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**National Survey of
Small Business Finances**

Survey Questionnaire

July 7, 1994

**Sponsored by
Board of Governors of the Federal Reserve and
U.S. Small Business Administration**

FEDERAL RESERVE BOARD OF GOVERNORS

TABLE OF CONTENTS¹

7/7/94

SECTION I - CHARACTERISTICS OF THE FIRM..... pp. 1-29

- A. Screening Informationpp.1-8
- B. Organization Demographicspp. 9-18
- C. Personal Characteristics of Ownerspp. 19-25
- D. Firm Demographics.....pp. 26-29

SECTION II - SOURCES OF FINANCIAL SERVICES..... pp. 30-80

- E. Use of Deposit Servicespp. 30-32
- F. Use of Credit and Financingpp. 33-49
- G. Use of Other Financial Servicespp. 50-54
- H. Relationships with Financial Institutions.....pp. 55-57
- J. Most Recent Credit Applicationpp. 58-70
- K. Solicitation.....p. 71
- L. Use of Trade Credit.....pp. 72-75
- M. New Equity Investments in the Firmpp. 76-80

SECTION III - INCOME AND EXPENSES..... pp. 81-89

- N. Reference Periodp. 81
- P. Income and Expenses.....pp. 82-89

SECTION IV - BALANCE SHEET pp. 90-104

- R. Assets.....pp. 90-95
- S. Liabilities and Equitypp. 96-102
- U. Credit Worthiness.....pp. 103-104

¹Note that subsections I, O, Q, and T are intentionally omitted.

CONVENTIONS

QUESTION TEXT:

UPPERCASE:	Interviewer instructions
PROMPT:	Read if necessary
READ:	Read to all respondents
[lowercase text]:	Variable; CATI program will substitute appropriate text

ANSWER CATEGORIES:

lowercase:	Read response categories to respondent
UPPERCASE:	Do <u>not</u> read categories to respondent
(CAPS):	Variable; CATI program will substitute appropriate text

ORGANIZATION:

- I. Major section
 - A. Subsection
 - A1. Question
 - A1.1 Inserted question
 - A2. Question
 - ..
 - D. Subsection
- II. Major section
 - E. Subsection
 - ..

BOLD: GO TO and GO TO TARGET

SECTION I - CHARACTERISTICS OF THE FIRM

A. SCREENING INFORMATION

SCREEN FOR OWNER

READ: Hello, my name is _____. I'm calling from Price Waterhouse in Washington, DC on behalf of the Federal Reserve Board.

A1. May I speak with ((EXECUTIVE)/the owner or top executive of (FIRM)]/REFERRAL).

1 = YES, THIS IS [THE OWNER OR TOP EXECUTIVE/(EXECUTIVE)]

→ **GO TO READ ABOVE A3**

2 = YES, [THE OWNER OR TOP EXECUTIVE/(EXECUTIVE)] COMES TO PHONE

→ **REPEAT READ ABOVE A1, THEN GO TO READ ABOVE A3**

3 = YES, THIS IS THE REFERRAL → **GO TO READ ABOVE A3**

4 = YES, THE REFERRAL COMES TO THE PHONE

→ **REPEAT READ ABOVE A1, THEN GO TO READ ABOVE A3**

5 = NO, NOT AVAILABLE

→ **GO TO STATUS SCREEN OR IDENTIFY ALTERNATE RESPONDENT**

6 = WRONG NAME/NO LONGER WITH FIRM

A2. Who is currently the owner or top executive of (FIRM)?

NAME: _____

GO TO A1

SCREEN FOR CORRECT BUSINESS INFO

READ: Price Waterhouse is conducting a survey of small business finances on behalf of the Federal Reserve Board and the Small Business Administration. We would like to verify our listing for your firm and mail [you/EXECUTIVE] information about the survey.

A3. Is (FIRM)'s mailing address (ADDRESS, CITY, STATE, ZIP)?

1 = YES → **GO TO A4**

2 = NO

8 = DK }

9 = RF } → **GO TO A4**

A3.1 What is (FIRM)'s correct mailing address?

COLLECT NEW INFORMATION

ADDRESS: _____

CITY: _____

STATE: _____

ZIP: _____

A4. Is [your/EXECUTIVE's] title (TITLE)?

1 = YES → GO TO A5

2 = NO

8 = DK }

9 = RF } → GO TO A5

A4.1 What is [your/EXECUTIVE's] title?

COLLECT NEW INFORMATION

TITLE: _____

A5. Can [you/EXECUTIVE] best be reached at (PHONE #)?

1 = YES → GO TO A6

2 = NO

8 = DK }

9 = RF } → GO TO A6

A5.1 At what phone number can [you/EXECUTIVE] best be reached?

COLLECT NEW INFORMATION

PHONE: _____

A6. Is this the headquarters or main office of (FIRM)?

1 = YES

2 = NO → READ: Thank you for your time. This is a survey for main offices only. Goodbye.

8 = DK

9 = RF

A7. Is (FIRM) a non-profit organization?

PROMPT: Does (FIRM) have a special designation or recognition from the IRS as a non-profit organization?

1 = YES → READ: Thank you for your time. This is a survey of for-profit businesses only. Goodbye.

2 = NO

8 = DK

9 = RF

A8. Is (FIRM) owned by a local, state, or federal government agency?

1 = YES → READ: Thank you for your time. This is a survey of privately owned businesses only. Goodbye.

2 = NO

8 = DK

9 = RF

A8.1 Is (FIRM) a subsidiary of another firm?

1 = YES

2 = NO → **GO TO A10**

8 = DK

9 = RF

A9. Does another company own more than 50 percent of (FIRM)?

1 = YES → READ: Thank you for your time. This is a survey of independently operated businesses only. Goodbye.

2 = NO

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK

9 = RF

A10. Was (FIRM) in business under the current ownership for any part of the year ending December 31, 1992?

1 = YES

2 = NO

→

READ:

Thank you for your time. This is a survey of firms that were in business under the current ownership in 1992 only.

8 = DK

9 = RF

A11. Including owners who worked for the firm, what was the average number of paid full-time employees in 1993?

PROMPT: Could you give an estimate?

PROMPT: We need to know the average number of full-time employees during the part of 1993 that the firm was in business.

NUMBER: _____

IF 500 OR MORE, READ: Thank you for your time. This is a survey of small businesses only. Goodbye.

A12. Including owners who worked for the firm, what was the average number of paid part-time employees in 1993?

PROMPT: Could you give an estimate?

NUMBER: _____

CALCULATE 1993 FULL-TIME EQUIVALENTS = (A11) + (0.5 x A12) AND RECORD BELOW

NUMBER: _____

IF 500 OR MORE, READ: Thank you for your time. This is a survey of small businesses only. Goodbye.

IF NON-MINORITY SAMPLE, SCREENING ENDS -- **GO TO A19**

A13.1 Is (FIRM) a sole proprietorship?

PROMPT: A sole proprietorship is an unincorporated business owned by a single person. The individual proprietor has the right to all the profits from the business and also the responsibility for all the firm's liabilities.

1 = YES → **GO TO A17**

2 = NO

8 = DK

9 = RF

PARTNERSHIPS, S-CORPORATIONS, CORPORATIONS

A14. Is more than 50 percent of the firm owned by blacks or African Americans, Asians, Pacific Islanders, American Indians, or Alaskan natives?

1 = YES

2 = NO → **GO TO A16**

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK }

9 = RF } → **GO TO A16**

A15. What minority race or races own [more than/exactly] 50 percent of the firm?

IF MORE THAN ONE RACE, USE CODE 5 AND ENTER RACES

1 = BLACK/AFRICAN AMERICAN

2 = ASIAN/PACIFIC ISLANDER

3 = AMERICAN INDIAN OR ALASKAN NATIVE

4 = OTHER (SPECIFY): _____

5 = MULTIPLE (SPECIFY): _____

8 = DK

9 = RF

A16. Is more than 50 percent of the firm owned by persons who are of Hispanic origin or descent?

PROMPT: This group includes Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

1 = YES

2 = NO

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK

9 = RF

GO TO A19

PROPRIETORSHIPS

A17. What is [your race/the race of the owner]: Is it white, black or African American, Asian, Pacific Islander, American Indian or Alaskan Native such as Eskimo or Aleut, or some other race?

1 = WHITE

2 = BLACK/AFRICAN AMERICAN

3 = ASIAN/PACIFIC ISLANDER

4 = AMERICAN INDIAN OR ALASKAN NATIVE

5 = OTHER (SPECIFY): _____

8 = DK

9 = RF

A18. [Are you/Is the owner of the firm] of Hispanic origin or descent?

PROMPT: This group includes Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

1 = YES

2 = NO

8 = DK

9 = RF

A19. DID THE OWNER/TOP EXECUTIVE INDICATE A REFERRAL NAME?

1 = YES

2 = NO

→ READ: Thank you very much for your help. [You/(EXECUTIVE)] will soon receive a package of materials from the Federal Reserve Board describing the survey. Please [ask (EXECUTIVE) to] review the materials. A Price Waterhouse representative will be calling shortly after [you/(EXECUTIVE)] receive[s] the package. SCREENING ENDS

A19.1 COLLECT REFERRAL INFORMATION

NAME: _____

TITLE: _____

PHONE: _____

READ: Thank you very much for your help. [You/(EXECUTIVE)] will soon receive a package of materials from the Federal Reserve Board describing the survey. Please [ask (EXECUTIVE) to] review the materials.

**IF SCREENING WITH REFERRAL (A1 CODED 3 OR 4), GO TO SECOND READ
IF SCREENING WITH OTHER PERSON (A1 CODED 5), GO TO THIRD READ**

READ: Although the mail package will be addressed to you, please forward it to (REFERRAL). A Price Waterhouse representative will be calling (REFERRAL) shortly after [you/(EXECUTIVE)] receive[s] the package. Thank you again. Goodbye. SCREENING ENDS

READ: Although the mail package will be addressed to (EXECUTIVE), please ask that it be forwarded to you. A Price Waterhouse representative will be calling you shortly after (EXECUTIVE) receives the package. Thank you again. Goodbye. SCREENING ENDS

READ: Although the mail package will be addressed to (EXECUTIVE), please request that it be forwarded to (REFERRAL). A Price Waterhouse representative will be calling shortly after (EXECUTIVE) receives the package. Thank you again. Goodbye. SCREENING ENDS

MAIN INTERVIEW

SCREEN FOR OWNER

READ: Hello, my name is _____. I'm calling from Price Waterhouse in Washington, DC, on behalf of the Federal Reserve Board.

A20. May I speak with [(EXECUTIVE)/(REFERRAL)].

1 = YES, THIS IS HE/SHE

→ **GO TO READ ABOVE A21.**

2 = YES, COMES TO PHONE

→ **REPEAT READ ABOVE A20, THEN
GO TO READ ABOVE A21.**

3 = NO, UNAVAILABLE

→ **READ:** I will try to reach (him/her) at another time. Thank you.
Goodbye.

4 = CHANGE CONTACT NAME

→ **LOCATE CONTACT, GO TO A20**

READ: We sent you a package of materials describing the National Survey of Small Business Finances, which we are conducting on behalf of the Federal Reserve Board. Your firm has been statistically selected to take part in the survey. The survey is being conducted to provide the Federal Reserve Board and other government agencies with information on the cost and availability of financing to small businesses.

A21. Are you the owner or top executive of (FIRM)?

1 = YES → **GO TO SECTION B**

2 = NO

A22. What is your title within the firm?

TITLE: _____

B. ORGANIZATION DEMOGRAPHICS

SKIP: IF HEADQUARTERS OR MAIN OFFICE LOCATION UNKNOWN, GO TO B1.1
IF OWNER INTERVIEWED DURING SCREENER, GO TO SKIP ABOVE B2

B1. Our records indicate that this is the headquarters or main office of (FIRM). Is that correct?

1 = YES → **GO TO SKIP ABOVE B2**

2 = NO → READ: Thank you for your time. This is a survey for main offices only. Goodbye.

8 = DK

9 = RF

B1.1 Is this the headquarters or main office of (FIRM)?

1 = YES

2 = NO → READ: Thank you for your time. This is a survey for main offices only. Goodbye.

SKIP: IF PROFIT STATUS UNKNOWN GO TO B2.1
IF OWNER INTERVIEWED DURING SCREENER, GO TO SKIP ABOVE B3

B2. Our records indicate that (FIRM) is a for-profit organization. Is that correct?

PROMPT: A not-for-profit firm has a special designation or recognition from the IRS as a non-profit organization.

1 = YES → **GO TO SKIP ABOVE B3**

2 = NO → READ: Thank you for your time. This is a survey of for-profit businesses only. Goodbye.

8 = DK

9 = RF

B2.1 Is (FIRM) a non-profit organization?

PROMPT: Does (FIRM) have a special designation or recognition from the IRS as a non-profit organization?

1 = YES → READ: Thank you for your time. This is a survey of for-profit businesses only. Goodbye.

2 = NO

SKIP: IF OWNERSHIP BY LOCAL, STATE, OR FEDERAL GOVERNMENT UNKNOWN, **GO TO B3.1**
IF OWNER INTERVIEWED DURING SCREENER, **GO TO SKIP ABOVE B3.2**

B3. Our records indicate that (FIRM) is not owned by a local, state, or federal government agency. Is that correct?

