

NC 1172- The Complex Nature of Saving: Psychological and Economic Factors  
 Face-to-Face Meeting Minutes (NIMSS)  
 Hilton Atlanta Airport, Georgia  
 Wednesday & Thursday - August 11-12, 2010

**Committee members in attendance:**

1. Bowen, Cathy - Chair	The Pennsylvania State University
2. Gorham, Liz - Secretary	South Dakota State University
3. Cho, Soo Hyun	South Dakota State University
4. Gutter, Michael	University of Florida
5. Hayhoe, Celia	Virginia Polytechnic Institute and State University
6. Kim, Jinhee	University of Maryland
7. Loibl, Căzilia	The Ohio State University
8. Lown, Jean	Utah State University
9. Mauldin, Teresa – Vice Chair	University of Georgia
10. Worthy, Sheri	Mississippi State University
11. Porter, Nancy	NIFA Rep
12. Cheang, Michael	University of Hawaii

Absent were: Yi Cai and Allen Martin (both of University of CA); Sharon DeVaney (Purdue University Emeriti); Palaniappa Krishnan (University of Delaware); Catherine Solheim (University of Minnesota); Cole Gustafson (North Dakota State University)

**Greetings/Introductions/Agenda changes**

Tuesday, August 11, 2010 - 8:00 a.m. to 5 p.m.

Wednesday, August 12, 2010 - 8:00 a.m. to 11 a.m.

**Minutes were approved** - moved by Celia and seconded by Michael G.

**Administrative Advisor**, Robin Douthitt of the University of Wisconsin, for medical reasons, was not able to attend but will be submitting names to fill her role on this committee to Christina Hamilton. It may be helpful for us to look at the list of current administrators in the NC region; this is the person that signs off on our meetings and supports our work.

**Representing the National Institute of Food and Agriculture, Nancy Porter** gave us an update on NIFA – pronounced with an ‘if’ in the middle. NIFA has been realigned into 4 institutes and one center. Our closest alignment is through the Institute of youth, family & community. Signature programs are desired in each of the five science areas identified: 1) global food security and hunger, 2) climate change, 3) sustainable energy, 4) childhood and obesity, 5) food safety. The titles of four papers for the 10

recommended research priorities, coming out of the National Research Symposium on Financial Literacy and Education meeting held in DC on October 6-7, 2008, were shared. Committee members volunteered to follow-up on OC-40 monies for mailed survey pilot funding completed by a former committee member.

### **Research Project - Revised instrument review**

#### **Matching of survey questions with citations & list of measures** – presented by Celia and Liz

A discussion was held over points of the survey questioned by mostly new members of the committee. The following actions will be taken:

Cut question #38 on financial risk (duplication unnecessary).

Replace question #38 with the new barriers question (after more tweaking).

We will split Q 62 into a) behavior and b) attitude questions using a scale.

On Qs 59-61, we will call the measures 'Savings and Investing Literacy rather than Financial Knowledge.

### **Proposed addition to survey**

SD proposed an additional psychological behavior variable - Higgins' motivational outcomes. Concerns were expressed about using them with the currently proposed University participants. These questions could be added as a link for South Dakota only at the end of the survey. South Dakota plans to write a proposal to use the survey in SD but will need NC 1172 committee approval (similarly as it had been used in GA or in Turkey).

### **Change in targeted audience**

Because a couple new members of the committee previously had used an online panel study that provided a national sample at a reasonable cost, we will not pursue the University sample as previously proposed. South Dakota State University will receive funds to pay the bill and negotiate the sampling. We hope to be able to limit the sample to a moderate to low-income audience. We will apply for additional OC-40s (operating dollars for noncompetitive funds in amounts of \$5000 to \$10,000) to pay for the survey data collection on a nationally representative sample. If other funds are needed, we will apply again to groups contacted in the past – but we will be asking for fewer dollars to conduct the survey.

### **NIMSS/SAES REPORTS - due October 12 and November 15, 2010**

All committee members are asked to list all their research papers, conference papers, grants, Extension publications, etc., pertaining to savings and to send them the committee chair no later than September 31, 2010. With a prompt response from each committee, the officers should be able to complete the reports due from our committee in a timely manner. NOTE: In Fall 2010 all NCR projects must have non-AES funding support leveraged.

### **Proposed research articles, lead author, cooperating author, targeted journals**

Working on the Measurement Paper (reliability and validity of factors related to savings behavior) will be Celia, Gutter, and possibly DeVaney.

The Structural Equation Model will be the primary article testing the key variables of our final proposed model (found in Angel) – Michael G., Sharon, Teresa, Celia, Jinhee, Sheri, & Soo.

Selected focus paper authorship –

Self-efficacy by Jean with Jinhee, & Michael G.

Financial risk tolerance by Michael G. with Jean, & Soo

Challenges to saving by Theresa with Michael C., & Cathy B.

Race & ethnicity by (maybe) Catherine S. with Liz, Michael G., & Cathy B.

Marital differences by Theresa

Financial learning (economic socialization) by Soo with Michael G., Jinhee, & Theresa

Money attitudes (impulsivity) by Celia with Liz, Sheri, & Jinhee

Age differences by Cäzilia

### **Election of Officers of NC 1172**

The Federal NC1172 cycle of October to November will be used for serving as officers. **Cathy Bowen** has consented to continue to serve as Chair, **Michael Gutter** as Vice-Chair, and **Sheri Worthy** will serve as Secretary of NC1172.

### **Research Sharing**

Michael Gutter – *Savings Behavior of Families in Ankara Turkey's*

Cäzilia Loibl– Current research projects

Jinhee Kim – Using the Panel Study of Income Dynamics - savings of children and young adults

Theresa Mauldin – Poverty grant; three-generation survey; Japanese consumer data

Michael Cheang - *Children's Savings Practices Enabling and Reinforcement Factors, and Barriers to Savings Behavior.*

Cathy Bowen – *Financial Education Needs of VITA Taxpayer* by Lee, T. & Bowen, C. F.

Nancy Porter's Question: How do we reverse the trends of fewer county educators?

### **Future Conference Call Meetings**

Meetings were set for the last Mondays of the month in the fall: September 27; October 25, November 29. Michael G. will host the no-charge calls at 888-808-6959 Access Code 3921228.

Meeting adjourned early at 11:00 a.m., Thursday, August 12, 2010.

Respectfully submitted,

Liz Gorham, Secretary of NC 1172