



INSIGHT
CENTER FOR COMMUNITY
ECONOMIC DEVELOPMENT

Moving Toward Economic Security

Best Practices and Challenges in Using the California Family
Economic Self-Sufficiency Standard and Online Calculator

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INSIGHT CENTER FOR COMMUNITY ECONOMIC DEVELOPMENT

The Insight Center for Community Economic Development (Insight Center) is a national research, consulting, and legal nonprofit organization dedicated to building economic health and opportunity in low-income communities. The Insight Center utilizes a wide array of community economic development strategies including: advancing industry-focused workforce development, building individual and community assets, and strengthening the early care and education industry. The Insight Center was founded in 1969, originally as the National Housing and Economic Development Law Project and later as the National Economic Development and Law Center.

This report was produced as part of the Californians for Economic Security (CFES) project, a statewide, research-driven coalition managed by the Insight Center and dedicated to ensuring that California's working families and retired elders have the resources they need to live with dignity and economic well-being. Statewide steering committees guide the overall direction of CFES, and identify policy priorities—drawn from the California Family Economic Self-Sufficiency Standard and California Elder Economic Security Standard™ Index data—to help close the gap between families' income and the rising cost of living in California. The Insight Center was one of four organizations that launched the Family Economic Self-Sufficiency Project and one of five organizations that launched the Elder Economic Security Initiative™, innovative, nation-wide efforts to gain support for proven strategies to help low-income families and retired elders reach economic security. The national effort is organized in partnership with Washington, D.C.-based Wider Opportunities for Women (WOW).

The California Family Economic Self-Sufficiency Standard and California Elder Economic Security™ Index are the primary organizing tools for the CFES network of over 400 policymakers, advocates, service providers, public agencies, foundations, researchers, educational institutions, and grassroots groups committed to building economic security for families, seniors, and the communities in which they live.

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The California Self-Sufficiency Calculator was developed in 2005 by the Insight Center for Community Economic Development and Self-Sufficiency Solutions.

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To learn more about the California Family Economic Self-Sufficiency Standard and California Self-Sufficiency Calculator, visit: <http://www.insightcced.org/index.php?page=fesi>.

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“I believe that we should modernize the Federal Poverty Guidelines to more accurately reflect the costs of living and the economic pressures on American families. Without an accurate measure of poverty and economic insecurity in America, we will not be able to fully tackle the effects of these problems on our children and families.”¹

President Barack Obama, July 18, 2008

“If we are serious about fighting poverty, we also have to start getting serious about accurately measuring poverty.”²

New York City Mayor Michael Bloomberg, July 13, 2008

Section I Introduction

This report describes the past, current, and potential uses and users of the California Family Economic Self-Sufficiency Standard (Self-Sufficiency Standard) and the California Self-Sufficiency Calculator (Calculator). The Self-Sufficiency Standard measures the cost of meeting basic needs for 156 family compositions in each of California’s 58 counties without public or private supports. The Calculator is an online tool that predicts eligibility for 14 public benefits and tax credits and uses the Self-Sufficiency Standard to measure progress toward economic security, where families have enough to cover their basic needs and develop savings and assets.³ In 2006, the Insight Center for Community Economic Development released *Keeping the Goal in Sight: Ideas for Using a Self-Sufficiency Index and Online Calculator to Help Families Move Out of Poverty*, a report evaluating the uses of the Self-Sufficiency Standard and Calculator statewide. This report aims to update and build upon the findings from *Keeping the Goal in Sight* by highlighting best practices statewide and exploring ways to improve and expand the impact of these tools in public policy, programming, and the lives of working families across California. The report is organized as follows:

- Section I provides an overview of the Self-Sufficiency Standard and Calculator, the coalition that promotes their use, Californians for Economic Security (CFES), as well as a summary of the research methodology used for this evaluation. A more detailed explanation of the research methodology can be found in Appendix A to this report.
- Section II presents information about the flawed traditional measure of poverty, the Federal Poverty Guidelines, and introduces the Self-Sufficiency Standard as a more accurate and realistic measure of income adequacy.
- Section III highlights the findings from the survey and interviews conducted for this report. These findings include information about the uses and users of the Self-Sufficiency Standard and Calculator, and the relationship between the two.
- Sections IV shifts to a more detailed discussion of the current political climate for adopting an alternative measure like the Self-Sufficiency Standard and next steps toward expanding the CFES coalition, providing technical assistance, and strategic policy advocacy.