1 = YES → **GO TO SKIP ABOVE B3.2**

2 = NO → READ: Thank you for your time. This is a survey of privately owned businesses only. Goodbye.

8 = DK

9 = RF

B3.1 Is (FIRM) owned by a local, state, or federal government agency?

1 = YES → READ: Thank you for your time. This is a survey of privately owned businesses only. Goodbye.

2 = NO

SKIP: IF SUBSIDIARY UNKNOWN, **GO TO B3.3**

IF OWNER INTERVIEWED DURING SCREENER AND SUBSIDIARY = YES, **GO TO SKIP ABOVE B4**

IF OWNER INTERVIEWED DURING SCREENER AND SUBSIDIARY = NO, **GO TO B4.2**

B3.2 Our records indicate that (FIRM) is not a subsidiary of another firm. Is that correct?

1 = YES → **GO TO B4.2**

2 = NO → **GO TO SKIP ABOVE B4**

8 = DK

9 = RF

B3.3 Is (FIRM) a subsidiary of another firm?

1 = YES

2 = NO → **GO TO B4.2**

SKIP: IF 50 PERCENT UNKNOWN GO TO B4.1

IF OWNER INTERVIEWED DURING SCREENER GO TO B4.2

B4. Our records indicate that another firm does not own more than 50 percent of (FIRM). Is that correct?

1 = YES → **GO TO B4.2**

2 = NO → **READ:** Thank you for your time. This is a survey of independently operated businesses only. Goodbye.

8 = DK

9 = RF

B4.1 Does another company own more than 50 percent of (FIRM)?

1 = YES → **READ:** Thank you for your time. This is a survey of independently operated businesses only. Goodbye.

2 = NO

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

B4.2 For 1992, was (FIRM) on a fiscal year or a calendar year for accounting purposes?

1 = FISCAL

2 = CALENDAR }

8 = DK }

9 = RF } → **GO TO B5**

B4.3 What was the end date for the 1992 fiscal year?

MONTH: _____ DAY: _____ YEAR: _____

B5. Was (FIRM) in business under the current ownership for any part of the [fiscal year ending (MONTH, DAY, YEAR)/year ending December 31, 1992]?

1 = YES

2 = NO

→

READ:

Thank you for your time. This survey is only for firms that were in business for some part of 1992 under the current ownership. Goodbye.

SKIP: IF NO SIC CODE ON FILE, GO TO B7

B6. Our records indicate the principal activity of the firm is (SIC CODE DESCRIPTION). Is that correct?

PROMPT: We need to generally classify your firm's activities. Do your firm's activities fall under that description?

1 = YES

→

GO TO B9

2 = NO

8 = DK

9 = RF

B7. What is the principal activity of the firm?

PROMPT: What does the firm do or make?

B9. Is (FIRM) considered to be a sole proprietorship, a partnership, an S-corporation, or a corporation?

PROMPT: A sole proprietorship is an unincorporated business owned by a single person. The individual proprietor has the right to all the profits from the business and also the responsibility for all the firm's liabilities.

PROMPT: A partnership is a business owned by two or more people.

PROMPT: An S-corporation is a corporation that does not pay tax on its income. To qualify for S-corporation status, the firm (1) must be a U.S. corporation, (2) must have only one class of stock and no more than 35 shareholders, and (3) may not have organizations or non-U.S. citizens as shareholders.

PROMPT: A corporation (or C-corporation) is a business that has been granted a state charter recognizing it as a separate legal entity having its own rights, privileges, and liabilities distinct from those of the individuals that form the business.

- 1 = PROPRIETORSHIP
- 2 = PARTNERSHIP
- 3 = S-CORPORATION
- 4 = CORPORATION

INTERVIEW CANNOT CONTINUE UNTIL ORGANIZATION "TYPE" IS ASSIGNED

B9.1 Was (FIRM) a (TYPE) for the 1992 [fiscal/calendar] year?

- 1 = YES → **GO TO SKIP ABOVE B10**
- 2 = NO
- 8 = DK }
- 9 = RF } → **GO TO SKIP ABOVE B10**

B9.2 What was (FIRM)'s form of organization for the 1992 [fiscal/calendar] year?

- 1 = PROPRIETORSHIP
- 2 = PARTNERSHIP
- 3 = S-CORPORATION
- 4 = CORPORATION

SKIP: IF NUMBER OF FULL-TIME EMPLOYEES UNKNOWN, GO TO B11
IF OWNER INTERVIEWED DURING SCREENER, GO TO SKIP ABOVE B12

B10. Our records indicate that (FIRM)'s average number of paid full-time employees in 1993 was _____. Is this correct?

- 1 = YES → **GO TO SKIP ABOVE B12**
 2 = NO
 8 = DK
 9 = RF

B11. Including owners who worked full-time for the firm, what was the average number of paid full-time employees in 1993?

IF DK OR RF: Could you give an estimate?

NUMBER: _____

IF 500 OR MORE, READ: Thank you for your time. This is a survey of small businesses only.
 Goodbye.

SKIP: IF NUMBER OF PART-TIME EMPLOYEES UNKNOWN, **GO TO B13**
 IF OWNER INTERVIEWED DURING SCREENER, **GO TO CALCULATE**

B12. Our records indicate that (FIRM)'s average number of paid part-time employees in 1993 was _____. Is this correct?

- 1 = YES → **GO TO CALCULATE**
 2 = NO
 8 = DK
 9 = RF

B13. Including owners who worked for the firm, what was the average number of paid part-time employees in 1993?

IF DK OR RF: Could you give an estimate?

NUMBER: _____

CALCULATE IF B10 IS YES, SUBSTITUTE A11 FOR B11 IN FOLLOWING EQUATION. IF B12 IS YES, SUBSTITUTE A12 FOR B13 IN FOLLOWING EQUATION. 1993 FULL-TIME EQUIVALENTS = (B11) + (0.5 x B13) AND RECORD BELOW.

NUMBER: _____

IF 500 OR MORE, READ: Thank you for your time. This is a survey of small businesses only. Goodbye.

READ DEPENDENT PHRASE ONLY IF NUMBER OF FULL-TIME EMPLOYEES KNOWN FROM SCREENER AND OWNER INTERVIEWED DURING SCREENER

B13.1 [Our records indicate that (FIRM)'s average number of paid full-time employees in 1993 was _____.]Including owners who worked for the firm, what was the average number of paid full-time employees in 1990?

IF DK OR RF: Could you give an estimate?

INTERVIEWER: Enter -1 if not in business in 1990

NUMBER: _____

SKIP: IF FIRM NOT IN BUSINESS IN 1990 (B13.1 CODED -1), **GO TO B13.3**

READ DEPENDENT PHRASE ONLY IF NUMBER OF PART-TIME EMPLOYEES KNOWN FROM SCREENER AND OWNER INTERVIEWED DURING SCREENER

B13.2 [Our records indicate that (FIRM)'s average number of paid part-time employees in 1993 was _____.]Including owners who worked for the firm, what was the average number of paid part-time employees in 1990?

IF DK OR RF: Could you give an estimate?

INTERVIEWER: Enter -1 if not in business in 1990

NUMBER: _____

B13.3 During 1993, how many new paid employees were hired, including both full- and part-time employees?

NUMBER: _____

B13.4 During 1993, how many paid employees left the firm, including both full- and part-time employees?

PROMPT: Employees who left the firm include those who quit, were laid off, or were fired.

NUMBER: _____

B13.5 During 1993, what was the average number of paid employees at the firm engaged in research and development activities, including both full- and part-time employees?

NUMBER: _____

SKIP: IF PROPRIETORSHIP, GO TO SKIP ABOVE B17

PARTNERSHIPS OR CORPORATIONS

SKIP: IF MINORITY SAMPLE, OWNER INTERVIEWED DURING SCREENER, AND MORE THAN 50 PERCENT OWNERSHIP KNOWN, GO TO SKIP ABOVE B15

B14. Is more than 50 percent of the firm owned by blacks or African Americans, Asians, Pacific Islanders, American Indians, or Alaskan Natives?

1 = YES

2 = NO → **GO TO B16**

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK }

9 = RF → **GO TO B16**

SKIP: IF MINORITY SAMPLE, OWNER INTERVIEWED DURING SCREENER, AND RACE OWNING 50 PERCENT KNOWN, GO TO SKIP ABOVE B16

B15. What minority race or races own [more than/exactly] 50 percent of the firm?

IF SEVERAL OWNERS OF DIFFERENT RACES, USE CODE 5 AND ENTER RACES.

- 1 = BLACK/AFRICAN AMERICAN
- 2 = ASIAN/PACIFIC ISLANDER
- 3 = AMERICAN INDIAN OR ALASKAN NATIVE
- 4 = OTHER (SPECIFY): _____
- 5 = MULTIPLE (SPECIFY): _____
- 8 = DK
- 9 = RF

SKIP: IF MINORITY SAMPLE, OWNER INTERVIEWED DURING SCREENER, AND HISPANIC OWNERSHIP KNOWN, **GO TO SECTION C**

B16. Is more than 50 percent of the firm owned by persons who are of Hispanic origin or descent?

PROMPT: This group includes Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

- 1 = YES
- 2 = NO
- 3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)
- 8 = DK
- 9 = RF

GO TO SECTION C

PROPRIETORSHIPS

SKIP: IF MINORITY SAMPLE, OWNER INTERVIEWED DURING SCREENER, AND OWNER'S RACE KNOWN, **GO TO SKIP ABOVE B18**

B17. What is [your race/the race of the owner]: Is it white, black or African American, Asian, Pacific Islander, American Indian, Alaskan Native such as Eskimo or Aleut, or some other race?

- 1 = WHITE
- 2 = BLACK/AFRICAN AMERICAN
- 3 = ASIAN/PACIFIC ISLANDER
- 4 = AMERICAN INDIAN OR ALASKAN NATIVE
- 5 = OTHER (SPECIFY): _____
- 8 = DK
- 9 = RF

SKIP: IF MINORITY SAMPLE, OWNER INTERVIEWED DURING SCREENER, AND HISPANIC OWNERSHIP KNOWN, **GO TO SECTION C**

B18. [Are you/Is the owner of the firm] of Hispanic origin or descent?

PROMPT: This group includes Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

C. PERSONAL CHARACTERISTICS OF OWNER(S)

IF PARTNERSHIP GO TO C12

IF S-CORPORATION OR CORPORATION GO TO C25

PROPRIETORSHIPS

C1. [DO NOT ASK IF CLEAR FROM NAME AND VOICE: Are you/Is the owner] male or female?

- 1 = MALE
- 2 = FEMALE
- 8 = DK
- 9 = RF

C2. Who is responsible for day-to-day management of the firm: the owner, or a hired employee or paid manager?

- 1 = OWNER
- 2 = HIRED EMPLOYEE/PAID MANAGER
- 8 = DK
- 9 = RF

C3. What is [your age/the age of the owner]?

YEARS: _____

C4. What is the highest grade of formal education that [you have/the owner has] completed?
(READ ONLY IF NECESSARY)

- 1 = 8th grade or less
- 2 = 9th through 11th grade
- 3 = High school graduate or equivalent
- 4 = Some college, including two-year technical degree (EO, AA, etc.)
- 5 = Four-year college degree (BA, BS, AB, etc.)
- 6 = Post-graduate studies/degree (MBA, MS, MA, PhD, JD, MD, DDS, etc.)
- 8 = DK
- 9 = RF

- C6. How many years of experience [have you/has the owner] had managing or owning a business, including this business?

YEARS: _____

- C8. [Did you found this business/Was this business founded by the current owner], or was an existing business purchased, inherited, or acquired as a gift?

1 = FOUNDED

2 = PURCHASED

3 = INHERITED OR GIFT

8 = DK

9 = RF

- C9. In what year was the firm [founded/purchased/acquired]?

YEAR: _____

GO TO SECTION D

PARTNERSHIPS

- C12. Is more than 50 percent of the firm owned by women?

1 = YES

2 = NO

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK

9 = RF

- C13. Is more than 50 percent of the firm owned by a single family?

PROMPT: A single family does not need to be limited to an immediate family. It may include an extended family group related through marriage.

1 = YES

2 = NO

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK

9 = RF

C14. Who is responsible for day-to-day management of the firm: a partner, or a hired employee or paid manager?

- 1 = PARTNER
- 2 = HIRED EMPLOYEE/PAID MANAGER
- 8 = DK
- 9 = RF

READ: The next few questions refer to the principal owner of the firm. This is typically the partner who has the largest ownership share and has the primary authority to make financial decisions.

PROMPT IF TWO OR MORE WITH EQUAL SHARES: Please choose a partner who has full financial decision-making authority and answer for that individual.

C15. What is the age of the principal owner?

YEARS: _____

C16. What is the highest grade of formal education that the principal owner has completed?
(READ ONLY IF NECESSARY)

- 1 = 8th grade or less
- 2 = 9th through 11th grade
- 3 = High school graduate or equivalent
- 4 = Some college, including two-year technical degree (EO, AA, etc.)
- 5 = Four-year college degree (BA, BS, AB, etc.)
- 6 = Post-graduate studies/degree (MBA, MS, MA, PhD, JD, MD, DDS, etc.)
- 8 = DK
- 9 = RF

C18. How many years of experience has the principal owner had managing or owning a business, including this business?

