describes your total annual household income before taxes for last year?**

1. LESS THAN \$10,000
2. 10 TO UNDER \$20,000
3. 20 TO UNDER \$30,000
4. 30 TO UNDER \$40,000
5. 40 TO UNDER \$50,000
6. 50 TO UNDER \$60,000
7. 60 TO UNDER \$70,000
8. 70 TO UNDER \$80,000
9. 80 TO UNDER \$90,000
10. 90 TO UNDER \$100,000
11. 100 TO UNDER \$150,000
12. 150 AND OVER
13. DON'T KNOW
14. REFUSED

**We also would like to know your own total yearly income last year in 2008. Please stop me when I reach the category that best describes your own total annual income before taxes for last year?**

1. LESS THAN \$10,000
2. 10 TO UNDER \$20,000
3. 20 TO UNDER \$30,000
4. 30 TO UNDER \$40,000
5. 40 TO UNDER \$50,000
6. 50 TO UNDER \$60,000
7. 60 TO UNDER \$70,000
8. 70 TO UNDER \$80,000
9. 80 TO UNDER \$90,000
10. 90 TO UNDER \$100,000
11. 100 TO UNDER \$150,000

12. 150 AND OVER
13. DON'T KNOW
14. REFUSED

**And finally, do you have any further comments that you would like to make about any of the topics we've covered?**

**That concludes our interview. Once again, thank you for your time.**

**Good-bye.**

## **The Center for Economic Research and Education of Central California (CERECC)**

The Center for Economic Research and Education of Central California (CERECC) is an ancillary unit of the Department of Economics at the California State University, Fresno. The mission of CERECC is to integrate and utilize the expertise of Department of Economics at the California State University, Fresno, on a broader regional basis. The Center's goal is to enhance economic development in our region through economic research and economic education. To realize this goal, the Center provides economic research on issues relevant to Central California, and provides extension services for local educators.

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## **Biographical Sketches of Project Directors**

### **Dr. Antonio Avalos**

Antonio Avalos is Associate Professor of Economics at California State University, Fresno, and Research Director of the Center for Economic Research and Education of Central California (CERECC). He earned his Ph.D. in Economics from Oklahoma State University with specialization in Economic Development and International Economics. His areas of expertise also include Regional Economics and Latin American Economic Development. Professor Avalos has spent several years conducting research on workforce and regional economic issues. In 1998, he was appointed Herman Kahn Fellow at the Hudson Institute in Indianapolis, Indiana working for the Center for Workforce Development. Currently, Professor Avalos is investigating the dynamics of the regional economy identifying the forces shaping the Central Valley's economy.

### **Dr. Janice Peterson**

Janice Peterson is currently an Assistant Professor of Economics at California State University-Fresno, and Economic Education Director of the Center for Economic Research and Education of Central California (CERECC). She received her Ph.D. in Economics from the University of Nebraska, Lincoln, and she holds an M.A. in Agricultural Economics (Community Economic Development) from the University of Wisconsin, Madison and a B.A. in Economics from California State University, Fresno. Before joining the faculty at California State University, Fresno she was a faculty member at Wells College and at the State University of New York, Fredonia, and worked as a research economist Washington, D.C. at the Institute for Women's Policy Research and the U.S. Government Accountability Office.