¹ Alarcón, Richard. (July 22, 2008). “Councilmember Alarcón Commends Senator Obama for Supporting an Update of the Federal Poverty Guidelines.” *News from Richard Alarcón, Councilmember, 7th District*.

Nather, David. (July 18, 2008). “Obama Endorses Calls for New Federal Poverty Measure.” Retrieved July 25, 2008. <http://blogs.cqpolitics.com/beyond/2008/07/obama-endorses-calls-for-new-f.html>.

² City of New York. (2008, July 13). New York City Mayor Bloomberg Announces New Alternative to Federal Poverty Measure [Press Release]. PR-271-08. Available at: http://home2.nyc.gov/portal/site/nycgov/menuitem.b270a4a1d51bb3017bce0ed101c789a0/index.jsp?doc_name=/html/om/html/2008b/events_07.html.

³ See Appendix G for screen shots of the Self-Sufficiency Calculator.

- Sections V and VI conclude by connecting the Self-Sufficiency Standard and Calculator to a larger economic continuum and provide detailed information about the research methodology and survey and interviews conducted for this report.

A. Californians for Economic Security (CFES)

This report was produced as part of a project at the Insight Center: Californians for Economic Security (CFES). CFES is a statewide research-driven coalition of over 400 organizations including policymakers, advocates, service providers, public agencies, foundations, researchers, educational institutions, and community based organizations who support policies that build economic security for families, seniors, and the communities in which they live. The long-term goal of CFES is to shift the policy and programmatic paradigm away from poverty to economic security. The CFES coalition works to remove the systemic programmatic and policy barriers which hamper the efforts of Californians from becoming economically secure. The Insight Center was one of four leaders that, in 1997, launched the Family Economic Self-Sufficiency Project: an innovative, nation-wide effort to gain support for proven practices that help working families, under age 65, reach economic security. In 2008, the Insight Center was one of five organizations that launched the Elder Economic Security Initiative™, working to help retired adults, age 65 and older, get the support they need to age with dignity and economic well-being. The Insight Center leads the California arm of these efforts through CFES and its two initiatives: the Family Economic Security Initiative and the Elder Economic Security Initiative™. CFES is connected to a national economic security movement, in partnership with Washington, D.C.-based Wider Opportunities for Women (WOW), and in conjunction with 35 other state lead partners around the country.

The Family Economic Self-Sufficiency Standard and Elder Economic Security Standard™ Index are the primary organizing tools for the national economic security movement taking place in 36 states. The Family Economic Self-Sufficiency Standard and Elder Economic Security Standard™ Index show the income needed by different family types to cover their basic expenses, including housing, food, transportation, and health care *without* public or private supports. Each participating state has a county-and-family specific Family Standard and, where it is available, an Elder Index.

In California, the California Family Economic Self-Sufficiency Standard (Self-Sufficiency Standard) and California Elder Economic Security™ Index (Elder Index) are the primary organizing tools for the CFES network. Initially released in 1996 and 2008, the Self-Sufficiency Standard and Elder Index show the income needed by various family types to cover their basic expenses in all 58 counties in California, making them the *only* county-and-family-specific measures for families and seniors in the state. The calculations are based on credible, publicly available and verifiable data sources, such as the U.S. Department of Housing and Urban

The Self-Sufficiency Standard and Elder Index show the income needed by various family types to cover their basic expenses in all 58 counties in California, making them the *only* county-and-family-specific measures for families and seniors in the state.

The Self-Sufficiency Standard and Elder Index are flexible tools: the specificity offered through the Self-Sufficiency Standard's 156 family compositions and the Elder Index' single and couple elder compositions provide both the detail and accuracy needed for effective one-on-one counseling and financial planning as well as the broader snapshot more frequently used in policymaking and program planning.