YEARS: _____

C20. What percentage of the firm is owned by the principal owner?

_____ %

CHECK: C20 MUST BE MORE THAN 0% BUT LESS THAN 100%.

C21. How many general partners does the firm have?

PROMPT: General partners are liable for all the firm's debts. Actions of one partner are binding on each of the other general partners.

NUMBER: _____

C21.1 Does the firm have any limited partners?

PROMPT: Limited partners contribute capital or equity to the firm, but generally their liability is limited to their contribution, and generally actions by limited partners are not binding on each of the other partners.

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO C22**

C21.2 What percentage of the firm is owned by all limited partners?

_____ %

C22. Was the firm founded by one or more of the current partners, or was an existing business purchased, inherited, or acquired as a gift?

1 = FOUNDED

2 = PURCHASED

3 = INHERITED OR GIFT

8 = DK

9 = RF

C23. In what year was the firm (founded/purchased/acquired)?

YEAR: _____

GO TO SECTION DS-CORPORATIONS AND CORPORATIONS

C25. Is more than 50 percent of the firm owned by women?

1 = YES

2 = NO

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK

9 = RF

C26. Who is responsible for day-to-day management of the firm: a stockholder, or a hired employee or paid manager?

1 = STOCKHOLDER

2 = HIRED EMPLOYEE/PAID MANAGER

8 = DK

9 = RF

C27. Is more than 50 percent of the firm owned by a single family?

PROMPT: A single family does not need to be limited to an immediate family. It may include an extended family group related through marriage.

1 = YES

2 = NO

3 = EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)

8 = DK

9 = RF

READ: The next few questions refer to the principal owner of the firm. This is typically the owner who has the largest ownership share and has the primary authority to make financial decisions.

PROMPT IF TWO OR MORE WITH EQUAL SHARES: Please choose an owner who has full financial decision-making authority and answer for that individual.

C28. What is the age of the principal owner?

YEARS: _____

C29. What is the highest grade of formal education that the principal owner has completed?
(READ ONLY IF NECESSARY)

- 1 = 8th grade or less
- 2 = 9th through 11th grade
- 3 = High school graduate or equivalent
- 4 = Some college, including two-year technical degree (EO, AA, etc.)
- 5 = College degree (BA, BS, AB, etc.)
- 6 = Post graduate studies/degree (MBA, MS, MA, PhD, JD, MD, DDS, etc.)
- 8 = DK
- 9 = RF

C31. How many years of experience has the principal owner had managing or owning a business, including this business?

YEARS: _____

C33. What is the ownership share of the principal owner?

IF EQUAL SHARES, ENTER THAT PERCENTAGE OWNERSHIP (MAXIMUM PERCENT OWNED BY ANY ONE SHAREHOLDER)

_____ %

C34. Is the corporation's stock traded on exchanges such as NASDAQ, the New York Stock Exchange, or the American Stock Exchange?

PROMPT: Is the corporation's stock publicly traded in markets that required it to file a 10-K, 10-Q, 10-KSB, or 10-QSB form with the Securities and Exchange Commission?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → GO TO C36

C35. In what year was the firm's stock first publicly traded?

YEAR: _____

GO TO C39

C36. Was the firm founded by one or more of the current stockholders, or was an existing business purchased, inherited, or acquired as a gift?

1 = FOUNDED

2 = PURCHASED

3 = INHERITED OR GIFT

8 = DK

9 = RF

C37. In what year was the firm [founded/purchased/acquired]?

YEAR: _____

C39. How many stockholders does (FIRM) have?

NUMBER: _____

CHECK: IF S-CORPORATION, C39 MUST BE LESS THAN OR EQUAL TO 35.

D. FIRM DEMOGRAPHICS

IF NO ZIP CODE ON FILE, **GO TO D2.**

D1. Is the firm's main office physically located in the (ZIP CODE ON FILE) ZIP Code area?

1 = YES → **GO TO D3**

2 = NO

8 = DK

9 = RF

D2. What is the city, state, and ZIP Code area where the firm's main office is physically located?

CITY: _____ STATE: _____ ZIP CODE: _____

D3. In what [county/parish/borough] is the firm's main office located?

USE "COUNTY" UNLESS STATE=LA (SUBSTITUTE "PARISH") OR STATE=AK (SUBSTITUTE "BOROUGH")

IF NOT LOCATED IN A COUNTY, ENTER "NONE"

COUNTY: _____

D4. At how many different sites does the firm have offices, plants, or stores, including the main office?

PROMPT: A site is usually defined as an economic unit, generally at a single physical location, where business is conducted or services or industrial operations are performed.

NUMBER: _____

IF D4 = 1, **GO TO D6**

D5. Again including the main office, how many of these sites are located in the same (metropolitan area/county) as the main office? USE "METROPOLITAN AREA" FOR FIRMS IN METROPOLITAN AREAS, "COUNTY/PARISH/BOROUGH" FOR OTHER FIRMS.

NUMBER: _____

CHECK: D5 MUST BE LESS THAN OR EQUAL TO D4, IF BOTH ANSWERED.

D6. Where does the firm primarily sell or deliver its products? In the same area as the firm's main office, within the geographic region, throughout the nation, or outside the United States?

1 = IN THE SAME AREA AS THE FIRM'S MAIN OFFICE

2 = REGIONALLY

3 = NATIONALLY

4 = OUTSIDE THE UNITED STATES → **GO TO D8**

8 = DK

9 = RF

D7. Does the firm export any products to countries outside the United States?

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO D9**

D8. During 1993, what percentage of the firm's annual sales were made outside the United States?

_____ %

CHECK: D8 MUST BE LESS THAN OR EQUAL TO 100%

D9. Is the firm an independent company or a franchise?

PROMPT: Does the firm have to pay a franchise licensing fee?

1 = INDEPENDENT/NOT A FRANCHISE

2 = FRANCHISE

8 = DK

9 = RF

D10. Does the firm provide, to any or all employees, a paid pension plan, including defined benefit plans, 401(k) plan, profit sharing, or Employee Stock Ownership Plan?

PROMPT: A 401(k) plan is a retirement plan created and administered by the firm.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

D11. Does the firm provide any paid health insurance to any or all employees?

PROMPT: To answer "yes", the firm must have paid some part of the cost of the insurance above the administrative expenses. However, the coverage may have been offered to only some employees.

- 1 = YES → **GO TO D13**
- 2 = NO
- 8 = DK }
- 9 = RF } → **GO TO D13**

D12. What is the main reason the firm does not offer paid health insurance?
(CHECK ALL THAT APPLY)

- 1 = CANNOT AFFORD
- 2 = EMPLOYEES ALREADY COVERED/DON'T NEED OR WANT
- 3 = INSURANCE COMPANY REJECTED OR DROPPED
- 4 = TOO MUCH RED TAPE/ADMINISTRATIVE BURDEN
- 5 = HIGH EMPLOYEE TURNOVER/MOSTLY PART TIME
- 6 = FIRM DOES NOT NEED HEALTH BENEFITS TO ATTRACT EMPLOYEES
- 7 = OTHER (SPECIFY): _____
- 8 = DK
- 9 = RF

D13. The next questions are about problems some businesses face. For each, please tell me whether it was a serious problem, somewhat of a problem, or not a problem at all for your firm during the past 12 months.

(RESPONSES SCRAMBLED)

	Ser	Some	Not	DK	RF
a. Training employees	1	2	3	8	9
b. Worker's compensation costs	1	2	3	8	9
c. Health insurance costs	1	2	3	8	9
d. Credit market conditions	1	2	3	8	9
e. IRS regulations or penalties	1	2	3	8	9
f. Environmental regulations	1	2	3	8	9
g. Americans with Disabilities Act	1	2	3	8	9
h. OSHA (Occupational Safety and Health Act)	1	2	3	8	9
i. Family and Medical Leave Act	1	2	3	8	9

D14. What do you think will be the most important issue affecting your firm over the next 12 months?

SECTION II - SOURCES OF FINANCIAL SERVICES

THIS SECTION DEVELOPS A ROSTER OF INSTITUTIONS OR INDIVIDUALS THAT ARE SOURCES OF FINANCIAL SERVICES USED BY THE BUSINESS. AS THE RESPONDENT IDENTIFIES A NEW INSTITUTION OR INDIVIDUAL AS A SOURCE, THE SOURCE'S FULL NAME IS ENTERED ON THE NEXT LINE OF THE ROSTER, BESIDE THE NUMBER. WHEN THE RESPONDENT INDICATES USING A PARTICULAR SOURCE FOR A NAMED SERVICE, IT IS RECORDED. DK AND RF RESPONSES ARE NOT ALLOWED FOR SOURCE NAMES -- INST1, INST2, OR PERSON1, PERSON2, ETC. -- MUST BE RECORDED.

READ: Throughout the rest of this interview, please answer for the entire company-- that is, the main office and all branches and subsidiary companies.

READ: The next questions are used to identify all the financial services the firm was using for business purposes as of December 1993 and the financial institutions and other sources that were providing these services. If you have the worksheets we sent you, please turn to page 1.

E. USE OF DEPOSIT SERVICES

READ: The first questions are about accounts and investments typically held in banks, savings institutions, and brokerage or mutual fund companies. The reference period for these questions is 1993.

CHECKING ACCOUNTS

E1. Did the firm have any checking accounts as of year end 1993?

READ ONLY IF ASKED BY RESPONDENT: Money Market Deposit Accounts (MMDAs) and Money Market Mutual Funds (MMFs) should be classified as checking accounts only if they offered unlimited checking privileges. Typical limitations on checking would include restrictions on the number of checks written per month or on the smallest amount for which a check could be written.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO E4**

E2. What is the full name of the [first/next] institution where the firm had checking accounts?
And a short name? PROBE: Any others?

RECORD NAMES ON ROSTER AND SET "CHECKING ACCOUNT" FLAGS.

IF MORE THAN THREE SOURCES ARE LISTED:

E2.1 I have recorded checking accounts at (READ NAMES). Which two have the largest balances?

ENTER A CODE FOR EACH OF THE TWO LARGEST SOURCES, AND ENTER CODE "30" ("ALL OTHER SOURCES COMBINED") AS THE THIRD CODE

IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH INSTITUTION

FOR EACH CODE, ASK E3

E3. Over the course of a month in 1993, what was the typical balance in the firm's checking accounts at (NAME)?

PROMPT: Could you give an estimate?

AMOUNT: \$ _____

GO TO E3 FOR NEXT SOURCE OR, IF DONE, CONTINUE TO E4

SAVINGS ACCOUNTS

E4. Excluding retirement accounts, pension funds, and trusts, did the firm have any savings accounts, money market accounts, share accounts, certificates of deposit or CDs, or other time deposits as of year end 1993?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO SECTION F**

E5. Did the firm have savings accounts at (READ EACH NAME ON ROSTER)?

MARK SAVINGS ACCOUNT BOX FOR EACH SOURCE

Did the firm have a savings account at any other institutions as of December 1993?

IF YES:

E5.1 What is the full name of the [first/next] source where the firm had a savings account? And a short name? PROBE: Any others?

RECORD EACH NAME IN ROSTER AND SET A "SAVINGS ACCOUNT" FLAG

IF MORE THAN THREE SOURCES ARE LISTED:

I have recorded savings accounts at (READ NAMES). Which two have the largest balances?

ENTER CODES FOR THESE TWO SOURCES AND ENTER "30" FOR "ALL OTHER SOURCES COMBINED" AS THE THIRD CODE

IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH SOURCE FOR EACH CODE, ASK E6

E6. Excluding retirement accounts, pension funds, and trusts, what was the typical balance in the firm's savings accounts at (NAME) over the course of a month in 1993?

PROMPT: Could you give an estimate?

AMOUNT: \$ _____

GO TO E6 FOR NEXT SOURCE OR, IF DONE, CONTINUE TO SECTION F

F. USE OF CREDIT AND FINANCING

The next questions are about capital leases, lines of credit, or loans the firm may have obtained from financial institutions or other sources of financing.

CREDIT CARDS

READ: First, I would like to ask a few questions about credit cards.

F1. Did the firm use business credit cards to finance business expenses during 1993?

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

F2. Did the firm use owners' personal credit cards to finance business expenses during 1993?

PROMPT: Credit cards that were used only sometimes for business purposes should be included.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

IF (F1 = NO, DK, OR RF) AND (F2 = NO, DK, OR RF), **GO TO F7**

READ: For the next questions, think about both the business and personal credit cards the firm used for business purposes.

F4. During a typical month in 1993, approximately how much, in new expenditures, did the firm charge to credit card accounts?

IF DK OR RF: Could you give an estimate?

AMOUNT: \$ _____

F5. After the last payments were made on these accounts, what was the balance of business charges remaining at the end of a typical month?

AMOUNT: \$ _____

F6. What is the maximum amount the firm could charge on these accounts; that is, what is the firm's total credit limit on these credit cards?

PROMPT: Do not include accounts that have no fixed credit limit, such as American Express, Diner's Club, or Carte Blanche.

AMOUNT: \$ _____

LINES OF CREDIT

READ: The next questions are about lines of credit other than credit card accounts or trade credit with suppliers.

F7. During 1993, did the firm have any business lines of credit or revolving credit agreements?

PROMPT: Lines of credit and revolving credit agreements are arrangements with a financial institution that allow a firm to borrow funds during a specified period up to a specified credit limit. Include home equity lines of credit if the funds obtained were used for business purposes.

