

E Welcome Text and Payment Explanation

Welcome and thank you for participating

Eligibility for this study: To be in this study, you need to meet these criteria. You must have a campus mailing address of the form:

YOUR NAME

9450 GILMAN DR 92(MAILBOX NUMBER)

LA JOLLA CA 92092-(MAILBOX NUMBER)

You must live in:

- XXX College.
- XXX College AND have a student mail box number between 92XXXX and 92XXXX
- XXX College AND have a student mail box number between 92XXXX through 92XXXX.

Your mailbox must be a valid way for you to receive mail from now through the end of the Spring Quarter. You must be willing to provide your name, campus mail box, email address, and student PID. This information will only be seen by Professor Andreoni and his assistants. After payment has been sent, this information will be destroyed. Your identity will not be a part of any subsequent data analysis.

You must be willing to receive your payment for this study by check, written to you by Professor James Andreoni, Director of the UCSD Economics Laboratory. The checks will be drawn on the USE Credit Union on campus. This means that, if you wish, you can cash your checks for free at the USE Credit Union any weekday from 9:00 am to 5:00 pm with valid identification (drivers license, passport, etc.). The checks will be delivered to you at your campus mailbox at a date to be determined by your decisions in this study, and by chance. The latest you could receive payment is the last week of classes in the Spring Quarter.

If you do not meet all of these criteria, please inform us of this now.

E.1 Payment Explanation

Earning Money

To begin, you will be given a \$10 thank-you payment, just for participating in this study! You will receive this thank-you payment in two equally sized payments of \$5 each. The two \$5 payments will come to you at two different times. These times will be determined in the way described below.

In this study, you will make 47 choices over how to allocate money between two points in time, one time is "earlier" and one is "later." Both the earlier and later times will vary across decisions. This means you could be receiving payments as early as today, and as late as the last week of classes in the Spring Quarter, or possibly two other dates in between. Once all 47 decisions have been made, we will randomly select one of the 47 decisions as the decision-that-counts. We will use the decision-that-counts to determine your actual earnings. Note, since all decisions are equally likely to be chosen, you should make each decision as if it will be the decision-that-counts. When calculating your earnings from the decision-that-counts, we will add to your earnings the two \$5 thank you payments. Thus, you will always get paid at least \$5 at the chosen earlier time, and at least \$5 at the chosen later time.

IMPORTANT: All payments you receive will arrive to your campus mailbox. That includes payments that you receive today as well as payments you may receive at later dates. On the scheduled day of payment, a check will be placed for delivery in campus mail services by Professor Andreoni and his assistants. *By special arrangement, campus mail services has guaranteed delivery of 100% of your payments on the same day.*

As a reminder to you, the day before you are scheduled to receive one of your payments, we will send you an e-mail notifying you that the payment is coming.

On your table is a business card for Professor Andreoni with his contact information. Please keep this in a safe place. If one of your payments is not received you should immediately contact Professor Andreoni, and we will hand-deliver payment to you.

Your Identity

In order to receive payment, we will need to collect the following pieces of information from you: name, campus mail box, email address, and student PID. This information will only be seen by Professor Andreoni and his assistants. After all payments have been sent, this information will be destroyed. Your identity will not be a part of subsequent data analysis.

You have been assigned a participant number. This will be linked to your personal information in order to complete payment. After all payments have been made, only the participant number will remain in the data set.

On your desk are two envelopes: one for the sooner payment and one for the later payment. Please take the time now to address them to yourself at your campus mail box.

The Study

In this study you are asked to make a series of 47 decisions about how to divide a set of tokens between two dates. Tokens will later be exchanged for money. The tokens you allocate to later date will always be worth more money than tokens you allocate to the earlier date. This process is best described by an example.

Below is a sample Decision Screen, like what you will see in the study.

Choosing the Decision-that-Counts

The first decision on the screen shows the choice to allocate 100 tokens between February 12th and February 26th. Notice that today's date is high-lighted in yellow on the calendar above the tab. Also note that the earlier date (February 12th) is highlighted in green while the later date (February 26th) is highlighted in blue. In each decision the dates are highlighted so that you can easily see when the decision begins and ends.