Development, the U.S. Department of Agriculture, and the U.S. Census Bureau, among others. The Self-Sufficiency Standard and Elder Index are flexible tools: the specificity offered through the Self-Sufficiency Standard's 156 family compositions and the Elder Index' single and couple elder compositions provide both the detail and accuracy needed for effective one-on-one counseling and financial planning as well as the broader snapshot more frequently used in policymaking and program planning. Through CFES, the Self-Sufficiency Standard, and Calculator, our vision is to catalyze a paradigm shift at the local, state, and national

levels away from the Federal Poverty Guidelines and poverty toward economic security and a more accurate reflection of the *real* needs of working families and retired seniors. We and our partners recognize that we cannot create effective programs and policies to empower families to reach economic security if we do not have an accurate measure of economic security in today's economy.

In 2005, the Insight Center released the California Self-Sufficiency Calculator (Calculator), an anonymous online interactive benefits and budgeting calculator that applies the Self-Sufficiency Standard to benchmark client progress toward economic security. Designed for case managers and counselors, the Calculator predicts eligibility for 14 state and federal public benefits and tax credits, in addition to providing information on each benefit/tax credit and where and how to apply for them. A critical feature of the Calculator is its ability to benchmark client progress toward economic security by comparing clients' wage(s) to their family's self-sufficiency wage as determined by the Self-Sufficiency Standard. For example, the Calculator could show that during an initial visit, a client's wages represented 70% of his/her family's self-sufficiency wage, whereas in a subsequent visit following a pay raise, the Calculator would show the client's wages represented 80% of his/her family's self-sufficiency wage.

The Calculator is currently available for 15 counties in California: Alameda, Contra Costa, Long Beach (Los Angeles County), Marin, Mendocino, Napa, Orange, Riverside, Sacramento, San Bernardino, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties. Because the Calculator provides local and county-specific contact information about resources available to assist individuals and families with applying for benefits and tax credits, the Calculator is typically expanded on a county-by-county basis, or more locally for larger counties, through the collaborative leadership of the Insight Center and a lead agency in each area.

B. Research Methodology

The Insight Center used quantitative and qualitative research methods to develop this report. The Insight Center collected and analyzed 151 survey responses⁴, and conducted 28 in-depth interviews in an effort to answer the following questions:

1. Who is using the Self-Sufficiency Standard and/or Calculator? What types of organizations are represented and where are they located within California? To what extent are the tools known throughout the state and across different types of organizations?
2. How are organizations using the Self-Sufficiency Standard and/or Calculator in their work? Are they used in program implementation and planning, to inform policy making and advocacy, or both?
3. What challenges have Self-Sufficiency Standard and Calculator users faced in applying the Self-Sufficiency Standard and Calculator to their work?

Ultimately, this report is intended to serve as a program planning and design resource to enhance the ability of policymakers, nonprofits, advocates, foundations, researchers, educational institutions, faith-based groups, and business leaders to help families progress toward economic security. More details on the research methodology can be found in Appendix A.

⁴ The survey was sent out to a master list of 1,235 individuals, yielding a 12.5% response rate. Most of the respondents are active Self-Sufficiency Standard and/or Calculator users. See Appendix B for the survey questions, Appendix C for the interview questions, and Appendix D for a list of the organizations surveyed and interviewed.

Section II

California Families are Struggling to Make Ends Meet

A. How Much is Enough to Live in California?

That California is an expensive place to live is a well-known fact, but just how difficult is it to make ends meet in this state? The 2008 Self-Sufficiency Standard reveals the stark reality - for many California families, the income from a full-time job is not enough to cover their basic expenses. Following are some examples of the challenges facing many California families:

In all 58 counties in California, a single parent raising two young children needs to work more than two full-time minimum wage jobs just to make ends meet. In higher-cost counties, the same parent needs to work three, or even four, full-time minimum wage jobs to adequately support his/her family, an undertaking which is physically impossible.⁵

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In Los Angeles, a single person with no children needs to earn \$12.51 an hour to pay for basic household expenses. The current state minimum wage is \$8.00 per hour. This means a single person living in Los Angeles working one full-time minimum wage job comes up nearly \$750 short each month.

A family with two adults, one preschooler, and a school-age child needs nearly \$30,000 more a year to cover a basic needs budget in Marin County, the most expensive county in California, than in Kern County, the most affordable county in California.