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO F16**

F8. Did the firm have lines of credit at (READ EACH NAME ON ROSTER)?

MARK LINES OF CREDIT BOX FOR EACH SOURCE

Did the firm have lines of credit with any other institution or source of financing during 1993?

IF YES:

What is the full name of the [first/next] institution or source of financing where the firm had lines of credit? And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "LINES OF CREDIT" FLAG IF MORE THAN THREE SOURCES ARE LISTED:

I have recorded lines of credit at (READ NAMES). Which two have the largest credit limits?

ENTER CODES FOR THESE TWO SOURCES AND ENTER "30" FOR "ALL OTHER SOURCES COMBINED" AS THE THIRD CODE

IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH SOURCE FOR EACH CODE, ASK F9-F15

F9. How many lines of credit did the firm have with (NAME)?

NUMBER: _____

F10. As of year end 1993, what was the total credit limit [of this credit line/summing across all credit lines] at (NAME)?

PROMPT: That is, what was the credit limit before any funds were borrowed?

IF DK OR RF: Could you give an estimate?

AMOUNT \$ _____

F11. During a typical month in 1993, what was the outstanding balance [on this credit line/summing across all credit lines] at (NAME)?

IF DK OR RF: Could you give an estimate?

AMOUNT \$ _____

CHECK: F11 SHOULD NOT BE GREATER THAN F10

F12. Was collateral required for any line of credit at (NAME)?

PROMPT: That is, was the firm required to pledge as security any business or personal property that can be taken by (NAME) should the firm fail to repay the debt?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO SKIP ABOVE F14**

F13. What collateral was required at (NAME)? Was it... (CHECK ALL THAT APPLY)

- 1 = inventory or accounts receivable
- 2 = equipment
- 3 = business securities or deposits
- 4 = business real estate
- 5 = personal real estate
- 6 = other personal assets
- 7 = something else
- 8 = DK
- 9 = RF

SKIP: IF NO CHECKING, SAVINGS, OR INVESTMENTS AT (NAME), GO TO F15

F14. Did any lines of credit at (NAME) require compensating balances in checking or savings accounts?

PROMPT: Compensating balances are funds that (NAME) may have required the firm to keep on deposit as a condition for granting the credit line.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

F15. Was a personal guaranty, a cosigner, or other guarantor required to obtain any line of credit at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

GO TO F9 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, CONTINUE TO F16

LEASES

F16. As of year end 1993, did the firm have any capital leases from financial institutions or other sources?

PROMPT: For capital leases, only part of the lease payment can be deducted as a cost of doing business. For operating leases, in contrast, the entire lease payment can be deducted.

PROMPT: Capital leases satisfy one of the following conditions: (1) the lease transfers ownership of the asset at the end of the lease term, (2) the lease contains an option for a bargain purchase of the asset, (3) the lease term extends over most of the economic life of the asset, or (4) the lease requires rental payments that approximate the fair market value of the leased asset.

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO F21**

F17. Did the firm have capital leases at (READ EACH NAME ON ROSTER)?

MARK LEASES BOX FOR EACH INSTITUTION/SOURCE

Did the firm have capital leases from any other institution as of December 1993?

IF YES:

What is the full name of the [first/next] institution or source where the firm had capital leases? And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "LEASES" FLAG
IF MORE THAN THREE SOURCES ARE LISTED:

I have recorded capital leases from (READ NAMES). Which two have the largest balances?

ENTER CODES FOR THESE TWO INSTITUTIONS/SOURCES AND ENTER "30"
FOR "ALL OTHER SOURCES COMBINED" AS THE THIRD CODE
IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH
SOURCE

FOR EACH CODE, ASK F18-F20

F18. How many capital leases did the firm have from (NAME)?

NUMBER: _____

F19. As of year end 1993, what was the total amount of principal owed on [this/all these] capital lease[s] at (NAME)?

PROMPT: We need the amount of principal owed, not the total amount of remaining payments which may include both principal and interest.

IF DK OR RF: Could you give an estimate?

AMOUNT: \$ _____

GO TO F18 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, CONTINUE TO F21

MORTGAGES

F21. As of year end 1993, did the firm use for business purposes the funds from any mortgages?

PROMPT: Count mortgages on personal real estate if funds were used for business purposes.

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO F27**

F22. Were any of these mortgages at (READ EACH NAME ON ROSTER)?

MARK MORTGAGES BOX FOR EACH INSTITUTION/SOURCE

Were any of these mortgages obtained from other sources?

IF YES:

What is the full name of the [first/next] institution from which the firm obtained mortgages? And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "MORTGAGES" FLAGS
IF MORE THAN THREE INSTITUTIONS/SOURCES ARE LISTED:

I have recorded mortgages at (READ NAMES). Which two have the largest balances?

ENTER CODES FOR THESE TWO INSTITUTIONS/SOURCES AND ENTER "30"
FOR "ALL OTHER SOURCES COMBINED" AS THE THIRD CODE.

IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH
SOURCE

FOR EACH CODE, ASK F23-F26

F23. How many mortgages did the firm obtain from (NAME)?

NUMBER: _____

F24. [Was this/were these] mortgage[s] at (NAME) secured by personal real estate, business real estate or other collateral? (CHECK ALL THAT APPLY)

- 1 = PERSONAL REAL ESTATE
- 2 = BUSINESS REAL ESTATE
- 3 = OTHER (SPECIFY): _____
- 8 = DK
- 9 = RF

F25. As of year end 1993, what was the total amount of principal owed on [this/all these] mortgage[s] at (NAME)?

PROMPT: We need the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

IF DK OR RF: Could you give an estimate?

AMOUNT: \$ _____

F26. Was a personal guaranty, a cosigner, or other guarantor required to obtain [this/any of these] mortgage[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

GO TO F23 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, CONTINUE TO F27

MOTOR VEHICLE LOANS

F27. As of year end 1993, did the firm have any loans on motor vehicles used primarily for business purposes?

PROMPT: Any vehicle that is used for business purposes more than 50 percent of the time should be counted.

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO F32**

F28. Did the firm have motor vehicle loans from (READ EACH NAME ON ROSTER)?

MARK MOTOR VEHICLE LOANS BOX FOR EACH INSTITUTION/SOURCE

Did the firm have motor vehicle loans from any other source as of year end 1993?

IF YES:

What is the full name of the [first/next] institution from which the firm had motor vehicle loans? And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "MOTOR VEHICLE LOANS" FLAGS

IF MORE THAN THREE INSTITUTIONS/SOURCES ARE LISTED:

I have recorded motor vehicle loans at (READ NAMES). Which two have the largest balances?

ENTER CODES FOR THESE TWO INSTITUTIONS/SOURCES AND ENTER "30" FOR "ALL OTHER SOURCES COMBINED" AS THE THIRD CODE

IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH SOURCE

FOR EACH CODE, ASK F29-F31

F29. As of year end 1993, how many motor vehicle loans did the firm have from (NAME)?

NUMBER: _____

F30. As of year end 1993, what was the total amount of principal owed on [this motor vehicle loan/all motor vehicle loans the firm has] from (NAME)?

PROMPT: We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

IF DK OR RF: Could you give an estimate?

\$ _____

F31. Was a cosigner or other guarantor required to obtain [this/any of these] motor vehicle loan[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

GO TO F29 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, CONTINUE TO F32

EQUIPMENT LOANS

F32. As of year end 1993, did the firm have any loans secured by equipment, or was the firm financing any purchases of equipment by installment payments?

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO SKIP ABOVE F37**

F33. Did the firm have equipment loans from (READ EACH NAME ON ROSTER)?

MARK EQUIPMENT LOANS BOX FOR EACH INSTITUTION/SOURCE

Did the firm have equipment loans from any other sources as of December 1993?

IF YES:

What is the full name of the [first/next] source from which the firm had equipment loans? And a short name? PROBE: Any others?

RECORD NAMES IN ROSTER AND SET "EQUIPMENT LOANS" FLAGS

IF MORE THAN THREE INSTITUTIONS/SOURCES:

I have recorded equipment loans at (READ NAMES). Which two have the largest balances?

ENTER CODES FOR THESE TWO INSTITUTIONS/SOURCES AND ENTER "30" FOR "ALL OTHER SOURCES COMBINED" AS THE THIRD CODE

IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH SOURCE

FOR EACH CODE, ASK F34-F36

F34. How many equipment loans did the firm have from (NAME)?

NUMBER: _____

F35. As of year end 1993, what was the total amount of principal owed on [this/these] equipment loan[s] at (NAME)?

PROMPT: We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

IF DK OR RF: Could you give an estimate?

AMOUNT: \$ _____

F36. Was a personal guaranty, a cosigner, or other guarantor required to obtain [this/any of these] equipment loan[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

GO TO F34 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, CONTINUE TO SKIP ABOVE F37

LOANS FROM PARTNERS/STOCKHOLDERS

SKIP: IF PROPRIETORSHIP, GO TO READ ABOVE F41
IF NOT PROPRIETORSHIP, CONTINUE

F37. As of year end 1993, did the firm have any loans from [partners/stockholders]?

- 1 = YES
2 = NO }
8 = DK }
9 = RF } → **GO TO READ ABOVE F41**

F38. How many loans did the firm have from [partners/stockholders]?

NUMBER: _____

F39. As of year end 1993, what was the total amount of principal owed on [this/these] loan[s]?

PROMPT: We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

IF DK OR RF: Could you give an estimate?

AMOUNT: \$ _____

F40. Were any or all of these loans subordinated to the firm's other loans?

- 1 = ALL
2 = SOME
3 = NONE
8 = DK
9 = RF

OTHER LOANS

READ: The next questions are about any loans the firm may have had other than the ones already discussed.

F41. As of year end 1993, excluding trade credit or credit with suppliers and loans already discussed, did the firm have any other loans from financial institutions or from other sources?

PROMPT: This includes loans from friends, relatives, and other sources.

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO SECTION G**

F42. Did the firm have other loans not yet discussed at (READ NAMES IN ROSTER)?

SET "OTHER LOANS" FLAG FOR EACH INSTITUTION/SOURCE

Did the firm have other loans from any other source as of December 1993?

IF YES:

What is the full name of the [first/next] source from which the firm had other loans?
And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "OTHER LOANS" FLAGS.
RECORD LOANS FROM INDIVIDUALS AS PERSON 1, PERSON 2, ETC.

IF MORE THAN THREE INSTITUTIONS/SOURCES ARE LISTED:

I have recorded other loans at (READ NAMES). Which two have the largest balances?

ENTER CODES FOR THESE TWO INSTITUTIONS/SOURCES AND ENTER "30"
FOR "ALL OTHER SOURCES COMBINED" AS THE THIRD CODE

IF THREE SOURCES OR FEWER ARE LISTED: ENTER A CODE FOR EACH SOURCE

OR EACH CODE, ASK F43-F47

F43. How many loans other than those already discussed did the firm have from (NAME)?

IF DK OR RF: Could you give an estimate?

NUMBER: _____

F44. As of year end 1993, what was the principal owed on [this loan/all other loans the firm has, excluding the ones we have already discussed] with (NAME)?

PROMPT: We need the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

IF DK OR RF: Could you give an estimate?

AMOUNT: \$ _____

F45. Was collateral required on [this/any of these] other loan[s]?

PROMPT: That is, was the firm required to pledge as security any business or personal property that can be taken by (NAME) should the firm fail to repay the debt?

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO F43 FOR NEXT SOURCE OR, IF DONE, GO TO SECTION**

G

F46. What collateral was required? Was it... (CHECK ALL THAT APPLY)

1 = inventory or accounts receivable

2 = equipment

3 = business securities or deposits

4 = business real estate

5 = personal real estate

6 = other personal assets

7 = something else

8 = DK

9 = RF

F47. Was a personal guaranty, a cosigner, or other guarantor required to get [this/any of these] loan[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

1 = YES

2 = NO

8 = DK

9 = RF

GO TO F43 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, CONTINUE TO SECTION G

G. USE OF OTHER FINANCIAL SERVICES

READ: The next questions are about financial services other than loans and savings accounts.

G1. During 1993, did the firm use a financial institution or other source to obtain paper money or coins, to process credit card receipts, to make night deposits, or to make wire transfers?

PROMPT: Paper money and coins includes change for retail or wholesale operations. Credit card receipt processing would be used only by a firm that accepts credit cards. Institutions providing this service take the firm's credit card receipts, collect the funds from the credit card company, and credit the firm's account with the receipts. Night depository allows a firm to deposit cash, checks, and other valuables at an institution overnight. A wire transfer is an interbank transfer of funds by telephone.

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO G3**

G2. Did the firm use any of these transaction services at (READ EACH NAME ON ROSTER)?

SET "TRANSACTION SERVICES" FLAG FOR EACH INSTITUTION/SOURCE

Did the firm use transaction services from any other source during 1993?

IF YES:

What is the full name of the [first/next] source where the firm used transaction services? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "TRANSACTION SERVICES" FLAG

- G3. During 1993, did the firm use cash management services, sweep or zero balance accounts, or lock box services?

PROMPT: Cash management services provide for excess checking account balances to be automatically invested in liquid, interest-bearing assets such as money market accounts or short-term certificates of deposit.

A sweep account moves available funds in the account into overnight investments.

