

Racial Differences in Financial Literacy among Prisoners in Arkansas' Correctional Institutions

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Within the United States, state and federal prisons release more than six hundred thousand prisoners back into society each year. Furthermore, one half of released prisoners are re-incarcerated within three years of release (Bierens and Carvalho (2011)). Many of these former offenders return to inner-city neighborhoods where income levels are low, jobs are scarce, and crime rates are high. The goal of the penal system, of course, is to reduce the recidivism rate by providing insiders (as inmates in correctional institutions often refer to themselves) with education, vocational training, and opportunities for substance abuse treatment. These efforts are designed to increase the employment opportunities for ex-offenders. The argument is that gainful employment will provide former offenders with a steady income which will help with their transition back into society. The idea that having a job reduces the probability of recidivism is firmly established in extant criminological literature (Myers (1980); Uggen (2010); Bierens and Carvalho (2011); Berg and Huebner (2011)). A job provides a steady income, increases one's self esteem, and develops the sense of belonging to a group. However, job attainment does not come easy for insiders upon reentry into mainstream society. Many ex-offenders return to society and are unable to secure employment as they are often viewed as 'less marketable' because of their prior criminal history (Pager (2003)). This leads many ex-offenders to rely heavily on family members and friends for financial support because of the many difficulties of job attainment post-release (Martin (2011)). According to the Bureau of Justice Statistics (2008), in 2007, less than 60 percent of ex-offenders in the District of Columbia were working full-time, and approximately 10 percent were working part-time a year after their release.

It has been argued, however, that income, while obviously helpful, only meets the short term needs of ex-offenders (Martin (2011)). This would become obvious quickly to former insiders if, for example, they were laid off or began suffering from a serious health problem (and, thus, had no or a reduced income). Rather than focusing solely on a job with a

steady income, the wider focus should also include asset (or wealth) accumulation which becomes especially important during an economic crisis (for example, losing one's job). In other words, wealth will meet the long term needs of the individual. Asset accumulation has also been shown to be connected with a number of positive social outcomes. One recent study has found a connection between asset ownership and self-sufficiency, child well-being, civic engagement, and health and psychological well-being (Lerman and McKernan (2008)). Wealth can be used for the down payment on a house or a car, and can be a basis for self-employment. Asset accumulation provides a margin of safety that can help cushion the impact of an economic crisis.

I. Barrier to Wealth Accumulation

Financial illiteracy is one barrier to wealth accumulation on the part of former insiders, and, of course, those in the general population as well. Financial literacy refers to the knowledge of financial concepts, and is important for consumer decision making. And so if, for example, insiders who are about to be released from correctional institutions don't know what a budget is, do not know how to open a checking account or balance a checkbook, and do not know what a 401(K) plan refers to, may have a tough time building the wealth needed to produce a stable future even if they have a steady job. As a result, they remain unattached to the general society, vulnerable to economic crises, and susceptible to non-traditional lenders. Both anecdotal and survey data presented below will demonstrate the need for financial literacy training in correctional institutions. Without such training, many former offenders will be set up for failure as soon as they are released back into society, and this can only increase the recidivism rate.

Over the past decade there has been an increase in the number of financial education programs designed to improve America's financial literacy (Fox, Bartholomae, and Lee

(2005)). For example, the Jump\$tart Coalition for Personal Financial Literacy's mission is to promote personal finance education in schools, while other programs target adults in the general population. But to the authors' knowledge there is no national movement designed to promote financial literacy programs for insiders in penal institutions or for those formerly incarcerated. Moreover, while there are articles detailing the low levels of financial literacy among U.S. high school students (Mandell (2004)), and U.S. adults (FINRA Investor Education Foundation (2013)), the authors were able to find only one article (Koenig (2007)) dealing with the level of financial literacy of people in correctional institutions. The sample size of this study consisted of only 17 male insiders. Furthermore, the authors are not familiar with any research studies that look at the difference in the level of financial literacy of white versus nonwhite insiders. And so prior research on the financial knowledge and habits of insiders is sparse. But examining the level of financial literacy of insiders is crucial, because the majority of insiders do not receive proper financial education while incarcerated. This creates an additional barrier to success after release (Martin (2011)).