In this decision, each token you allocate to February 12th is worth \$0.10, while each token you allocate to February 26th is worth \$0.15. So, if you allocate all 100 tokens to February 12th you will earn \$10 on this date, and nothing on February 26th. If you allocate all 100 tokens to February 26th you will receive \$15 on this date and nothing on February 12th. You are also free to allocate some tokens to the earlier date and some to the later date. For instance, if you allocate 50 tokens to February 12th and 50 to February 26th, you will earn \$5.00 on February 12th and \$7.50 on February 26th. Remember that however you allocate the tokens, any earnings will be added to your \$5 thank-you payment for both the earlier and later dates. So, even if you allocate all your tokens to one of the dates, you will still receive a check of at least \$5 on both the earlier and later dates.

Notice that you can navigate through all 47 decisions by using the tabs at the top of the decision screen. Notice also that, on the right, the computer automatically calculates how much you will receive on both the earlier and later dates, if this is chosen as the decision-that-counts. You can revise your choices as much as you like. Once you are satisfied with all of your decisions, you can click on the "submit decisions" button.

Start

Instructions

January 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	February 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	March 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	April 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
May 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	June 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	July 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	August 2009 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

Please, be sure to complete the decisions behind each group-size tab before clicking submit.
 You can make your decisions in any order, and can always revise your decisions before submitting them.

February 12, February 26

Divide Tokens between February 12 (4 week(s) from today), and February 26 (2 week(s) later)		February 12	February 26
1	Allocate 100 tokens: <input type="text"/> tokens at \$0.10 on February 12, and <input type="text"/> tokens at \$0.15 on February 26		

Submit Decisions

<--Clicking this button will submit ALL your decisions behind every tab

Start

Instructions

Consider another example. The screen below shows an allocation of 47 tokens for February 12th and 75 tokens for February 26th. Notice how the cash values are automatically computed. Suppose this decision was chosen as the decision-that-counts for payment. Then this subject would be paid \$2.50 on February 12th and \$11.25 on February 26th. The person's earlier payment of $\$2.50 + \5.00 (thank-you payment) = \$7.50 would be placed in campus mail on February 12th. The person's later payment of $\$11.25 + \5.00 (thank-you payment) = \$16.25 would be placed in campus mail on February 26th.

Please, be sure to complete the decisions behind each group-size tab before clicking submit. You can make your decisions in any order, and can always revise your decisions before submitting them.

February 12, February 26

Divide Tokens between February 12 (4 week(s) from today), and February 26 (2 week(s) later)		February 12	February 26
1	Allocate 100 tokens: <input type="text" value="25"/> tokens at \$0.10 on February 12, and <input type="text" value="75"/> tokens at \$0.15 on February 26	\$2.50	\$11.25

Submit Decisions

<--Clicking this button will submit ALL your decisions behind every tab

Suppose instead that the following choice was made: 40 tokens for February 12th and 60 tokens for February 26th. Then, if the decision was chosen as the decision-that-counts, this subject's earlier payment of \$9 (= \$4 + \$5

Start

Instructions

Submit Decisions

<--Clicking this button will submit ALL your decisions behind every tab

Suppose instead that the following choice was made: 40 tokens for February 12th and 60 tokens for February 26th. Then, if the decision was chosen as the decision-that-counts, this subject's earlier payment of \$9 (= \$4 + \$5 thank-you payment) would be placed in campus mail on February 12th and the later payment of \$14 (= \$9 + \$5 thank-you payment) would be placed in campus mail on February 26th.

Please, be sure to complete the decisions behind each group-size tab before clicking submit.
You can make your decisions in any order, and can always revise your decisions before submitting them.

February 12, February 26

Divide Tokens between February 12 (4 week(s) from today), and February 26 (2 week(s) later)		February 12	February 26
1	Allocate 100 tokens: <input type="text" value="40"/> tokens at \$0.10 on February 12, and <input type="text" value="60"/> tokens at \$0.15 on February 26	\$4.00	\$9.00

Submit Decisions

<--Clicking this button will submit ALL your decisions behind every tab

Start

NAME: _____

PID: _____

How It Works:

In the following sheets you are asked to choose between smaller payments closer to today and larger payments further in the future. For each row, choose one payment: either the smaller, sooner payment or the larger, later payment. There are 22 decisions in total. Each decision has a number from 1 to 22.

NUMBERS 1 THROUGH 7: Decide between payment today and payment in five weeks

NUMBERS 8 THROUGH 15: Decide between payment today and payment in fourteen weeks

NUMBERS 16 THROUGH 22: Decide between payment in five weeks and payment in ten weeks

This sheet represents one of the 47 choices you make in the experiment. If the number 47 is drawn, this sheet will determine your payoffs. If the number 47 is drawn, a second number will also be drawn from 1 to 22. This will determine which decision (from 1 to 22) on the sheet is the decision-that-counts. The payment you choose (either sooner or later) in the decision that counts will be added to either your earlier \$5 thank-you payment or your later \$5 thank-you payment.