A zero balance account maintains a zero balance. When funds are drawn against the account, the exact amount is transferred into the account from a cash management account.

Lock box services handle customer payments: The firm's customers send payments to a post office box, and the institution collects the payments, processes them, and deposits the funds in the firm's account.

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO G5**

- G4. Did the firm use any of these services at (READ EACH NAME ON ROSTER)?

SET "CASH MANAGEMENT SERVICES" FLAG FOR EACH INSTITUTION/SOURCE

Did the firm use any of these services from any other source during 1993?

IF YES:

What is the full name of the [first/next] source where the firm used any of these services? And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "CASH MANAGEMENT SERVICES" FLAG

G5. During 1993, did the firm use bankers acceptances, sales financing, letters of credit, or factoring?

PROMPT: A bankers acceptance is an order to pay a specific amount of money on a specified date that has been accepted by a financial institution. Bankers acceptances are tied to specific purchases of goods.
Letters of credit essentially substitute the credit of a third party (usually a large bank) for that of a borrower.
Factoring is the purchase of a firm's accounts receivable at a discount.

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO G7**

G6. Did the firm use any of these services at (READ EACH NAME ON ROSTER)?

SET "CREDIT-RELATED SERVICES" FLAG FOR EACH INSTITUTION/SOURCE

Did the firm use any of these services from any other source during 1993?

IF YES:

What is the full name of the [first/next] source where the firm used any of these services? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "CREDIT-RELATED SERVICES" FLAG

G7. During 1993, did the firm have 401(k) plans or use pension fund, business trust, or securities safekeeping services?

PROMPT: A 401(k) plan is a retirement plan created and administered by the firm.
A pension fund controls assets and disburses the income to people after they have retired from gainful employment.
A business trust is a service rendered by a trust company or the trust department of a bank including settlement of estates and administration of trusts and guardianships.
Securities safekeeping is a service in which the institution retains securities and checks until they are sold or cashed by the firm.

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO G9**

G8. Did the firm use any of these services at (READ EACH NAME ON ROSTER)?

MARK "TRUST SERVICES" BOX FOR EACH INSTITUTION/SOURCE

Did the firm use any of these services from any other source during 1993?

IF YES:

What is the full name of the [first/next] source where the firm used trust services? And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND MARK "TRUST SERVICES" BOX

G9. During 1993, did the firm use brokerage services for business purposes?

PROMPT: Brokerage services involve the purchase and sale of stocks, bonds, and other securities.

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO SECTION H**

G10. Did the firm obtain brokerage services from (READ EACH NAME ON ROSTER)?

SET "BROKERAGE SERVICES" FLAG FOR EACH INSTITUTION/SOURCE.

Did the firm use brokerage services from any other source during 1993?

IF YES:

What is the full name of the [first/next] source where the firm obtained brokerage services? And a short name? PROBE: Any others?

RECORD EACH NAME ON ROSTER AND SET "BROKERAGE SERVICES" FLAG

H. RELATIONSHIPS WITH FINANCIAL INSTITUTIONS

IF FIRM USED NO FINANCIAL INSTITUTIONS/SOURCES **GO TO SECTION J**

IF FIRM USED ONLY ONE FINANCIAL INSTITUTION/SOURCE, ENTER CODE IN H1 AND **GO TO READ ABOVE H2**

H1. We have discussed the following institutions and sources of financial services: (READ NAMES ON ROSTER). Which of these was the firm's primary source of financial services?

PROMPT: Choose the one that you consider to be the firm's primary source of financial services.

INSTITUTION: _____

NOTE: SIX MOST IMPORTANT INSTITUTIONS/SOURCES ARE IDENTIFIED USING THE FOLLOWING PRIORITY LEVELS:

- 1) THE PRIMARY INSTITUTION/SOURCE
- 2) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS, LOANS, AND OTHER SERVICES
- 3) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS AND LOANS
- 4) INSTITUTIONS/SOURCES WITH OTHER SERVICES AND LOANS
- 5) INSTITUTIONS/SOURCES WITH LOANS ONLY
- 6) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS AND OTHER SERVICES
- 7) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS
- 8) INSTITUTIONS/SOURCES WITH OTHER SERVICES

NOTE: H2-H9 ARE TO BE COMPLETED FOR UP TO SIX INSTITUTIONS/SOURCES MENTIONED IN SECTIONS II.E, II.F, AND II.G.

NOTE: LOANS FROM OWNERS/PARTNERS DO NOT COUNT AS FINANCIAL SERVICES. THEREFORE, THEY DO NOT AFFECT THE PRIORITIZATION PROCESS.

READ: The next questions are about the characteristics of the financial institutions or sources of financing used by (FIRM).

CHARACTERISTICS OF FINANCIAL INSTITUTIONS/SOURCES

[First/Now] let's discuss (NAME).

H2. What type of institution or source is (NAME)? PROMPT IF NEEDED: Is it a... READ ONLY IF NECESSARY:

- 1 = credit union
 - 2 = savings bank
 - 3 = savings and loan association
 - 4 = commercial bank
 - 5 = finance company
 - 6 = insurance company
 - 7 = brokerage or mutual fund company
 - 8 = leasing company
 - 9 = mortgage bank
 - 10 = venture capital firm or SBIC (Small Business Investment Company)
 - 11 = other business firm
 - 12 = family or other individuals }
 - 13 = Small Business Administration }
 - 14 = other government agency }
 - 15 = other type (SPECIFY): _____ }
- } → GO TO H2 FOR NEXT SOURCE
OR, IF DONE, SECTION J**
- 16 = AMERICAN EXPRESS
 - 18 = DK
 - 19 = RF

H3. I have recorded that the firm obtained the following services from (NAME): (READ LIST OF SERVICES). What factors influenced the firm's decision to use this institution?

H4. For how many years has the firm conducted business with (NAME)?

PROMPT: (IF RESPONDENT QUESTIONS WHETHER THE NUMBER OF YEARS REFERS TO AN INSTITUTION/SOURCE UNDER ITS OLD NAME PRIOR TO AN ACQUISITION/MERGER OR UNDER THE NEW NAME) We want the number of years the firm conducted business with the institution or source under the current name.

YEARS: _____

LOCATION USED MOST FREQUENTLY

Think of the office or branch of (NAME) that the firm used most frequently during 1993.

H6. What is the city, state, and ZIP Code for this office or branch?

CITY: _____ STATE: _____ ZIP: _____

H7. IF OFFICE IN SAME CITY AS FIRM, CODE "YES" WITHOUT ASKING. Is this office located in the same (metropolitan area/county) as (the main office of) (FIRM)? USE "METROPOLITAN AREA" FOR FIRMS IN METROPOLITAN AREAS, "COUNTY" FOR OTHER FIRMS.

1 = YES

2 = NO → **GO TO H9**

8 = DK

9 = RF

H8. Approximately how many miles from the main office of the firm is this office or branch?

MILES: _____

H9. What was the most frequent method of conducting business with this office or branch? Was it in person, by telephone, by mail or wire, or through an ATM?

1 = IN PERSON

2 = BY TELEPHONE

3 = BY MAIL OR WIRE

4 = THROUGH AN ATM

8 = DK

9 = RF

SKIP: GO TO H2 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, CONTINUE TO SECTION J

J. MOST RECENT CREDIT APPLICATION

READ: The next questions are about the firm's most recent credit applications.

- J3. During the last three years, has the firm applied for credit or asked for a renewal of terms on an existing loan? Include requests for a loan, a line of credit, a renewal of a line of credit, and modifications of the terms of a loan or line of credit, but don't include requests for loans from owners or relatives.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO J53**

READ: Think about the firm's most recent request for a loan or line of credit--one that was either approved or denied. Don't include requests that the firm withdrew or that are still pending.

- J4. When did the firm make this most recent request for a loan or line of credit that was approved or denied?

MONTH: _____ YEAR: _____

- J5. What was the total dollar amount for which the firm applied?

PROMPT: Could you give an estimate?

AMOUNT: \$ _____

- J6. What was to be the primary use of the loan or line of credit? READ IF NECESSARY: Was it...

1 = working capital
 2 = motor vehicles
 3 = other equipment or machinery
 4 = leasehold improvements
 5 = land and buildings
 6 = furniture and fixtures
 7 = other (SPECIFY): _____
 8 = DK
 9 = RF

J7. Was the loan or line of credit to be secured by real estate?

1 = YES
2 = NO → **GO TO J12**
8 = DK
9 = RF

J8. Was an appraisal of the real estate required?

1 = YES
2 = NO }
8 = DK }
9 = RF } → **GO TO J10**

J9. How much did the appraisal cost?

PROMPT: Could you give an estimate?

\$ _____

J10. Did the lender require an environmental survey of the real estate?

1 = YES
2 = NO }
8 = DK }
9 = RF } → **GO TO J12**

J11. How much did the environmental survey cost?

PROMPT: Could you give an estimate?

\$ _____

J12. Was this most recent application approved or denied?

1 = APPROVED
2 = DENIED } → **GO TO J41.1**
8 = DK }
9 = RF } → **GO TO J53**

J13. What is the name of the institution or source that approved this request for a loan or line of credit? SHOW ROSTER OF INSTITUTIONS.

INSTITUTION: _____ SET INSTITUTION FLAG OR ADD TO ROSTER

IF NEW SOURCE, **GO TO J14.1**

IF ROSTER SHOWS NO LOANS OR LINES OF CREDIT FROM INSTITUTION, **GO TO J14.1**

J14. Is this one of the loans or lines of credit we previously discussed?

1 = YES → **GO TO SKIP ABOVE J15**

2 = NO

8 = DK

9 = RF

J14.1 What type of loan is this most recent loan?

3 = LINE OF CREDIT

4 = CAPITAL LEASE

5 = MORTGAGE

6 = MOTOR VEHICLE

7 = EQUIPMENT

8 = OTHER LOAN

18 = DK

19 = RF

IF NEW SOURCE, **GO TO J16**, OTHERWISE **GO TO SKIP ABOVE J16**

DISPLAY TYPES OF LOANS FROM THIS INSTITUTION

SKIP: IF ONLY ONE TYPE OF LOAN FROM THIS INSTITUTION, GO TO SKIP ABOVE J16

J15. I have recorded that the firm has the following types of loans from this [institution/source].
What type of loan is this most recent loan?

- 3 = LINE OF CREDIT
- 4 = CAPITAL LEASE
- 5 = MORTGAGE
- 6 = MOTOR VEHICLE
- 7 = EQUIPMENT
- 8 = OTHER LOAN
- 18 = DK
- 19 = RF

SKIP: IF SOURCE IS IN TOP SIX, GO TO J21

READ: I would now like to ask a few questions about this source.

J16. What type of institution or source is (NAME)? READ IF NEEDED: Is it a...

- 1 = credit union
- 2 = savings bank
- 3 = savings and loan association
- 4 = commercial bank
- 5 = finance company
- 6 = insurance company
- 7 = brokerage or mutual fund company
- 8 = leasing company
- 9 = mortgage bank
- 10 = venture capital firm or SBIC (Small Business Investment Company)
- 11 = other business firm
- 12 = family or other individuals
- 13 = Small Business Administration
- 14 = other government agency
- 15 = other type (SPECIFY): _____
- 18 = DK
- 19 = RF

J17. For how many years has the firm conducted business with (NAME)?

YEARS: _____

J18. What is the city, state, and ZIP Code for the office or branch of (NAME) you used for this credit application?

CITY: _____ STATE: _____ ZIP: _____

J19. IF OFFICE IN SAME CITY AS FIRM, CODE "YES" WITHOUT ASKING. Is this office located in the same (metropolitan area/county) as (the main office of) (FIRM)? USE "METROPOLITAN AREA" FOR FIRMS IN METROPOLITAN AREAS, "COUNTY" FOR OTHER FIRMS.

- 1 = YES
- 2 = NO → GO TO J21
- 8 = DK
- 9 = RF

J20. Approximately how many miles from the firm's main office is this office or branch?

MILES: _____

J21. What factors influenced the firm's decision to apply for credit from (NAME)?

IF LOAN NOT PREVIOUSLY DISCUSSED (J14 NOT "YES"), GO TO SKIP ABOVE J23

IF LOAN IS A LINE OF CREDIT OR OTHER LOAN AND ONLY ONE LINE OF CREDIT/OTHER LOAN MENTIONED, GO TO SKIP ABOVE J27

IF LOAN PREVIOUSLY DISCUSSED AND ONLY ONE LOAN AND IS NOT A LINE OF CREDIT OR OTHER LOAN, GO TO J25

READ: I have recorded that you have several loans of this type with (NAME). For the following questions, please answer about the loan for which you most recently applied.

SKIP: IF LOAN IS NOT LINE OF CREDIT, GO TO J24

J23. Did (NAME) require the firm to maintain a compensating balance in a checking or savings account?

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

J24. Was the firm required to have a personal guaranty, cosigner, or other guarantor?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

J25. Was collateral required?

PROMPT: That is, was the firm required to pledge as security any business or personal property pledged that can be taken by (NAME) should the firm fail to repay the debt?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO SKIP ABOVE J27**

J26. What collateral was required? Was it... (CHECK ALL THAT APPLY)

- 1 = inventory or accounts receivable
- 2 = equipment
- 3 = business securities or deposits
- 4 = business real estate
- 5 = personal real estate
- 6 = other personal assets
- 7 = anything else

SKIP: IF LOAN TYPE IS LINE OF CREDIT, GO TO J28

J27. What was the original maturity of this loan?

