USFinancialCapability.org

Results from the FINRA Investor Education Foundation
US Financial Capability Study

Summary of Selected Findings: Colorado

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	12%	12%	11%	
Somewhat difficult	33%	35%	33%	
Not at all difficult	53%	50%	53%	
Spending vs. saving				
Spending less than income	38%	41%	39%	
Spending about equal to income	39%	36%	38%	
Spending more than income	20%	19%	19%	
Overdraw checking account occasionally	19%	19%	18%	*Respondents with checking accounts*
Have unpaid medical bills	20%	23%	20%	
Number of times mortgage payments have been late				
Once	7%	9%	7%	*Respondents with mortgages*
More than once	5%	9%	7%	
Have taken a loan from retirement account in past year	9%	16%	13%	*Respondents with self-directed employer plan or non-employer plan*
Have taken a hardship withdrawal from retirement account in past year	8%	13%	9%	
Have experienced large unexpected drop in income in past year	19%	20%	19%	
Planning Ahead				
Have emergency funds	52%	49%	49%	
Do not have emergency funds	45%	46%	47%	
Have tried to figure out retirement savings needs	44%	41%	40%	*Non-retired respondents*
Have not tried to figure out retirement savings needs	50%	54%	55%	
Have set aside money for children’s college education	45%	38%	36%	*Respondents with financially dependent children*
Have not set aside money for children’s college education	50%	57%	59%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	60%	54%	54%	*Non-retired respondents*
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	37%	29%	29%	
Regularly contribute to self-directed retirement account	82%	79%	79%	*Respondents with self-directed employer plan or non-employer plan*

	State	Nation	Region	
Stocks, Bonds, and Mutual Funds				
Invest in stocks, bonds, mutual funds, or other securities outside of retirement account	31%	32%	30%	
Managing Financial Products				
Banking				
Have checking account	90%	89%	90%	
Have savings account, money market account, or CDs	76%	71%	74%	
Credit Cards				
Credit card behaviors in past year				
Always paid credit cards in full	53%	54%	52%	
Carried over a balance and was charged interest	47%	46%	47%	
Paid the minimum payment only	37%	35%	36%	*Respondents with credit cards*
Charged a late fee for late payment	15%	16%	14%	
Charged an over the limit fee for exceeding credit line	9%	10%	8%	
Used the cards for a cash advance	13%	13%	11%	
Mobile Payment Methods				
Use mobile phone to pay at point of sale	34%	35%	33%	
Use mobile phone to transfer money to another person	41%	37%	40%	
Mortgages				
Have mortgage	64%	56%	62%	*Homeowners*
Have home equity loan	14%	16%	12%	
Home “underwater” (negative equity)	5%	9%	5%	*Homeowners*
Other Debt				
Have student loan	26%	26%	24%	
Have auto loan	38%	33%	34%	
Non-Bank Borrowing				
Non-bank borrowing methods used in past 5 years				
Auto title loan	10%	11%	10%	
Short term “payday” loan	16%	14%	13%	
Tax refund advance	9%	10%	8%	
Pawn shop	22%	18%	19%	
Rent-to-own store	10%	12%	9%	
Used one or more non-bank borrowing methods in past 5 years	31%	29%	29%	

	State	Nation	Region
Financial Knowledge & Decision-Making			
Financial Literacy			
Suppose you had $100 in a savings account and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?			
More than $102 (correct answer)	76%	72%	75%
Exactly $102	6%	7%	6%
Less than $102	6%	6%	6%
Don’t know	11%	13%	11%
Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, how much would you be able to buy with the money in this account?			
More than today	11%	12%	11%
Exactly the same	9%	10%	9%
Less than today (correct answer)	59%	55%	58%
Don’t know	20%	21%	20%
If interest rates rise, what will typically happen to bond prices?			
They will rise	21%	22%	20%
They will fall (correct answer)	29%	26%	28%
They will stay the same	6%	6%	5%
There is no relationship between bond prices and the interest rate	7%	10%	9%
Don’t know	37%	36%	37%
Suppose you owe $1,000 on a loan and the interest rate you are charged is 20% per year compounded annually. If you didn’t pay anything off, at this interest rate, how many years would it take for the amount you owe to double?			
Less than 2 years	4%	5%	4%
At least 2 years but less than 5 years (correct answer)	33%	30%	32%
At least 5 years but less than 10 years	32%	29%	31%
At least 10 years	6%	8%	8%
Don’t know	24%	26%	24%
A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less.			
True (correct answer)	79%	73%	76%
False	7%	9%	8%
Don’t know	13%	17%	15%
Buying a single company’s stock usually provides a safer return than a stock mutual fund.			
True	11%	11%	9%
False (correct answer)	45%	43%	46%
Don’t know	43%	45%	44%
Mean number of correct quiz answers	3.22	3.00	3.15
Mean number of incorrect quiz answers	1.26	1.35	1.27
Mean number of “don’t know” quiz answers	1.47	1.58	1.52

	State	Nation	Region	
Comparison Shopping				
Compared credit cards	40%	38%	38%	*Respondents with credit cards*
Did not compare credit cards	52%	56%	57%	

Notes:

Region = Mountain Census Division (Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming).

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

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

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

Differences between groups may or may not be statistically significant.

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

Survey was conducted June - October 2018.

For additional findings and details, full survey results are available for download at
http://usfinancialcapability.org/downloads/NFCS_2018_Full_Data_Tables.xlsx