For several years, the Kenneth Pat Wilson Center for Economic Education in the College of Business at the University of Arkansas at Little Rock (UALR) has offered financial literacy workshops at the Department of Community Correction (DCC) facility in Little Rock. The center offers a cycle of three one hour financial literacy workshops every three months at the facility. These workshops deal with such topics as, the importance of budgeting, credit reports and credit scores, the use and misuse of credit, and the basics of investing. There are usually 10-15 men that participate in each workshop.

Based on questions asked by insiders about to be released from the DCC, it is obvious that many do not know how to balance a checkbook, have never had a credit card (and have no idea how to obtain one), have never had a checking/savings account, and do not know what a credit score or credit report is. It is interesting to note that one common question that

is asked repeatedly in these workshops is, “How can I repair my bad credit?” In each workshop at least 1-2 participants ask this question. In some cases, people had filed for bankruptcy, while others had just walked away from their debts. They were now interested in repairing their bad credit when they were released from prison.

A former offender who is financially illiterate will have a tough time building wealth. This is the reason why financial literacy training is so important for ex-offenders, as well as for current inmates of penal institutions (and, admittedly the general public as well). This along with employment opportunities will help to reduce the recidivism rate, which ultimately will assist in crime prevention.

II. Arkansas' Prison System

Arkansas has a dual correctional system. The first, overseen by the Arkansas Department of Corrections (ADC), is what many might refer to as the ‘traditional prison system’ in the state. These prisons house offenders facing a long term commitment (longer than 1 year) and offenders convicted of a violent felony. The second system, the Department of Community Correction (DCC) oversees five centers in the state, one of which is in Little Rock. These centers are minimum security institutions housing non-violent, first-time offenders whose crimes are primarily associated with alcohol and/or drug abuse. Offenders can be housed in a DCC Center for up to two years. The Little Rock center houses approximately 100 males at any point in time. Each DCC center has a community atmosphere, and the rehabilitation programs (such as Alcoholics Anonymous meetings, educational and vocational programs, etc.) offered to inmates are designed to reinforce positive change and personal accountability. The emphasis is on discovering and resolving personal problems, such as those impacting or arising from personal finance issues. This is how the programs at these centers are described in the Department of Community Correction

Volunteer Orientation Program: “The centers have community-based residential programs providing structure, supervision, surveillance, drug/alcohol treatment, educational and vocational programs, employment counseling, socialization, and life skills programs, community work transition, and other treatment programs.”

In order to make the transition from prison back into society as seamless as possible, prisons often offer insiders the opportunity to participate in, so called, reentry-to-society programs. At present, there are only three official community reentry-to-society programs within the state of Arkansas. These programs utilize an approved multi-part curriculum and are approved by wardens of those Arkansas Department of Correction (ADC) prison facilities. At present, reentry programs are only offered to male inmates within the ADC. Programs are currently only offered at the Pine Bluff Unit, the Wrightsville Unit, and the Malvern Unit, the newest created program location. While each specific semester may vary, these classes are typically 12 weeks long with 10 learning modules. These modules cover such issues as familial effects of incarceration, issues of parole, and emotional and employment issues for those reentering society. Each module is taught by a different instructor who is an expert in the related field.

The selection process for these programs is selective and is handled by both insiders themselves as well as a governing board. A body of inmates known as the Inmate Leadership Council, actively markets and collects applications from inmates interested in completing the reentry program. Interested inmates can essentially apply at any risk level. The inmate however, must meet two criteria. First, the inmate must have successfully remained out of trouble long-enough to be eligible to participate and so not have to worry about being transferred during the reentry program because of disciplinary reasons. Second, the inmate must have at least a five year projected release date which makes him close-enough to be considered ‘near release’.

Inmates interested in entering the reentry program complete a 9-page application created by the Inmate Leadership Council. A Board of Directors meets prior to the scheduling of a new class and reviews an average of 100 applications. Out of this 100, approximately 40 inmates are selected for each class by the board. Once selected, the new class of inmates meets with all board members available to complete an orientation program. The Inmate Leadership Council, via a class coordinator, arranges for copies of the curriculum and technology for the classes. The Inmate Leadership Council also serves as a mentor for the new class and assists all presenters when they visit the prison unit in order to conduct their classes.