B. How Much Income Does It Take to Reach Economic Security? Federal Poverty Guidelines v. Family Economic Self-Sufficiency Standard

1. Federal Poverty Guidelines: A Measure of Deprivation

For nearly 50 years, the Federal Poverty Guidelines (commonly known as FPL or the Federal Poverty Level) have served as the basic benchmark of who is “poor” in the United States. To better understand what this means in real dollars, the following is a sample of the 2008 Federal Poverty Guidelines for three different household types⁶:

- One person household: \$10,400
- Three person household: \$17,600
- Four person household: \$21,200

Approximately 82 social welfare programs use the Federal Poverty Guidelines, or some multiple of it, as an eligibility determinant.

As the official U.S. poverty measure, the Federal Poverty Guidelines are the income threshold that determine who is deemed eligible for public support and who is deemed ineligible because s/he earns too much income. Approximately 82 social welfare programs use the Federal Poverty Guidelines, or some

⁵ This is based on the 2008 Self-Sufficiency Standard for a family with one adult, a preschooler, and a school-age child.

⁶ All figures in this section come from the 2008 Health and Human Services Poverty Guidelines website, available at <http://aspe.hhs.gov/poverty/08Poverty.shtml>.

multiple of it, as an eligibility determinant.⁷ For example, if a family makes more than 130% of the Federal Poverty Guidelines (which is \$22,880 for a family of 3), they will be ineligible for Food Stamps, Medicaid for their children, and Head Start.⁸ Without these programs, families are forced to go without vital resources including proper nutrition, healthcare, and early childhood education for their children, which hurts both the family and our society.

The Federal Poverty Guidelines are also used to determine how state and federal resources are allocated to local communities, and then as a measure of the impact of such programs. For example, the California Legislative Analyst's Office's (LAO) 2008-2009 budget proposal offered savings to the state by reducing the Supplemental Security Income/State Supplementary Program (SSI/SSP) grants for couples to 125% FPL.⁹ The SSI and SSP Programs provide income support to individuals who are 65 or older, blind, or disabled. Based on this action, it would seem that the LAO used the Federal Poverty Guidelines to infer that any grant amount above 100% FPL put recipients above poverty, and therefore, no longer in need of support. In another example, the Older Americans Act, which authorizes funding for services to older adults at the local, state, and federal levels, requires that priority be given to areas with the "greatest social and economic need".¹⁰ Many states use the Federal Poverty Guidelines to define and identify areas with the greatest need.¹¹

The problem with these calculations is that the Federal Poverty Guidelines are an outdated and imprecise metric developed in the 1960s that drastically underestimate the true cost of living in today's economy and therefore understate the number of people struggling to make ends meet. The methodological shortcomings of the Federal Poverty Guidelines are profound and have been well-documented and widely recognized by social scientists for decades. They include:

The Federal Poverty Guidelines are an outdated and imprecise metric that drastically underestimate the true cost of living in today's economy and therefore understate the number of people struggling to make ends meet.

- The Federal Poverty Guidelines do not vary by geography, despite the often drastic differences in the cost of living across the country. For example, although the 2009 fair market rent for a one bedroom apartment is \$515 a month in Topeka, Kansas and \$1,325 a month in San Francisco, California, the Guidelines is those cities are the same – \$10,400, or \$866.67 a month, for one person.

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- The Federal Poverty Guidelines do not vary by the *ages* of the children or adults in the household – yet, it costs more to take care of a preschooler than a teenager.¹³
- The Federal Poverty Guidelines are based on only *one* expense – food, and use 1950s consumption data that assumes food accounts for one-third of a household's overall expenses. Today's

⁷ Parish, S. L., Rose, R. A., & Andrews, M. E., (April 2008). "Income poverty and material hardship among US women with disabilities." Paper presented at the Summit on Economic Justice for Women, Sheraton Atlanta Hotel, GA.

⁸ Parish.

⁹ California Legislative Analyst's Office. (February 2008). "Highlights of the 2008-2009 Analysis." 7..

¹⁰ 42 USCS §3025(a)(1)(E).

¹¹ Department of Health and Human Services. (March 1999). "Annual Update of the HHS Poverty Guidelines". *Federal Register*, Vol.64 (52), 13428-13430. California Department of Aging. (February 2008). "Poverty Guidelines for Older Americans Act and Older Californians Act Programs". Retrieved October 2, 2008.

http://www.aging.ca.gov/aaa/guidance/Updated_Narrative_Poverty_guide_2008-2-51.pdf. Texas Department of Aging and Disability Services. (January 2008). "Poverty Guidelines". *Technical Assistance Memorandum, AAA-TA 301*. Retrieved October 2, 2008. <http://www.dads.state.tx.us/providers/AAA/communications/TechnicalAssistance/AAA-TA301.pdf>.