PROMPT: We would like the length of time this loan originally needed to mature.

ENTER -1 FOR MONTHS IF NO MATURITY.

ENTER 1 MONTH IF MATURITY IS LESS THAN 1 MONTH.

NOTE: ALL DATA ENTERED WILL BE INCLUDED. DO NOT DUPLICATE TIME PERIODS.

ENTER ZERO (0) FOR EMPTY FIELDS. DK=DON'T KNOW, RF=REFUSE, EX=EXCEPTION

_____ MONTHS _____ YEARS

GO TO J29

J28. For how long was the line of credit commitment made?

ENTER -1 FOR MONTHS IF NO COMMITMENT.

ENTER 1 MONTH IF MATURITY IS LESS THAN 1 MONTH.

NOTE: ALL DATA ENTERED WILL BE INCLUDED. DO NOT DUPLICATE TIME PERIODS.

ENTER ZERO (0) FOR EMPTY FIELDS. DK=DON'T KNOW, RF=REFUSE, EX=EXCEPTION

_____ MONTHS _____ YEARS

J29. What was the dollar value of the credit granted?

PROMPT: Could you give an estimate?

\$ _____

J30. Was the interest rate fixed for the entire term of the [loan/line of credit]? Or could it change during the term?

- 1 = FIXED → **GO TO J34**
- 2 = VARIABLE
- 8 = DK
- 9 = RF

J31. To what interest rate index was the interest rate on this [loan/line of credit] tied?

- 1 = PRIME RATE
- 2 = FEDERAL HOUSING FINANCE BOARD (FHFB)
- 3 = ELEVENTH DISTRICT COST OF FUNDS
- 4 = LIBOR (LONDON INTERBANK OVERSEAS RATE)
- 5 = OTHER (SPECIFY): _____
- 6 = NONE }
- 8 = DK }
- 9 = RF } → **GO TO J34**

J32. How many percentage points over this index was the interest rate on this [loan/line of credit]?

PROMPT: Could you give an estimate?

_____ %

J34. What was the [original] interest rate on this [loan/line of credit]?

PROMPT: Could you give an estimate?

_____._____ %

J35. How many percentage points did the firm have to pay to close the [loan/line of credit]?

PROMPT: Could you give an estimate?

_____ %

NOTE: IF BOTH QUESTIONS J8 AND J10 = YES, PROMPT [AND THE COSTS OF APPRAISALS AND ENVIRONMENTAL SURVEYS]. IF ONLY J8 = YES, PROMPT [AND THE COST OF APPRAISALS]. IF ONLY J10 = YES, PROMPT [AND THE COST OF ENVIRONMENTAL SURVEYS].

J36. What was the total dollar amount of fees associated with obtaining the [loan/line of credit]?

PROMPT: Include points [and the costs of appraisals and environmental surveys /and the cost of appraisals /and the cost of environmental surveys]in this amount.

PROMPT: Could you give an estimate?

\$ _____

J37. Were the interest rate, maturity, or any other terms offered by the (institution/source) less desirable than those applied for?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO J39**

J38. In what way were the terms less desirable?

J39. During the last three years, has any particular lender or creditor turned down a request for credit from your firm?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO J53**

J40. For the most recent turndown, what reasons did the creditor give for denying the firm's application?

J41. Do you think there were any other reasons that the application was turned down?
PROMPT: What were they?

GO TO J53

J41.1 For what type of loan was this most recent application?

- 3 = LINE OF CREDIT
- 4 = CAPITAL LEASE
- 5 = MORTGAGE
- 6 = MOTOR VEHICLE
- 7 = EQUIPMENT
- 8 = OTHER LOAN
- 18 = DK
- 19 = RF

J42. What is the name of the institution or source to which the firm applied for this [loan/line of credit]? SHOW ROSTER OF INSTITUTIONS.

INSTITUTION: _____ SET INSTITUTION FLAG OR ADD TO ROSTER

IF INSTITUTION IS ON ROSTER AND IS IN TOP SIX, **GO TO J48**

READ: I would now like to ask a few questions about this institution.

J43. What type of institution or source is (NAME)? READ IF NEEDED: Is it a...

- 1 = credit union
- 2 = savings bank
- 3 = savings and loan association
- 4 = commercial bank
- 5 = finance company
- 6 = insurance company
- 7 = brokerage or mutual fund company
- 8 = leasing company
- 9 = mortgage bank
- 10 = venture capital firm or SBIC (Small Business Investment Company)
- 11 = other business firm
- 12 = family or other individuals
- 13 = Small Business Administration
- 14 = other government agency
- 15 = other type (SPECIFY): _____
- 18 = DK
- 19 = RF

J44. For how many years has the firm conducted business with (NAME)?

PROMPT: (IF RESPONDENT QUESTIONS WHETHER THE NUMBER OF YEARS REFERS TO AN INSTITUTION/SOURCE UNDER ITS OLD NAME PRIOR TO AN ACQUISITION/MERGER OR UNDER THE NEW NAME) We want the number of years the firm conducted business with the institution or source under the current name.

YEARS: _____

J45. What is the city, state, and ZIP Code for the office or branch of (NAME) you used for this credit application?

CITY: _____ STATE: _____ ZIP: _____

J46. IF OFFICE IN SAME CITY AS FIRM, CODE "YES" WITHOUT ASKING. Is this office located in the same (metropolitan area/county) as (the main office of) (FIRM)? USE "METROPOLITAN AREA" FOR FIRMS IN METROPOLITAN AREAS, "COUNTY" FOR OTHER FIRMS.

- 1 = YES
- 2 = NO → GO TO J48
- 8 = DK
- 9 = RF

J47. Approximately how many miles from the firm's main office is this office or branch?

MILES: _____

J48. What factors influenced the firm's decision to apply for credit from (NAME)?

J51. For this application, what reasons did (NAME) give for denying the firm's application?

J52. Do you think there were any other reasons that the application was turned down?

PROMPT: What were they?

J53. During the last three years, were there times when the firm needed credit, but did not apply because it thought the application would be turned down?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → GO TO SECTION K

J54. Why did you think the firm would have been turned down?

K. SOLICITATION

READ: Now I would like to ask about whether creditors have solicited your business.

K1. Excluding advertisements and mass mailings, did any financial institution contact the firm about obtaining a new loan or line of credit during 1993?

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO SECTION L**

K4. Did the firm obtain a new loan or line of credit as a result of one of these contacts?

1 = YES

2 = NO

8 = DK

9 = RF

L. USE OF TRADE CREDIT

READ: The next questions are about the firm's use of trade credit.

PROMPT: Trade credit refers to purchases on account. The firm pays suppliers after delivery rather than before or at the time of delivery. Sometimes the supplier offers a discount for prompt payment.

L1. Did the firm purchase any goods or services on account during 1993 rather than pay for the purchases before or at the time of delivery?

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO L13**

L2. From how many suppliers did the firm make purchases on account during 1993?

NUMBER: _____

L3. Think of the total dollar amount of all purchases made by the firm during 1993. What percentage of these purchases was made on account?

_____ %

READ: Now think of only those purchases made on account during 1993.

- L4. What portion of your suppliers offer cash discounts for prompt payment?
 READ IF NECESSARY: Is it...

PROMPT: Typically, a discount is a specific percentage reduction in the amount of a bill if the bill is paid within a specific period of time.

1 = none → **GO TO L6**
 2 = fewer than half
 3 = about half
 4 = more than half
 5 = almost all, or all
 8 = DK
 9 = RF

- L5. What portion of the cash discounts offered did the firm take advantage of? READ IF NECESSARY: Was it...

1 = none
 2 = less than half
 3 = about half
 4 = more than half
 5 = almost all, or all
 8 = DK
 9 = RF

- L6. During 1993, did the firm ever make payments on account after the date due?

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO READ ABOVE L8**

- L7. During 1993, what portion of payments on account were made after the due date? READ IF NECESSARY: Was it...

1 = none
 2 = less than half
 3 = about half
 4 = more than half
 5 = almost all, or all
 8 = DK
 9 = RF

READ: Now think about the most important supplier that offered you trade credit during 1993.

IF NO SUPPLIERS OFFER A DISCOUNT (L4 CODED 1), **GO TO L11**

L8. Did this supplier offer a discount for early payments?

PROMPT: Sometimes suppliers will reduce the bill 1 or 2 percent if the firm pays within a short period, such as 10 days, after delivery.

1 = YES

2 = NO}

8 = DK}

9 = RF} → **GO TO L11**

L9. How long was the discount period for early payment?

DAYS: _____

L10. What was the percentage discount for early payment?

_____ %

L11. How long was it before the bill was due in full?

PROMPT: How long was the period before the supplier would assess a penalty for late payment?

1 = 30 DAYS

2 = 45 DAYS

3 = 60 DAYS

4 = OTHER (SPECIFY): _____

8 = DK

9 = RF

L12. What was the monthly penalty, if any, for paying after this due date?

PROMPT: Penalty charges are typically 1 or 2 percent per month on the unpaid balance.

_____ %

L13. Has any supplier that offers trade credit to business customers denied a request by your firm for trade credit?

- 1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO L15**

L14. Why did the supplier turn down the request?

L15. Has your firm ever required financing for seasonal or unexpected short-term credit needs?

- 1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO SECTION M**

L16. To what source does the firm first look for financing these needs?

- 1 = CREDIT UNION
 2 = SAVINGS BANK
 3 = SAVINGS AND LOAN ASSOCIATION
 4 = COMMERCIAL BANK
 5 = FINANCE COMPANY
 6 = INSURANCE COMPANY
 7 = BROKERAGE OR MUTUAL FUND COMPANY
 8 = LEASING COMPANY
 9 = MORTGAGE BANK
 10 = VENTURE CAPITAL FIRM OR SBIC (SMALL BUSINESS INVESTMENT COMPANY)
 11 = OTHER BUSINESS FIRM
 12 = FAMILY OR OTHER INDIVIDUALS
 13 = SMALL BUSINESS ADMINISTRATION
 14 = OTHER GOVERNMENT AGENCY
 15 = CREDIT CARDS
 16 = TRADE SUPPLIERS
 17 = OTHER SOURCE (SPECIFY): _____
 18 = DK
 19 = RF

M. NEW EQUITY INVESTMENTS IN THE FIRM

READ: The next questions are about any equity invested in the firm during the last few years.

M1. During the last three years, has the firm obtained additional equity capital from existing owners, their relatives, or from new or existing partners?

PROMPT: Equity investments provide the investor with an ownership interest in the firm while providing the firm with cash or some other asset.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO SKIP ABOVE M3**

M1.1 How much additional equity capital did the firm obtain?

AMOUNT: \$ _____

M2. What was the primary use of this additional equity capital?

THE SURVEY WAS CHANGED ON APRIL 20 BY SKIPPING QUESTIONS M3, M3.1, AND M4. (THAT IS, PARTNERSHIPS GO TO SECTION N WITH PROPRIETORSHIPS.) THIS CHANGE IS REFLECTED IN CASES NUMBERED GREATER THAN 800.

**SKIP: IF PROPRIETORSHIP OR PARTNERSHIP, GO TO SECTION N
 IF CORPORATION OR S-CORPORATION, GO TO M7**

PARTNERSHIP

M3. During the last three years, did the firm raise equity capital from new or existing partners?

PROMPT: Include equity capital raised from both general and limited partners.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO SECTION N**

M3.1 How much additional equity capital did the firm obtain?

AMOUNT: \$ _____

M4. What was the primary use of this equity capital?

GO TO SECTION N

S-CORPORATIONS AND CORPORATIONS

M7. During the last three years, has the firm attempted to raise equity from sources other than existing shareholders or their relatives?

PROMPT: Equity investments entail the transfer of common or preferred stock from the firm to the investor in exchange for cash or some other asset.

PROMPT: Equity includes common stock, preferred stock, convertible preferred stock, subordinated debt with warrants, and convertible subordinated debt.

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO SECTION N**

READ: The next questions are about your most recent attempt to raise equity.

M8. When was the last time the firm attempted to raise equity from outside sources?

MONTH: _____ YEAR: _____

M9. What was the primary use of the equity financing?

M10. Did the firm try to raise equity from...

	YES	NO	DK	RF
a. informal investors not related to management?	1	2	8	9

PROMPT: "Informal" investors not related to management refer generally to financially sophisticated investors, in many cases local business persons who may have business experience in related ventures.

b. a venture capital firm?	1	2	8	9
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PROMPT: A venture capital firm specializes in providing equity financing and managerial expertise to new and growing businesses.

c. public equity?	1	2	8	9
d. another source (SPECIFY): _____	1	2	8	9

M11. Was the firm successful in raising outside equity?

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO M18**

SKIP: IF M10 HAS FEWER THAN TWO YES RESPONSES, GO TO M13

M12. From what sources has the firm most recently raised equity financing? Was it...

	YES	NO	DK	RF
a. informal investors not related to management?	1	2	8	9
b. a venture capital firm?	1	2	8	9
c. public equity?	1	2	8	9
d. another source (SPECIFY): _____	1	2	8	9

M13. Think about the equity financing the firm most recently raised. What was the dollar amount of this financing?