III. Purpose of Project and Data

The purpose of this project, funded by the University of Arkansas at Little Rock's Institute of Race and Ethnicity had three objectives. The first objective was to measure the level of financial literacy of insiders in Arkansas' correctional institutions, while the second was to assess the difference, if any, in white and nonwhite insider's knowledge of personal finance. The third was to identify those groups within correctional institutions who have a poor understanding of financial literacy.

The ultimate goal is to use the information collected to design a financial literacy program for those about to be released from penal institutions so that former offenders are not set up for failure from the start when they return to society. It is anticipated that the program would consist of more than the three one-hour workshops that are presently being offered at the DCC facility in Little Rock. While the UALR program is useful and the residents' comments are consistently positive, it is limited in terms of topics covered and breadth of coverage.

Data were generated by surveying insiders at Arkansas' Department of Correction facilities within a 50 mile radius of Little Rock.¹ These data were collected from September, 2013 through March, 2014 by visiting prison units in Wrightsville, Pine Bluff and Malvern. Insiders were told that their participation in the survey was entirely voluntary, and that their involvement (or noninvolvement) would have no effect on their sentence or their status within the prison. Respondents' identities were kept completely anonymous. This study utilized a non-probability convenience sampling design and the researchers were able to obtain 299 valid surveys.

During multiple visits to these prisons, inmates, in a reentry class, were asked to fill out the financial capability survey. The reason why this study concentrated on male inmates, is that it was these facilities (as opposed to those housing female inmates) that were most readily accessible to the researchers which was crucial due to logistical and timing constraints.

The financial literacy survey that insiders were asked to complete contained 43 questions. It is located at the end of this report. The survey instrument included general demographic questions, and questions relating to the offender's criminal history and financial capability. General demographic questions requested the respondent's age, sex, ethnicity, income, educational attainment level, and marital status. The 'criminal history' questions asked for their current criminal offense, how long the respondents had been incarcerated, and the number of times they had been incarcerated. The survey instrument's focus on financial literacy had two components. The first looked at the difference in the level of financial literacy between white and non-white prisoners about to be released. The second focused on white and non-white prisoners' financial history and practices, such as experience with traditional banking institutions and predatory lenders.

¹ Thus, only insiders in Arkansas' traditional prisons were surveyed, because of logistical reasons.

IV. Discussion of Results

Data gathered from these surveys, are presented in Tables 1 and 2. Data in Table 1 show the percentage of positive responses by white and nonwhite insiders on the various financial capability questions on the survey. For convenience, questions on the survey are broken up into seven various categories: ‘Mainstream Banking’, ‘Financial Planning’, ‘Asset Accumulation’, ‘Predatory Lending’, ‘Financial Knowledge’, ‘Demographic Information’, and ‘Incarceration Information.’ T-test results are reported for each question to determine whether there is a statistically significant difference in the percentage of positive responses between white and nonwhite insiders. The legend at the bottom of the table shows the meaning of ****, **, and *. For example, *** indicates that the percentage difference is statistically significant at the .001 level.

Table 2 shows the percentage of positive responses on the survey questions for insiders (whites and nonwhites combined) as compared to the percentage of positive responses on a similar set of questions for a sample of 211 male Arkansans. These data were recently reported by the Financial Industry Regulatory Authority’s (FINRA), 2012 National Financial Capability Study. This study was designed to measure the financial capability level of Americans, and can be used as a benchmark against which one can measure the level of financial literacy of insiders in Arkansas’ correctional institutions. Comparing Tables 1 and 2, one can see that that Table 2 is somewhat shorter than Table 1. The reason is that the FINRA survey, and the survey used in this study were not comparable in all respects. That is, there were some questions on the survey in this study that were not on the FINRA survey. Again, as in Table 1, differences in percentages (between insiders, and males in the general public) were tested for their statistical significance, with the legend at the bottom of the table similar to that at the bottom of Table 1.