¹² U.S. Department of Housing and Urban Development. (2008). "Schedule B - FY 2009 Final Fair Market Rents for Existing Housing". Retrieved October 2, 2008.

http://www.huduser.org/datasets/fmr/fmr2009f/SCHEDULE%20B_FINAL_091108R.pdf.

¹³ California Department of Education (2006). "Reimbursement ceilings for subsidized child care." Available at <http://www.cde.ca.gov/fg/aa/cd/>.

consumption patterns are markedly different. In 2006, food expenses represented just 13.5% of the household budget for the U.S. urban population.¹⁴

- The Federal Poverty Guidelines assume that in two-parent households, one parent stays home and cares for the children full-time. According to the Bureau of Labor Statistics, nearly 60% of married-couple families had earnings from both the wife and the husband in 2005 compared to 44% in 1967.¹⁵ We would assume a greater percentage of earnings from both the wife and husband in families in the lower quintiles.
- Although adjusted for inflation each year, the Federal Poverty Guidelines are calculated in the same way today, in 2008, as they were in 1965. No other economic statistic in use today relies on such antiquated methods.¹⁶

As a result of these shortcomings, many families in high cost states like California earn *too much* to qualify for public programs, but *not enough* to pay for their basic needs. On average, **two adults with a preschooler and a school-age child in California need to earn \$52,889 a year to meet basic costs, which is more than double the 2008 Federal Poverty Guidelines of \$21,200 for a 4-person family.**¹⁷ The 2008 Federal Poverty Guidelines for a single adult is just \$10,400 a year; an amount that barely covers rent in most counties in California.¹⁸

Many families in high cost states like California earn *too much* to qualify for public programs, but *not enough* to pay for their basic needs. On average, two adults with a preschooler and a school-age child need to earn \$52,889 a year to meet basic costs, which is more than double the 2008 Federal Poverty Guidelines of \$21,200 for a 4-person family.

2. The Structural Factors Keeping Families in Poverty

For families who are trying to make ends meet, many public benefits are discontinued before they reach true economic security. This so-called “benefits cliff” makes it more difficult for families to actually move out of poverty. The following composite story of one woman’s struggle illustrates how working families can fall through the benefits cliff.

Silvia lives in Oakland’s Lower San Antonio neighborhood with her 3-year old son and 7-year old daughter. She earns \$8.00 an hour working 30 hours a week at a local restaurant. At this wage, Silvia is earning 24% of her target self-sufficiency wage. She spends \$1,100 a month on a two-bedroom apartment and \$400 a month on food. To ensure that she is not late for work, she relies upon a car rather than public transit to go between her children’s child care and school, and work. Utilities are not included in her rent, so she spends approximately \$200 a month on gas, electricity, and water. Based on her wages, Silvia is eligible for approximately \$315 of CalWORKs and just over \$445 worth of Food Stamps each month. However, the combination of her wages and these benefits is still too low to cover all of her costs and she finds herself falling short nearly \$215 each month. If Silvia received a pay raise that brought her wage up to \$9.00 an hour, one would imagine she would be in a stronger economic position. However, such a wage increase would make Silvia ineligible for any CalWORKs grant and would increase her monthly shortfall to over \$400. Given this situation, the rational choice for Silvia would be to turn down the raise, and with that, the opportunity to

¹⁴ McGranahan, Leslie. (October 2008). “Food inflation and the consumption patterns of U.S. households.” *Chicago Fed Letter*. No. 255, 2.

¹⁵ U.S. Bureau of Labor Statistics. (2007). Introduction. “Women in the Labor Force: A Databook”. Retrieved October 2, 2008. <http://www.bls.gov/cps/wlf-intro-2007.pdf>.

¹⁶ Blank, Rebecca, (July 17, 2008). “Why the United States Needs an Improved Measure of Poverty.” Testimony presented at the Subcommittee on Income Security and Family Support of the House Committee on Ways and Means Hearing on Establishing a Modern Poverty Measure, in Washington, D.C.

