
Frequently Asked Questions

❖ **Q: What is the California Family Economic Self-Sufficiency Standard?**

A: The *California Family Economic Self-Sufficiency Standard (Self-Sufficiency Standard)* quantifies the costs of meeting basic needs for California's working families. The *Self-Sufficiency Standard* measures county-specific level costs for: housing, food, child care, health care, transportation, and other necessary basic needs, plus applicable state and federal taxes and tax credits. The necessary wages defined in the *Self-Sufficiency Standard* are modest, but they are not so low that they fail to adequately provide for a family. Released by the Insight Center for Community Economic Development and calculated by Dr. Diana Pearce of the University of Washington, the *Self-Sufficiency Standard* is the only *county-specific* financial measure of its kind and is available for *156 different family combinations of adults and children*. The *Self-Sufficiency Standard* has been calculated for 37 states and the District of Columbia.

❖ **Q: Where does the data featured in the *Self-Sufficiency Standard* come from?**

A: The *Self-Sufficiency Standard* methodology uses publicly available national and state data sources such as the U.S. Census Bureau and the U.S. Department of Housing and Urban Development (HUD). Geographically relevant data is used for each county in California, reflecting local market rates for items such as housing, food, child care, health care, and transportation. Full methodology available at: www.insightcced.org.

❖ **Q: What's the difference between the *Self-Sufficiency Standard* and the Federal Poverty Guidelines (commonly known as FPL)?**

A: The *Self-Sufficiency Standard* is based on the essential costs individuals and families face on a daily basis – housing, food, child care, health care, transportation, and other basic necessary costs – and is calculated for 156 different family compositions in each of California's 58 different counties. The *Self-Sufficiency Standard* shows that many Californians not considered poor by the Federal Poverty Guidelines (FPL), still do not have enough income to meet their basic needs.

In contrast, the Federal Poverty Guidelines (FPL), a fifty-year old, one-size-fits-all measure, is based solely on the cost of the basic food budget needed to meet minimum nutritional requirements. At \$23,850 for a family of four in 2014, the FPL is the same whether you live in a high cost market like San Francisco, California, or a lower-cost market like Topeka, Kansas. The FPL assumes that food accounts for one-third of a household's overall expenses, an outdated assumption in today's marketplace.

❖ **Q: Aren't the *Self-Sufficiency Standard* Wages "Too High"?**

A: No. The *Self-Sufficiency Standard* is calculated using the *real* costs of goods and services purchased in the regular marketplace, and thus reflects the real expenses families face. The *Self-Sufficiency Standard* is a basic needs budget that does not allow for entertainment, any type of carry out or fast food, nor emergency expenses such as car repairs.

❖ **Q: How do families survive living on incomes below the *Self-Sufficiency Standard*?**

A: They struggle to meet their daily expenses, doing things like: choosing between food and medicine, borrowing money from friends and family, and/or maxing out their credit cards.

For more information on the *Self-Sufficiency Standard*, visit www.insightcced.org.