Demographic data in Table 1 show that white insiders are slightly older (on average) than nonwhites, and had a higher average income on their last job than nonwhites. Also, the percentage of whites who are married is greater than that for nonwhites, but this difference is not statistically significant. The education variable results (1 = did not complete HS, 2 = GED/HS graduate, 3 = some college, 4 = college graduate, 5 = post graduate education) shown in Table 1 is the average of insiders' responses to this question, and indicates that, again on average, whites have a slightly higher educational attainment level than nonwhites. But again this difference is not statistically significant.

The results for the 'Mainstream Banking' category show that a greater proportion of white insiders had checking accounts and a debit card, and are more likely to have used online banking than nonwhites. However, a greater percentage of whites filed for bankruptcy than nonwhites, and this may be explained by the fact that whites may be more familiar with the financial system than nonwhites. Other differences are not statistically significant.

The next two categories ('Financial Planning' and 'Asset Accumulation') show that a greater proportion of whites (as compared to nonwhites) have had assets (such as a home, and a car) in the past, and are more likely to have made a budget at some point. However, a greater proportion of nonwhites have life insurance than whites. In the 'Predatory Lending' category, whites have used payday lenders, and pawn shops, more often than nonwhites, but the reverse is true for 'ever paid a bill with a money order?', but this difference is not statistically significant.

The last category of variables indicates that with respect to the three financial literacy questions, a greater percentage of whites (than nonwhites) got the answers correct, and two of the differences are statically significant at the .001 alpha level. This indicates that white insiders have a greater knowledge of personal finance issues (at least with respect to

Table 1: Independent Sample T-test of Insiders and Differences of Race

| | White | Nonwhite | N |
|---|-------------|-------------|-----|
| Mainstream Banking | | | |
| Ever Had a Checking Account? | 83.3%*** | 65.3% | 296 |
| Ever Had a Savings Account? | 71.4% | 73.8% | 298 |
| Ever Had a Debit Card? | 65.1%* | 57.7% | 294 |
| Ever Used Online Banking? | 26.2%*** | 16.9% | 298 |
| Ever Had a Credit Card? | 48.4% | 41.3% | 298 |
| If So, How Many? | 2.62 | 1.62 | 283 |
| Ever Filed for Bankruptcy? | 8.7%* | 2.30% | 298 |
| Non-banked (Never Had a Checking or Savings Account) | 14.30% | 18.80% | 296 |
| Financial Planning | | | |
| Do You Have Life Insurance? | 16.8%*** | 30.60% | 295 |
| Ever Made a Household Budget? | 62.9%+ | 51.5 | 291 |
| Ever Determined Amount of Money Needed for Retirement? | 11.1% | 11.1% | 298 |
| Do You Have Money Saved for Retirement? | 9.5% | 8.7% | 298 |
| Ever Checked Your Credit Report? | 40.5% | 33.3% | 297 |
| Ever Checked Your Credit Score? | 37.3% | 35.5% | 298 |
| Asset Accumulation | | | |
| Ever Owned a Home? | 32.8%*** | 16.9% | 297 |
| Ever Had a Home Mortgage? | 23.0%** | 16.9% | 298 |
| Ever Owned a Car? | 96%*** | 90.7% | 297 |
| Ever Had a Car Loan? | 59.2%*** | 26.7% | 297 |
| Predatory Lending | | | |
| Ever Used a Payday Lender? | 29.3%* | 17.4% | 298 |
| Ever Used a Pawn Shop? | 84.1%** | 69.0% | 297 |
| Ever Used a 'Rent to Own' Store? | 48.4% | 42.7% | 297 |
| Ever Paid a Bill With a Money Order? | 57.9% | 60.7% | 294 |
| Ever Cashed a Check at a Grocery Store/Supermarket? | 75.4% | 69.3% | 292 |
| Financial Knowledge | | | |
| Rate Your Financial Knowledge (0 -7) | 3.53 | 3.29 | 288 |
| Interest Rate Ques. (#5) - % Correct Ans. | 50.8%*** | 20.2% | 299 |
| Inflation Rate Ques. (#21) - % Correct Ans. | 57.1%** | 38.7% | 299 |
| Stock/Mutual Fund Ques. (#22) - % Correct Ans. | 38.1% | 34.1% | 299 |
| Financial Knowledge Scale (Combining Results From Previous Three Questions) | 1.46*** | 0.93 | 299 |
| Demographic Information | | | |
| Average Age | 37.5 | 32.5 | 293 |
| Married? | 25.40% | 20.40% | 293 |
| Average Annual Income at Last Job | \$24,482.76 | \$17,381.95 | 287 |
| Education Level | 2.14 | 2.09 | 294 |
| Incarceration Information | | | |
| Have You Served Time Before? | 52.8% | 55.6% | 294 |
| Age at First Incarceration | 24.49+ | 23.05 | 273 |
| # of Times Incarcerated | 3.46* | 2.55 | 156 |