Remember that each decision could be the decision-that-counts! Treat each decision as if it could be the one that determines your payment.

TODAY VS. FIVE WEEKS FROM TODAY

WHAT WILL YOU DO IF YOU GET A NUMBER BETWEEN 1 AND 7?

Decide for **each** possible number if you would like the smaller payment for sure **today** or the larger payment for sure in **five weeks**? Please answer for each possible number (1) through (7) by filling in one box for each possible number.

*Example: If you prefer \$19 today in Question 1 mark as follows: \$19 today or \$20 in five weeks
If you prefer \$20 in five weeks in Question 1, mark as follows: \$19 today or \$20 in five weeks*

If you get number (1): Would you like to receive \$19 **today** or \$20 in **five weeks**

If you get number (2): Would you like to receive \$18 **today** or \$20 in **five weeks**

If you get number (3): Would you like to receive \$16 **today** or \$20 in **five weeks**

If you get number (4): Would you like to receive \$14 **today** or \$20 in **five weeks**

If you get number (5): Would you like to receive \$11 **today** or \$20 in **five weeks**

If you get number (6): Would you like to receive \$8 **today** or \$20 in **five weeks**

If you get number (7): Would you like to receive \$5 **today** or \$20 in **five weeks**

TODAY VS. FOURTEEN WEEKS FROM TODAY

WHAT WILL YOU DO IF YOU GET A NUMBER BETWEEN 8 AND 15?

Decide for **each** possible number if you would like the smaller payment for sure **today** or the larger payment for sure in **fourteen weeks**? Please answer for each possible number (8) through (15) by filling in one box for each possible number.

*Example: If you prefer \$19 today in Question 8 mark as follows: \$19 today or \$20 in 14 weeks
If you prefer \$20 in fourteen weeks in Question 8, mark as follows: \$19 today or \$20 in 14 weeks*

If you get number (8): Would you like to receive \$20 **today** or \$20 in **fourteen weeks**

If you get number (9): Would you like to receive \$19 **today** or \$20 in **fourteen weeks**

If you get number (10): Would you like to receive \$18 **today** or \$20 in **fourteen weeks**

If you get number (11): Would you like to receive \$16 **today** or \$20 in **fourteen weeks**

If you get number (12): Would you like to receive \$13 **today** or \$20 in **fourteen weeks**

If you get number (13): Would you like to receive \$10 **today** or \$20 in **fourteen weeks**

If you get number (14): Would you like to receive \$7 **today** or \$20 in **fourteen weeks**

If you get number (15): Would you like to receive \$4 **today** or \$20 in **fourteen weeks**

FIVE WEEKS FROM TODAY VS. TEN WEEKS FROM TODAY

WHAT WILL YOU DO IF YOU GET A NUMBER BETWEEN 16 AND 22?

Decide for **each** possible number if you would like the smaller payment for sure in **five weeks** or the larger payment for sure in **ten weeks**? Please answer for each possible number (16) through (22) by filling in one box for each possible number.

*Example: If you prefer \$19 in four weeks in Question 16 mark as follows: \$19 in 5 weeks or \$20 in 10 weeks
If you prefer \$20 in ten weeks in Question 16, mark as follows: \$19 in 5 weeks or \$20 in 10 weeks*

If you get number (16): Would you like to receive \$19 **in five weeks** or \$20 in **ten weeks**

If you get number (17): Would you like to receive \$18 **in five weeks** or \$20 in **ten weeks**

If you get number (18): Would you like to receive \$16 **in five weeks** or \$20 in **ten weeks**

If you get number (19): Would you like to receive \$14 **in five weeks** or \$20 in **ten weeks**

If you get number (20): Would you like to receive \$11 **in five weeks** or \$20 in **ten weeks**

If you get number (21): Would you like to receive \$8 **in five weeks** or \$20 in **ten weeks**

If you get number (22): Would you like to receive \$5 **in five weeks** or \$20 in **ten weeks**

2.

NAME: _____

PID: _____

How It Works:

In the following two sheets you are asked to choose between options: Option A or Option B. On each sheet you will make ten choices, one on each row. For each decision row you will have to choose either Option A or Option B. You make your decision by checking the box next to the option you prefer more. You may choose A for some decision rows and B for other rows, and you may change your decisions and make them in any order.