¹⁷ Calculation based on the median of the 2008 Self-Sufficiency Standard for a family with two adults, a preschooler, and a school-age child in all 58 counties in California.

¹⁸ U.S. Department of Housing and Urban Development.

For many families, our public systems actually work against their efforts to rise out of poverty.

move closer to economic security. Thus, for many families, our public systems actually work against their efforts to rise out of poverty.

In addition to the benefits cliff, eligibility thresholds are too low for families living in high cost states and communities. Exhibit 1 shows the huge gap in San Francisco between the eligibility ceiling for various family supports and the Self-Sufficiency Standard for a one adult, one preschooler, and one school-age child family.

Exhibit 1¹⁹

The Eligibility Gap for Working Families in San Francisco (One Adult, One Preschooler, and One School-age Child)

Category of Cost	Income Ceiling for Eligibility	Self-Sufficiency Annual Wage	Eligibility Gap
Child Care			
Subsidies	\$37,644	\$57,658	(\$20,014)
Food			
Food Stamps	\$22,332	\$57,658	(\$35,326)
Free Lunch	\$22,321	\$57,658	(\$35,337)
Reduced Lunch	\$31,765	\$57,658	(\$25,893)
Transportation			
MUNI Lifeline Pass	\$38,000	\$57,658	(\$19,658)
Health Care			
Healthy Kids	\$49,800	\$57,658	(\$7,858)
Utilities			
PG&E	\$34,400	\$57,658	(\$23,258)
Taxes			
Earned Income Tax Credit	\$36,348	\$57,658	(\$21,310)
Working Families Credit	\$36,348	\$57,658	(\$21,310)

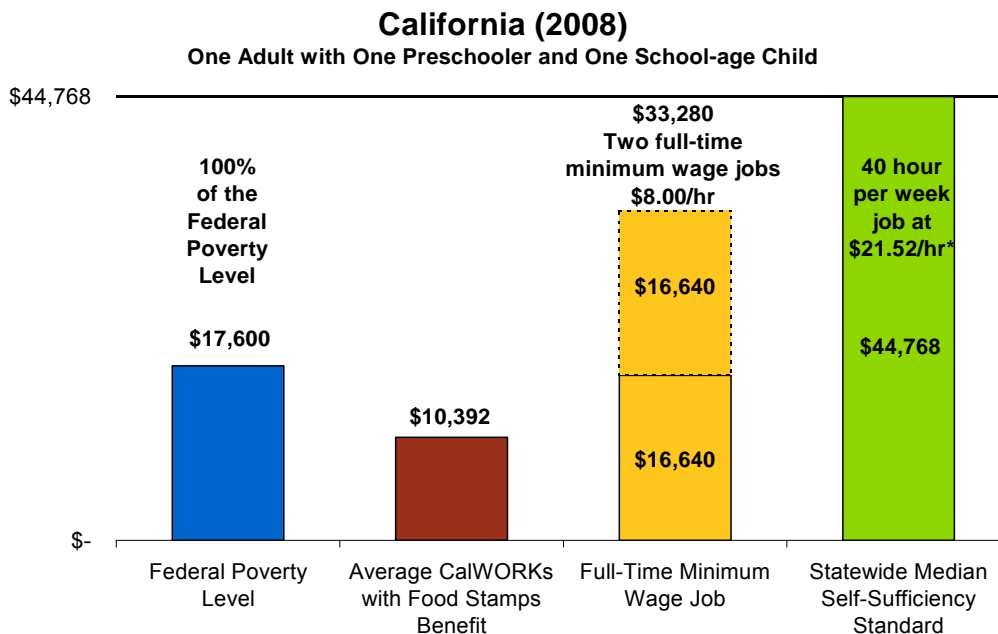
Finally, many supports simply do not provide enough for families to pay for their basic needs. As illustrated in Exhibit 2, it would take more than four times the average CalWORKs with food stamps benefit to meet the minimum economic needs of a family consisting of one adult, one preschooler, and a school-age child. This means that the CalWORKs with food stamps benefit cannot even bring a family to the poverty level, let alone to economic security. As a result, many working families find themselves in untenable positions, forced to choose between basic needs such as putting food on the table and taking their children to the doctor.