***p<.001;**p<.01;*p<.05;+p<.1

the material covered in these three questions) than nonwhites. Also, white insiders rate their knowledge of financial matters higher than nonwhites (3.53 vs. 3.29), but the difference is not statistically significant. The last category ('Incarceration Information') provides some background information on whether insiders had served 'time' before, and their age at first incarceration.

Table 2 compares the responses of the insiders in our sample with the responses for a sample of Arkansas males in the FINRA survey for a set of similar questions. It should be noted at the outset that the questions on the Arkansas insider survey are usually phrased as "Have you ever had a.....?" or "Have you ever checked...?", because of the insiders' incarceration. On the FINRA survey, however, questions are phrased as, "Do you have a checking account (or savings account?)" or "Do you own a car?", and so the questions on the two surveys are phrased slightly differently. For the purposes of this study, however, the researchers felt that the questions asked were similar enough so that comparisons could be made between both studies. The demographic data indicate that, on average, insiders are younger, and have a lower educational attainment level (1 = did not complete HS, 2 = GED/HS graduate, 3 = some college, 4 = college graduate, 5 = post graduate education) than the males in the FINRA sample. Furthermore, a higher percentage of males are married among males in the FINRA sample. These differences are statistically significant at the .001 level.

In reviewing the results for Table 2, one can see that, on an overall basis, insiders fare poorly, in terms of financial capability, as compared to males in the FINRA sample. For example, for the 'Mainstream Banking' category, a higher percentage of males in the general population (as compared to insiders) have ever had a checking account, credit card, and debit card. Also, the percentage of insiders who are 'unbanked' is higher than that for the sample of males in the general population, as the previous results would suggest. The fact that a lower

Table 2: Independent Sample T-test between Arkansas Insiders and the FINRA Sample of Arkansas Males

| | Insiders | Sample of Arkansas Males | Total in Both groups |
|---|-----------|--------------------------|----------------------|
| Mainstream Banking | | | |
| Have/Had a Checking Account? | 72.97%*** | 89.60% | 507 |
| Have/Had a Savings Account? | 72.82% | 66.35% | 509 |
| Have/Had a Debit Card? | 60.9%** | 72.50% | 505 |
| Have/Had a Credit Card? | 43.8%*** | 72.50% | 506 |
| # of Credit Cards Had/Have | 0.86*** | 1.68 | 506 |
| Non-banked (Never Had a Checking or Savings Account) | 16.8%*** | 8.00% | 509 |
| Financial Planning | | | |
| Do You Have Life Insurance? | 24.8%*** | 57.40% | 506 |
| Ever Determined the Amount of Money Needed for Retirement? | 11.1%*** | 39.20% | 451 |
| Ever Checked Your Credit Score? | 36.2%* | 45.97% | 509 |
| Predatory Lending | | | |
| Ever Used a Payday Lender? | 22.5%*** | 11.11% | 505 |
| Ever Used a Pawn Shop? | 75.42%*** | 21.90% | 507 |
| Ever Used 'Rent to Own Store'? | 45.12%*** | 11.11% | 504 |
| Ever Paid a Bill With a Money Order? | 59.52%*** | 26.07% | 505 |
| Financial Knowledge | | | |
| Interest Rate Ques. (#5) - % Correct Ans. | 33.11%*** | 79.62% | 510 |
| Inflation Rate Ques. (#21) - % Correct Ans. | 48.3%*** | 73.00% | 499 |
| Stock/Mutual Funds Ques. (#22) – % Correct Ans. | 36.9%*** | 55.00% | 501 |
| Financial Knowledge Scale (Combining Results from Previous Three Questions) | 1.19*** | 2.08 | 495 |
| Demographic Information | | | |
| Average Age | 34.3*** | 51.5 | 504 |
| Percent Non-White | 55.9%*** | 20.38% | 497 |
| Married? | 22.5%*** | 61.00% | 498 |
| Education Level | 2.11*** | 3.08 | 505 |