AMOUNT: \$ _____

M14. What was the primary type of security sold? (READ ONLY IF NECESSARY)

- 1 = COMMON STOCK
- 2 = PREFERRED STOCK
- 3 = CONVERTIBLE PREFERRED STOCK
- 4 = SUBORDINATED DEBT WITH WARRANTS
- 5 = CONVERTIBLE SUBORDINATED DEBT
- 8 = DK
- 9 = RF

IF THE RESPONSE TO M14 WAS NOT 1 (COMMON STOCK) **GO TO M16**

M15. What percentage of the company's common stock shares was issued in return for the financing?

_____ %

GO TO M17

M16. What percentage of the company's common stock shares will the investors own after conversion or warrant rights are exercised?

_____ %

M17. What was the projected annual sales growth rate for the five-year period following the most recent equity financing?

_____ %

GO TO SECTION N

M18. At what stage did discussions stop? Did they stop after the initial conversation, at the presentation of the business plan, or at the discussion of the financing terms?

- 1 = AFTER INITIAL CONVERSATION
- 2 = AT PRESENTATION OF THE BUSINESS PLAN
- 3 = AT DISCUSSION OF THE FINANCING TERMS
- 8 = DK
- 9 = RF

M19. Were you able to undertake the business activities for which you had tried to obtain equity financing?

1 = YES, TOTALLY

2 = YES, BUT ON A REDUCED SCALE

3 = NO

8 = DK

9 = RF

SECTION III - INCOME AND EXPENSES

N. REFERENCE PERIOD

READ: The next set of questions are about the firm's income and expenses.

READ: Our records indicate that your firm's 1992 accounting period ended on (MONTH, DAY, YEAR).

N4. Do the firm's accounting or tax records cover the entire 12 months prior to (MONTH, DAY, YEAR)?

1 = YES → **GO TO SECTION P**
2 = NO

N5. What is the beginning date for this accounting period? BEGINNING YEAR MUST BE SAME YEAR OR YEAR BEFORE ENDING YEAR

MONTH: _____ DAY: _____ YEAR: _____

RECORD NUMBER OF MONTHS COVERED BY ACCOUNTING PERIOD

MONTHS: _____

CHECK: NUMBER OF MONTHS MUST BE BETWEEN 1 AND 12

P. INCOME AND EXPENSESTRANSITION REMARKS

READ: The remaining questions refer to the [1992 calendar year/fiscal year ending on (MONTH, DAY, YEAR)/(NUMBER) months prior to (MONTH, DAY, YEAR)]. WHEN END DATE IS DECEMBER 31 AND ACCOUNTING PERIOD IS 12 MONTHS, SAY "1992 CALENDAR YEAR." WHEN END DATE IS NOT DECEMBER 31 AND ACCOUNTING PERIOD IS 12 MONTHS, SAY "FISCAL YEAR ENDING ON (MONTH, DAY, YEAR)." WHEN ACCOUNTING PERIOD IS LESS THAN 12 MONTHS, SAY "(NUMBER) MONTHS PRIOR TO (MONTH, DAY, YEAR)."

NOTE: THE TERMS "DATE" AND "YEAR" ARE USED THROUGHOUT THE REMAINDER OF QUESTIONNAIRE. FOR DATE, SUBSTITUTE THE MONTH AND DAY OF THE END DATE. FOR "YEAR", SUBSTITUTE "1992," "FY 1992," "FY 1993," OR "THE (NUMBER) MONTHS PRIOR TO (DATE)" AS APPROPRIATE.

P0. Do you have records available to help you answer questions about the firm's income, expenses, and balance sheet, such as tax records, statements, worksheets, or any other records?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → GO TO READ ABOVE P1

P0.1 What records are you using? (CHECK ALL THAT APPLY)

- 1 = TAX RECORDS
- 2 = WORKSHEETS
- 3 = FINANCIAL STATEMENTS
- 4 = BANK STATEMENTS
- 5 = OTHER (SPECIFY): _____
- 8 = DK
- 9 = RF

IF USING WORKSHEETS (P0.1 CODED 2), SUBSTITUTE FIRST PHRASE IN FOLLOWING READ, OTHERWISE SUBSTITUTE SECOND PHRASE

READ: Now I'd like to ask about the firm's income and expenses during (YEAR). I need dollar amounts. This information can be found on the firm's income tax return.[Please turn to page 7 of the worksheets now./ Please turn to your records now.]

P1. During (YEAR), what were the firm's total sales?

PROMPT: This amount is often referred to as total sales, net of amounts for returned merchandise and allowances for bad debts or as "gross receipts or sales less returns and allowances."

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Line 3
 Partnership: 1065 Line 1c
 S-Corporation: 1120S Line 1c
 Corporation: 1120 or 1120A Line 1c

P1.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

1 = YES, ACTUAL FIGURE
 2 = YES, ESTIMATED FIGURE
 8 = NO → **GO TO P1**

IF FIRM NOT IN BUSINESS IN 1990 (B13.1 OR B13.2 CODED -1), **GO TO SKIP ABOVE P3**

P2. For comparison purposes, what were the firm's total sales during 1990?

PROMPT: This amount is often referred to as total sales, net of amounts for returned merchandise and allowances for bad debts or as "gross receipts or sales less returns and allowances."

IF NOT IN BUSINESS IN 1990, ENTER -1

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Line 3
 Partnership: 1065 Line 1c
 S-Corporation: 1120S Line 1c
 Corporation: 1120 or 1120A Line 1c

SKIP: IF P2 CODED -1, GO TO SKIP ABOVE P3

IF DK OR RF TO P1 OR P2, ASK P2.1. OTHERWISE, **GO TO SKIP ABOVE P3**

P2.1 Were the firm's total sales during (YEAR) more, less, or the same as total sales during 1990?

1 = MORE

2 = LESS

3 = SAME

8 = DK

9 = RF

SKIP: IF RESPONDENT IS NOT USING RECORDS (P0 CODED 2, 8, OR 9), **GO TO P3.1**

P3. What was the cost of goods or services sold?

PROMPT: The cost of goods or services sold is the direct cost of producing or purchasing the product sold to customers, and excludes selling and administrative expenses, interest expenses, and other deductions.

PROMPT: The cost of goods or services sold is calculated by summing (1) the value of beginning-year inventory, (2) purchases less the cost of items withdrawn for personal use, (3) the cost of labor, materials and supplies, and (4) other costs subtracting year-end inventory.

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Line 4

Partnership: 1065 Line 2

S-Corporation: 1120S Line 2

Corporation: 1120 or 1120A Line 2

GO TO P5

P3.1 During (YEAR), what was the total cost of conducting business?

PROMPT: Include both the cost of goods or services sold and the total of the firm's selling and administrative expenses, interest expense, and other deductions.

PROMPT: The cost of goods or services sold is calculated by summing (1) the value of beginning-year inventory, (2) purchases less the cost of items withdrawn for personal use, (3) the cost of labor, materials and supplies, and (4) other costs subtracting year-end inventory. These expenses are subtracted from gross profit and other income to determine the firm's [net profit or loss/ordinary income from business activities/taxable income], such as salaries, business expenses, overhead, depreciation, and other expenses.

AMOUNT: \$ _____

P5. What was the amount of other income the firm had from sources other than selling products or services?

PROMPT: This amount is any other business income the firm may have had that was not included in gross receipts or sales, such as federal and state gasoline tax or fuel tax credit or refund.

PROMPT (CORPORATIONS ONLY): This amount includes all income other than gross receipts.

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Line 6

Partnership: 1065 Line 7 + Schedule K Lines 4a-f + 6 + 7

S Corporation: 1120S Line 5 + Schedule K Sum of Lines 4a-f to 6

Corporation: 1120 or 1120A Sum of Lines 4 to 10

**IF RESPONDENT IS NOT USING RECORDS (P0 CODED 2, 8, OR 9),
GO TO READ ABOVE P8**

P6. During (YEAR), what was the firm's total [expenses/deductions]?

PROMPT: These [expenses/deductions] include business expenses, overhead, depreciation, and other expenses.

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Lines 28 + 30

Partnership: 1065 Line 21 + Schedule K Sum of Lines 8 to 11

S-Corporation: 1120S Line 20 + Schedule K Sum of Lines 7 to 10

Corporation: 1120 Line 27 or 1120A Line 23

READ: Now, I'd like to collect some information on the breakdown of your firm's expenses.

P8. What was the dollar amount of interest expense?

PROMPT: That is, what was the total amount of interest that the firm paid during (YEAR)?

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Lines 16a + 16b

Partnership: 1065 Line 15 + Schedule K Line 12a

S-Corporation: 1120S Line 13 + Schedule K Line 11a

Corporation: 1120 or 1120A Line 18

P9. What was the dollar amount of rental expenses?

PROMPT: This includes amounts paid for leasing offices, equipment, vehicles, and machinery.

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Lines 20a + 20b

Partnership: 1065 Line 13

S-Corporation: 1120S Line 11

Corporation: 1120 or 1120A Line 16

P9.1 During (YEAR), what was the total amount the firm paid in salaries and wages, not including jobs credit and the owners' compensation?

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Line 26
 Partnership: 1065 Line 9c
 S-Corporation: 1120S Line 8c
 Corporation: 1120 Line 13c
 1120A Line 13c

IF PROPRIETORSHIP, GO TO P10.1

P10. During (YEAR), what was the amount of the [officers' compensation/guaranteed payments to partners]?

AMOUNT: \$ _____

Partnership: 1065 Line 10
 S-Corporation: 1120S Line 7
 Corporation: 1120 Line 12
 1120A Line 12

P10.1 What was the total dollar amount of depreciation and depletion?

PROMPT: Depreciation is the reduction of the book value of equipment to reflect the loss of usefulness of these assets from wear or obsolescence. For example, the book value of an automobile becomes less as it ages due to wear. Depletion is the exhaustion of natural resources such as oil or mineral deposits or forest land.

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Lines 12 + 13
 Partnership: 1065 Lines 16c + 17 + Schedule K Line 9
 S-Corporation: 1120S Lines 14c + 15 + Schedule K Line 8
 Corporation: 1120 Lines 21b + 22
 1120A Line 21b + Depletion Expenses Included in Line 22

IF PARTNERSHIP OR S-CORPORATION, GO TO P13

IF CORPORATION, GO TO P15

PROPRIETORSHIPS

P11. During (YEAR), what was the firm's total net profit or loss?

PROMPT: Net profit is income after all expenses and taxes have been deducted.

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Line 31

P11.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

1 = YES, ACTUAL FIGURE

2 = YES, ESTIMATED FIGURE

8 = NO → **GO TO P11**

GO TO SECTION IVPARTNERSHIPS OR S-CORPORATIONS

P13. During (YEAR), what was the firm's ordinary income or loss?

PROMPT: Ordinary income or loss is the total amount of income or loss less the total amount of deductions.

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

Partnership: 1065 Line 22

S-Corporation 1120S Line 21

P13.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

1 = YES, ACTUAL FIGURE

2 = YES, ESTIMATED FIGURE

8 = NO → **GO TO P13**

GO TO SECTION IV

CORPORATIONS

P15. During (YEAR), what was the firm's taxable income?

PROMPT: Taxable income is the total amount of income less the total amount of deductions. The total amount of deductions includes any net operating loss or special deductions.

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

Corporation: 1120 Line 30
1120A Line 26

P15.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

1 = YES, ACTUAL FIGURE
2 = YES, ESTIMATED FIGURE
8 = NO → **GO TO P15**

P17. What was the firm's total corporate tax?

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

Corporation: 1120 Line 31
1120A Line 27

P17.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

1 = YES, ACTUAL FIGURE
2 = YES, ESTIMATED FIGURE
8 = NO → **GO TO P17**

SECTION IV - BALANCE SHEET

READ: Now I'd like to ask about the firm's assets, liabilities, and equity.

R. ASSETS

READ: The first questions are about the firm's assets as of (DATE). If an asset is used 50 percent or more in the firm, then please consider it a business asset and include it in your answers. Please give dollar amounts.

R1. What was the total dollar amount of the firm's cash holdings?

PROMPT: That is, what was the total amount of cash on hand, and in checking, savings, money market accounts, certificates of deposit, and other time deposits?

AMOUNT: \$ _____

- Partnership: 1065 Schedule L Line 1 column d
- S-Corporation: 1120S Schedule L Line 1 column d
- Corporation: 1120 Schedule L Line 1 column d
1120A Part III Line 1 column b

R2. Did the firm have any accounts receivable or trade notes?

PROMPT: That is, was the firm owed money by customers who bought goods or services on account?

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO R4**

R3. What was the amount of accounts receivable and trade notes, minus allowances for bad debts?

AMOUNT: \$ _____

- Partnership: 1065 Schedule L Line 2b column d
- S-Corporation: 1120S Schedule L Line 2b column d
- Corporation: 1120 Schedule L Line 2b column d
1120A Part III Lines 2a column b - 2b column b

R4. Did the firm have an inventory of merchandise or production materials?

PROMPT: That is, did the firm have merchandise for sale or materials for production such as raw materials, work in progress, or finished goods?

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO R6**

R5. What was the total value of the firm's inventories?