There are a total of 20 decisions on the following sheets. The sheets represent one of the 47 choices you make in the experiment. If the number 46 is drawn, these sheets will determine your payoffs. If the number 46 is drawn, a second number will also be drawn from 1 to 20. This will determine which decision (from 1 to 20) on the sheets is the decision-that-counts. The option you choose (either Option A or Option B) in the decision-that-counts will then be played. You will receive your payment from the decision-that-counts immediately. Your \$5 sooner and later thank-you payments, however, will still be mailed as before. The sooner payment will be mailed today and the later payment will be mailed in 5 weeks.

Playing the Decision-That-Counts:

Your payment in the decision-that-counts will be determined by throwing a 10 sided die. Now, please look at Decision 1 on the following sheet. Option A pays \$10.39 if the throw of the ten sided die is 1, and it pays \$8.31 if the throw is 2-10. Option B yields \$20 if the throw of the die is 1, and it pays \$0.52 if the throw is 2-10. The other Decisions are similar, except that as you move down the table, the chances of the higher payoff for each option increase. In fact, for Decision 10 in the bottom row, the die will not be needed since each option pays the highest payoff for sure, so your choice here is between \$10.39 or \$20.

Remember that each decision could be the decision-that-counts! It is in your interest to treat each decision as if it could be the one that determines your payoff.

Decision	Option A						Option B					
		If the die reads	you receive	and	If the die reads	you receive		If the die reads	you receive	and	If the die reads	you receive
1	<input type="checkbox"/>	1	10.39		2-10	8.31	<input type="checkbox"/>	1	20		2-10	0.52
2	<input type="checkbox"/>	1-2	10.39		3-10	8.31	<input type="checkbox"/>	1-2	20		3-10	0.52
3	<input type="checkbox"/>	1-3	10.39		4-10	8.31	<input type="checkbox"/>	1-3	20		4-10	0.52
4	<input type="checkbox"/>	1-4	10.39		5-10	8.31	<input type="checkbox"/>	1-4	20		5-10	0.52
5	<input type="checkbox"/>	1-5	10.39		6-10	8.31	<input type="checkbox"/>	1-5	20		6-10	0.52
6	<input type="checkbox"/>	1-6	10.39		7-10	8.31	<input type="checkbox"/>	1-6	20		7-10	0.52
7	<input type="checkbox"/>	1-7	10.39		8-10	8.31	<input type="checkbox"/>	1-7	20		8-10	0.52
8	<input type="checkbox"/>	1-8	10.39		9-10	8.31	<input type="checkbox"/>	1-8	20		9-10	0.52
9	<input type="checkbox"/>	1-9	10.39		10	8.31	<input type="checkbox"/>	1-9	20		10	0.52
10	<input type="checkbox"/>	1-10	10.39		-	8.31	<input type="checkbox"/>	1-10	20		-	0.52

Decision	Option A					Option B						
		If the die reads	you receive	and	If the die reads	you receive		If the die reads	you receive	and	If the die reads	you receive
11	<input type="checkbox"/>	1	13.89		2-10	5.56	<input type="checkbox"/>	1	25		2-10	0.28
12	<input type="checkbox"/>	1-2	13.89		3-10	5.56	<input type="checkbox"/>	1-2	25		3-10	0.28
13	<input type="checkbox"/>	1-3	13.89		4-10	5.56	<input type="checkbox"/>	1-3	25		4-10	0.28
14	<input type="checkbox"/>	1-4	13.89		5-10	5.56	<input type="checkbox"/>	1-4	25		5-10	0.28
15	<input type="checkbox"/>	1-5	13.89		6-10	5.56	<input type="checkbox"/>	1-5	25		6-10	0.28
16	<input type="checkbox"/>	1-6	13.89		7-10	5.56	<input type="checkbox"/>	1-6	25		7-10	0.28
17	<input type="checkbox"/>	1-7	13.89		8-10	5.56	<input type="checkbox"/>	1-7	25		8-10	0.28
18	<input type="checkbox"/>	1-8	13.89		9-10	5.56	<input type="checkbox"/>	1-8	25		9-10	0.28
19	<input type="checkbox"/>	1-9	13.89		10	5.56	<input type="checkbox"/>	1-9	25		10	0.28
20	<input type="checkbox"/>	1-10	13.89		-	5.56	<input type="checkbox"/>	1-10	25		-	0.28