***p<.001;**p<.01;*p<.05;+p<.1

percentage of males in the general population have a savings account may indicate that they are more financially savvy than insiders given the relatively low interest rate paid on funds in savings accounts in the last few years. This difference, however, is not statistically significant.

In the 'Financial Planning' category, a greater percentage of males in the general population (as compared to insiders) have life insurance, determined their retirement needs, and checked their credit score at some point. Similarly, in the 'Predatory Lending' category, a greater percentage of insiders have used payday lenders, pawn shops, 'rent to own stores', and have paid bills with money orders as compared to males in the FINRA survey.

Finally, in the 'Financial Knowledge' section, the percentage of correct responses by insiders for the interest rate, inflation, and risk questions can be compared with the results for a comparable set of questions asked of Arkansas males in the FINRA study (2012 National Financial Capability State-by-State Survey Instrument (2013)). One can clearly see that, on all three financial literacy questions, Arkansas males in the FINRA survey had a greater percentage of correct answers than insiders. These differences are statistically significant as are almost all differences reported in Table 2. This indicates that males in the general population have a greater knowledge of personal finance (at least with respect to the material covered in these three questions) than insiders.

V. Conclusion

The evidence discussed in this paper strongly suggests the need for financial literacy training for inmates about to be released from correctional institutions. From experience gained through workshops offered by the UALR Center for Economic Education at the DCC unit in Little Rock, and from data gathered from the ongoing Prisoner Financial Literacy Project at the university, it is obvious that many inmates lack even a basic knowledge of

personal finance. This becomes very obvious when reviewing the results from Table 2 that show that the level of financial literacy of insiders in Arkansas' correctional institutions is relatively low in contrast to that of a sample of males from the general population (which is already low). But even more troubling, are the results in Table 1 which show that the level of financial knowledge and asset accumulation are relatively low for nonwhites compared to whites. Thus, not only is the level of insider financial capability low in contrast to males in the general population, but also it is even lower for nonwhites than for whites in terms of financial knowledge and asset accumulation. It is suspected that this problem exists, not only in prisons in Arkansas, but also, in institutions throughout the United States. Releasing former prisoners back into society who have little or no background in personal finance sets them up for failure from the very start, and this, of course can affect the recidivism rate.

The natural extension of the conclusion drawn above is to create a financial literacy program for inmates about to be released from Arkansas' correctional institutions that would serve as a model for prison systems in other states as well. There are numerous resources that one can draw on in developing a comprehensive financial literacy program for those inmates in reentry programs, one of which is the National Standards for Financial Literacy, as developed by the Council for Economic Education (2013).

At this stage we have disseminated our preliminary research results in a variety of academic and community outreach venues. An academic paper titled "Financial Knowledge among Insiders in Arkansas Correctional Institutions" was presented at annual meeting of the Academy of Criminal Justice sciences in February, 2014 in Philadelphia, PA. Another manuscript has been accepted for presentation at the annual meeting of the American Society of Criminology in November of 2014 in San Francisco, CA. The graduate student from the Department of Criminal Justice at UALR, Marc D. Glidden, who worked on the project, also

utilized the survey results for a poster entry at the Student Research and Creative Works Expo at UALR in April of 2014.

As per our grant proposal we have also begun to present and distribute our research to community outreach programs in the surrounding metropolitan area. Preliminary results from our research formed the basis of our keynote presentation at the Community Re-Entry in the Arkansas Delta Conference held in Pine Bluff, Arkansas in August, 2013. Furthermore, we have begun to incorporate our research into various correctional reentry programs in Arkansas' prisons. Researchers for this project taught reentry courses at the Ouachita River Prison Unit and the Wrightsville Prison Unit last year. These courses incorporated findings from our study which led to discussions with insiders regarding their specific interests and issues in financial literacy.