AMOUNT: \$ _____

Sole Proprietorship: 1040 Schedule C Line 39

Partnership: 1065 Schedule L Line 3 column d

S-Corporation: 1120S Schedule L Line 3 column d

Corporation: 1120 Schedule L Line 3 column d

1120A Part III Line 3 column b

R6. As of (DATE), did the firm hold any bonds; hold any stocks for short-term investment; or have any prepaid expenses or other current assets?

PROMPT: Bonds include Treasury bonds and bills, bonds issued by federally sponsored credit agencies, municipal bonds, bonds issued by corporations, and so on. Stocks include publicly traded stocks held as temporary investments. Do not include stocks held for ownership control or long-term investment.

Prepaid expenses are payments for items such as insurance, interest, rents, taxes, advertising, and operating supplies that were made in advance but had not been used as of (DATE).

Other current assets are any other assets that can be converted to cash, sold, or used up within a year through normal operations of the firm.

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO R8**

R7. What was the total value of these stocks, bonds, prepaid expenses, and other current assets?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Lines 4 column d + 5 column d + 6 column d
 Sub-S-Corporation: 1120S Schedule L Lines 4 column d + 5 column d + 6 column d
 Corporation: 1120 Schedule L Lines 4 column d + 5 column d + 6 column d
 1120A Part III Lines 4 column b + 5 column b + 6 column b

R8. As of (DATE), [did the firm hold any loans to stockholders,]was the firm owed any money for mortgages or real estate, or did the firm have any other investments?

PROMPT: Other investments are any items not yet discussed that were purchased with the intent to generate a return on the invested capital. Examples are investments in other companies, artwork or other property designed to appreciate.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO R10**

R9. What was the total value of these investments?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Lines 7 column d + 8 column d
 S-Corporation: 1120S Schedule L Lines 7 column d + 8 column d + 9 column d
 Corporation: 1120 Schedule L Lines 7 column d + 8 column d + 9 column d
 1120A Part III Lines 7 column b + 8 column b

R10. As of (DATE), did the firm own any land?

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO R12**

R11. What was the value of this land, net of any amortization?

PROMPT: Net book value is the net dollar value at which an asset is carried on a firm's balance sheet.

\$ _____

Partnership: 1065 Schedule L Line 11 column d
 S-Corporation: 1120S Schedule L Line 12 column d
 Corporation: 1120 Schedule L Line 12 column d
 1120A Part III Line 10 column b

R12. Did the firm own any depreciable, depletable or intangible assets, including buildings and equipment?

PROMPT: Depreciable assets are assets that wear out as they are used or whose usefulness decreases over time.
Depletable assets include natural resources such as mines, timberlands, and oil wells.
Intangible assets include patents, copyrights, franchises, and good will.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO R14**

R13. Taking the depreciable, depletable, and intangible assets together, including buildings, what was the net book value as of (DATE)?

PROMPT: That is, what was the acquisition cost minus any accumulated depreciation, depletion, and amortization?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Lines 9b column d + 10b column d + 12b column d
 S-Corporation: 1120S Schedule L Lines 10b column d + 11b column d +
 13b column d
 Corporation: 1120 Schedule L Lines 10b column d + 11b column d +
 13b column d
 1120A Part III Lines 9a column b - 9b column b

R14. As of (DATE), did the firm have any other assets not yet described?

PROMPT: Examples of other assets are insurance, security deposits, notes receivable and savings deposits.

- 1 = YES
- 2 = NO }
- 8 = DK }
- 9 = RF } → **GO TO R18**

R15. What was the book value of these other assets not yet described?

AMOUNT: \$ _____

- Partnership: 1065 Schedule L Line 13 column d
- S-Corporation: 1120S Schedule L Line 14 column d
- Corporation: 1120 Schedule L Line 14 column d
- 1120A Part III Line 11 column b

ASK R16 AND R17 FOR THE THREE LARGEST ASSETS.

ASSET NUMBER	R16. What were the three largest of these <u>other</u> assets?	R17. What was the book value of (ASSET) as of (DATE)?
1		\$
2		\$
3		\$

- Partnership: 1065 Schedule L Attached Schedule for Line 13 column d
- S-Corporation: 1120S Schedule L Attached Schedule for Line 14 column d
- Corporation: 1120 Schedule L Attached Schedule for Line 14 column d
- 1120A Part III Attached Schedule for Line 11 column b

R18. As of (DATE), what was the total dollar amount of all assets of the firm?

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Line 14 column d
S-Corporation: 1120S Schedule L Line 15 column d
Corporation: 1120 Schedule L Line 15 column d
1120A Part III Line 12 column b

R18.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

1 = YES, ACTUAL FIGURE
2 = YES, ESTIMATED FIGURE
8 = NO → **GO TO R18**

S. LIABILITIES AND EQUITY

READ: The next questions are about liabilities and equity the firm had as of (DATE). If the firm is responsible for 50 percent or more of a liability, then please consider it a business liability and include it in your answers.

S1. As of (DATE), did the firm have any loans, mortgages, notes, or bonds[, or capital leases][, including any loans from stockholders/, including any nonrecourse loans]?

[PROMPT: With nonrecourse loans, the partners are not personally liable should the firm not repay the debt. Usually, with nonrecourse loans the creditor can only repossess the collateral.]

1 = YES → **GO TO S2**
 2 = NO
 8 = DK
 9 = RF

SKIP: IF FIRM INDICATED ANY OTHER LOANS, MORTGAGES, NOTES, BONDS, CAPITAL LEASES, LOANS FROM STOCKHOLDERS, OR NONRECOURSE LOANS IN 1993 AND S1 = NO, DK, OR RF, THEN **GO TO S1.1**, OTHERWISE **GO TO S4**

S1.1 Earlier we discussed (LIST LIABILITIES) that your firm had in 1993. [Were any of these also liabilities/Was it also a liability] as of (DATE)?

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO S4**

S2. What was the combined amount of all these loans, mortgages, notes and bonds [and capital leases] as of (DATE)?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Lines 16 column d + 18 column d + 19 column d
 S-Corporation: 1120S Schedule L Lines 17 column d + 19 column d + 20 column d
 Corporation: 1120 Schedule L Lines 17 column d + 19 column d + 20 column d
 1120A Part III Lines 15 column b + 16 column b + loans, mortgages,
 notes, and bonds listed on Attached Schedule for Line 14 column b

S4. Did the firm have any accounts payable?

PROMPT: That is, did the firm owe money to suppliers for purchases the firm had made on account?

1 = YES

2 = NO }

8 = DK }

9 = RF } → **GO TO S6**

S5. What was the total amount of accounts payable?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Line 15 column d
 S-Corporation: 1120S Schedule L Line 16 column d
 Corporation: 1120 Schedule L Line 16 column d
 1120A Part III Line 13 column b

- S6. Did the firm have any other current liabilities, such as accrued expenses, taxes payable, prepayments, deposits, or advances from customers?

PROMPT: Accrued expenses are expenses that have been incurred but not yet paid such as salaries, taxes, and interest.
Taxes payable are taxes that are owed but not yet paid such as property, payroll, or income tax.
Prepayments, deposits, and advances from customers are payments made in advance by customers as evidence that they intend to buy a particular product or service.
Other current liabilities are any other debts that are due within a year such as dividends declared but not yet paid.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO S8**

- S7. What was the total amount of these other current liabilities?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Line 17 column d
 S-Corporation: 1120S Schedule L Line 18 column d
 Corporation: 1120 Schedule L Line 18 column d
 1120A Part III: From Attached Schedule for line 14 column b,
 excluding loans, mortgages, notes, and bonds

- S8. As of (DATE), did the firm have any other debts or liabilities not yet discussed?

PROMPT: Examples of other liabilities are security deposits received from others and deferred income taxes.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO S12**

S9. What was the amount owed on these other liabilities not yet discussed?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Line 20 column d
 S-Corporation: 1120S Schedule L Line 21 column d
 Corporation: 1120 Schedule L Line 21 column d
 1120A Part III Line 17 column b

ASK S10 AND S11 FOR THE THREE LARGEST OTHER LIABILITIES THE FIRM HAS HAD AS OF (DATE).

LIABILITY NUMBER	S10. What were the three largest of these <u>other</u> liabilities?	S11. What was the book value of (LIABILITY) as of (DATE)?
1		\$
2		\$
3		\$

Partnership: 1065 Schedule L Attached Schedule for Line 20 column d
 S-Corporation: 1120S Schedule L Attached Schedule for Line 21 column d
 Corporation: 1120 Schedule L Attached Schedule for Line 21 column d
 1120A Part III Attached Schedule for Line 17 column b

S12. As of (DATE), what was the total dollar amount owed by the firm for all debts and liabilities?

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

Partnership: 1065 Schedule L Sum of Lines 15 column d to 20 column d
 S-Corporation: 1120S Schedule L Sum of Lines 16 column d to 21 column d
 Corporation: 1120 Schedule L Sum of Lines 16 column d to 21 column d
 1120A Part III Sum of Lines 13 column b to 17 column b

S12.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

- 1 = YES, ACTUAL FIGURE
 2 = YES, ESTIMATED FIGURE
 8 = NO → **GO TO S12**

IF PROPRIETORSHIP, GO TO SECTION T
IF CORPORATION OR S-CORPORATION, GO TO S15
IF PARTNERSHIP, CONTINUE TO S14

PARTNERSHIPS

S14. As of (DATE), what was the total amount of all partners' equity in the firm?

PROMPT: Partner's equity is sometimes referred to as the partners' capital accounts.

AMOUNT: \$ _____

Partnership: 1065 Schedule L Line 21 column d

GO TO SECTION U

S-CORPORATIONS AND CORPORATIONS

S15. As of (DATE), what was the amount of capital stock and additional paid-in-capital?

PROMPT: Capital stock is the sum of the dollar values of common and preferred stock outstanding.
 Paid-in-capital is the dollar amount of capital contributed by non-shareholders.

AMOUNT: \$ _____

S-Corporation: 1120S Schedule L Lines 22 column d + 23 column d

Corporation: 1120 Schedule L Lines 22 column d + 23 column d
 1120A Part III Lines 18 column b + 19 column b

S16. As of (DATE), what was the total amount of retained earnings?

PROMPT: Retained earnings are earnings retained in the business rather than paid out to shareholders through dividends.

AMOUNT: \$ _____

S-Corporation: 1120S Schedule L Line 24 column d
 Corporation: 1120 Schedule L Lines 24 column d + 25 column d
 1120A Part III Line 20 column b

S17. As of (DATE), did the firm have any treasury stock?

PROMPT: Treasury stock is previously issued common stock that has been repurchased by the corporation.

1 = YES
 2 = NO }
 8 = DK }
 9 = RF } → **GO TO SKIP ABOVE S19**

S18. What was the cost of the treasury stock?

AMOUNT: \$ _____

S-Corporation: 1120S Schedule L Line 25 column d
 Corporation: 1120 Schedule L Line 26 column d
 1120A Part III Line 21 column b

SKIP: IF DK OR RF TO S15 OR S16, ASK S19
 OTHERWISE, **GO TO SECTION U**

S19. As of (DATE), what was the total amount of all shareholders' equity in the firm?

PROMPT: Shareholders' equity is the dollar-value sum of common and preferred stock, additional paid-in-capital, and retained earnings, less the cost of any treasury stock.

IF DK OR RF: Could you give a rough estimate?

AMOUNT: \$ _____

S-Corporation: 1120S Schedule L Lines 22 column d + 23 column d + 24 column d + 25 column d

Corporation: 1120 Schedule L Lines 22 column d + 23 column d + 24 column d + 25 column d + 26 column d
1120A Part III Lines 18 column b + 19 column b + 20 column b + 21 column b

GO TO SECTION U

U. CREDITWORTHINESS

READ: The next questions are to help us understand the credit history of the firm and its principal owner. As a reminder, the principal owner typically has the largest ownership share and the primary authority to make financial decisions.

U1. Within the past seven years, has the firm or its principal owner declared bankruptcy?

- 1 = YES
- 2 = NO
- 8 = DK
- 9 = RF

U3. Within the past three years, on how many different personal obligations has the principal owner been 60 or more days delinquent?

- 0 = NONE
- 1 = ONE
- 2 = TWO
- 3 = THREE OR MORE
- 8 = DK
- 9 = RF

U4. Within the past three years, on how many different business obligations has the firm been 60 or more days delinquent?

PROMPT: This includes trade credit, or credit from suppliers.

- 0 = NONE
- 1 = ONE
- 2 = TWO
- 3 = THREE OR MORE
- 8 = DK
- 9 = RF

U6. Within the past three years, have any judgments been rendered against the principal owner?

PROMPT: Judgments are court orders or lawsuits requiring either payment or some action.
An example of an action is cessation of infringement on a patent.

1 = YES

2 = NO

8 = DK

9 = RF

REMARKS: To resolve any discrepancies that might turn up as we look over the notes I've made, we would like to receive worksheets or copies of the firm's balance sheet, income statement, and income tax return. We would appreciate your mailing the completed worksheets or these other records to us in the postage-paid envelope supplied.

PROMPT: If you do not have the postage-paid envelope, our address is: PRICE WATERHOUSE,
SURVEY RESEARCH CENTER, P.O. BOX 65780, WASHINGTON, DC 20035-
5780

Thank you for participating in the survey. We greatly appreciate your time and effort. The Federal Reserve will send you a report summarizing the findings of the survey. Have a nice [day/evening].
Goodbye.