Principal Investigators

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_The US financial diaries were created jointly by the NYU Financial Access Initiative, the Center for Financial Services Innovation, and Bankable Frontier Associates._

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Leadership support for the project is provided by the Ford Foundation and the Citi Foundation, with additional support and guidance from the Omidyar Network.
• **What?** Researchers are collecting financial data from more than 200 low- and moderate-income households in four US regions

• **How?** Field researchers visit households regularly over the course of a year to collect detailed data on money spent, earned, saved, borrowed, and invested

• **Why?** To reveal the often-hidden ways that households manage their finances. To promote use of these insights by policy makers and financial providers designing programs and products
Financial diaries overseas

Financial diaries data first collected in India, Bangladesh, and South Africa:
- Developed methodology
- Helped reshape policy conversations and perceptions
Research Locations

- South Bay California
  Urban & Small City

- Eastern Mississippi
  Rural

- New York City
  Urban

- Southwest Ohio & Northern Kentucky
  Urban & Small Town
Financial Diaries process

Stage 1
Recruitment

Stage 2
Confirmation & Initial questionnaires

Stage 3
Diary questionnaires
Summer 2012 – Winter 2013

Stage 4: Modules
One-time questionnaires on special topics
The Financial Diaries Method

Large quantitative surveys

Financial Diaries

Small-scale ethnographic studies

High Frequency Quantitative & Qualitative Deep Dive
Modules

• Aspirations and Attitudes
• Financial choices and knowledge
• Tax time
• Income
• Financial Instruments
• Health
• Gift card experiment
• Data collection through rest of 2013
• Data validation analysis ongoing
• Currently starting to distribute findings and will be ongoing over the next year and a half
• For updates, sign up for a Research Alert on our website: www.usfinancialdiaries.org
Sample Profiles
About this data

• The profiles presented offer a sneak peak at the ideas the research will tackle
• We aren’t finished!
• Too early to draw complete conclusions
• Stay tuned, and check in with us at www.usfinancialdiaries.org
Some early patterns

• Uneven incomes
• Expense spikes don’t match income flows
• “Everyone has a system”
  – Financial planning for both short-term needs and long-term goals
• Resources are often shared with friends and household
• Debt acts as a safety net of last resort
• A Bangladeshi immigrant couple with a small pre-school aged son
• They both have the equivalent of college degrees from their home country, but those credentials are not recognized here—they have to start again
• Both change jobs frequently to take advantage of opportunities to earn more money
• They view education as their best hope of getting ahead—they agree Shaila will go to school first
The Hosseins: Multiple income sources, and frequent job changes

- Shaila’s income from the coffee shop
- Shaila’s income from the dry goods store
- Ahmed’s income from the dry goods store
- Rental income (roomate)
- Ahmed’s income from driving a taxi
- Ahmed’s income from the check cashing firm

- $3000
- $2500
- $2000
- $1500
- $1000
- $500
- 0

The Hosseins: New York’s high rents take up half their monthly expenses
The Hosseins: Income exceeds expenses most months
Rita:
Regular pension, irregular supplements
Rita: Most of her spending happens in the first half of the month.

Note: Spending in the 2nd half of Feb enabled by her first SS check.
Rita: The help she receives makes a real difference in lean months.
The Rodriguez household: Multi-generational interdependence

- Five adults from three generations
- Each household member brings in some income — though it isn’t clear how much goes into the common pot
- Active use of many traditional financial products to save and invest (mortgage, annuities, insurance), budget and pay bills (checking accounts, credit cards and small loans)
- The impact of future shifts in the household is unclear
The Rodriguez’ incomes: Fixed and steady today; but ...
... Uncertain in the future
The Rodriguez’ Expenses: Mix of fixed and variable, with significant debt
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