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Survey of Financial Knowledge

1. Have you ever had a credit card? Yes _____ No _____
2. If so, how many? _____
3. Have you ever filed for bankruptcy? Yes _____ No _____
4. Have you ever made a household budget? Yes _____ No _____
5. If you put \$100 in a bank account paying 5% interest, how much will you have in your account after one year? _____
6. Have you ever owned your own home? Yes _____ No _____
7. Have you ever had a home mortgage? Yes _____ No _____
8. Have you ever owned a car? Yes _____ No _____
9. Have you ever had a car loan? Yes _____ No _____
10. Have you ever had a savings account _____ ?
11. Have you ever had a checking account _____ ?
12. Have you ever borrowed money from a 'payday lender'? Yes _____ No _____
13. Have you ever figured out, how much money you will need for retirement?
a) Yes ___ b) No _____
14. Do you have any money saved for retirement? Yes ___ No _____
15. Have you ever checked your credit report? Yes _____ No _____
16. Have you ever checked your credit score? Yes _____ No _____
17. Have you ever used online banking (to pay bills, to check the amount in your savings/checking account, etc)? Yes _____ No _____
18. Do you have life insurance? Yes _____ No _____
19. Have you ever used a pawn shop? Yes _____ No _____
20. Have you ever used a rent-to-own store? Yes _____ No _____
21. 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
- Exactly the same
- Less than today
- Don't know.

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

- True False Don't know

23. What was **your annual income** at your last job?

- Have Never Worked
- \$0 - \$10,000
- \$10,0001 - \$15,000
- \$15,0001 - \$20,000
- \$20,0001 - \$30,000
- \$30,0001 - \$40,000
- \$40,0001 - \$50,000
- \$50,0001 - \$75,000
- \$75,000 and above

24. If you lose your credit card, what is your maximum liability?

- \$0 \$50 \$100 I'm liable for everything that someone might charge on my card.

25. Your take home pay from your job will be less than the total amount that you earn. Which of the following items will be taken out of your pay check?

- Federal Income Tax
- Social Security Tax
- Medicare Tax
- all of these

26. David just found a job with a take home pay of \$2000 per month. He spends \$1850 per month and so saves \$150 per month. How many months will it take him to save \$600?

- 1 month
- 2 months
- 3 months
- 4 months
- none of these

27. On a scale from 0 to 7, where 0 means none, and 7 means very high, how would you rate your overall financial knowledge?

0 1 2 3 4 5 6 7

28. In the past, have you paid bills with money orders? Yes ____ No ____

29. In the past, have you cashed checks at a supermarket or grocery store?

a) Yes ____ b) No ____

30. Have you ever had a debit card? Yes ____ No ____

31. What is your age _____?

32. Are you Male ____ Female _____?

33. Would you describe yourself as:
 American Indian/Native American _____
 Asian _____
 Black/African American _____
 Hispanic/Latino _____
 White/Caucasian _____
 Pacific Islander _____
 Other _____

34. Are you Married _____, Divorced _____, Single/Never Married _____
 Widow/Widower _____?

35. What was your education level **prior to** your current imprisonment? (Check the appropriate line)

Did Not Complete High School _____
 High School/GED Graduate _____
 Some College _____
 College Graduate _____
 Post Graduate Education _____

36. Have you served time before? Yes ____ No ____

37. If your answer to the last question was 'Yes', how many times have you been in a correctional institution before this? _____

38. How old were you the first time you were incarcerated? _____

39. How long is your current sentence? _____

40. How much of your current sentence have you already served? _____

41. In what city or county were you living at the time of your current conviction? _____
42. What offense(s) are you currently serving time for _____?
43. What was **your annual household** income prior to your imprisonment?
- \$0 - \$10,000 _____
 - \$10,001 - \$15,000 _____
 - \$15,001 - \$20,000 _____
 - \$20,001 - \$30,000 _____
 - \$30,001 - \$40,000 _____
 - \$40,001 - \$50,000 _____
 - \$50,001 - \$75,000 _____
 - \$75,000 and above _____