Most family support programs are intended to provide temporary help to working families moving toward economic security. However, many of these programs, including those shown in Exhibits 1 and 2, are ineffective because their eligibility criteria does not recognize how much working families actually need to make ends meet in today's economy. This is especially true in high-cost states like California where the eligibility gap is greater than other states. This eligibility gap also creates an opportunity gap; working families

¹⁹ Jarrett, September, (May 2008). "Family Economic Success Policy Briefing." Research presented at the San Francisco Family Economic Success Policy Briefing, in San Francisco, CA.

are forced to remain in poverty rather than taking advantage of opportunities that will move them toward economic security.

Exhibit 2



* Note: The Self-Sufficiency Standard includes the net effect of the addition of the Child Care and Child Tax Credits and the subtraction of taxes.

Given how widely the Federal Poverty Guidelines are used in public policies for low-income families, it is critical that our definition of poverty be reformed to better reflect what it *actually* takes for families to meet their basic needs.

3. The California Family Economic Self-Sufficiency Standard: A Measure of Income Adequacy for California

Due to the inadequacies of the Federal Poverty Guidelines and the need for a more accurate assessment of what it actually costs to make ends meet across America, self-sufficiency indices and alternative poverty measures have been developed in a number of states. The Self-Sufficiency Standard and its counter part for retired seniors, the Elder Index, are the *only* county-and-family-specific self-

The Self-Sufficiency Standard and its counter part for retired seniors, the Elder Index, are the *only* county-and-family-specific self-sufficiency measures for families and seniors in California.

sufficiency measures for families and seniors in California. The Self-Sufficiency Standard and Elder Index are also part of a larger movement to develop and publicly institutionalize more realistic cost of living indices. Exhibit 3 provides an example of the Self-Sufficiency Standard for a 4-person family in each of the 58 counties and shows how drastically the cost for basic goods can vary; the annual basic budget for a 4-person family can vary as much as \$30,000 across counties in California. Based on the vast differences in the Self-Sufficiency Standard within California, we expect even greater variations between high and low-cost states. What makes the Self-Sufficiency Standard different from other measurements is that it provides data at both the county and family level, and therefore provides a more precise measurement of need.

C. Who is Struggling to Make Ends Meet in California?

According to *Overlooked and Undercounted: A New Perspective on the Struggle to Make Ends Meet in California*, an Insight Center report that analyzed the number of households falling below the Self-Sufficiency Standard in California, almost 1/3 (30%) of California families have incomes too low to pay for their basic needs.²⁰ *The Bottom Line: Setting the Real Standard for Bay Area Working Families*, a 2004 report co-authored by the Insight Center and the United Way of the Bay Area, found that one in four (25%) of Bay Area households have incomes too low to pay for their basic needs.²¹ Both figures are significantly higher than 11%, the percentage of families in poverty according to the Federal Poverty Guidelines.²²

Almost 1/3 (30%) of California families have incomes too low to pay for their basic needs.

Most families who fall below the Self-Sufficiency Standard are working families, families with young children, and disproportionately Latino and African American. Of families who earn too little to make ends meet, 58% have at least one worker employed full-time year round. More than half (52%) of the households with a child under age six have inadequate income. Economic hardship is more prevalent in Latino and African American households where 55% and 35%, respectively, have incomes too low to pay for basic needs.

Of families who earn too little to make ends meet, 58% have at least one worker employed full-time year round.

Exhibit 3: California Family Economic Self-Sufficiency Standard (2008)

County	2 adults, 1 preschooler, 1 school-age child	County	2 adults, 1 preschooler, 1 school-age child	County	2 adults, 1 preschooler, 1 school-age child
Alameda	\$ 58,251	Madera	\$ 52,852	San Joaquin	\$ 53,010
Alpine	\$ 51,694	Marin	\$ 73,576	San Luis Obispo	\$ 57,049
Amador	\$ 53,366	Mariposa	\$ 50,817	San Mateo	\$ 72,572
Butte	\$ 50,250	Mendocino	\$ 52,006	Santa Barbara	\$ 61,343
Calaveras	\$ 50,736	Merced	\$ 48,973	Santa Clara	\$ 68,430
Colusa	\$ 52,490	Modoc	\$ 48,940	Santa Cruz	\$ 65,726
Contra Costa	\$ 58,174	Mono	\$ 57,509	Shasta	\$ 49,289
Del Norte	\$ 49,324	Monterey	\$ 58,895	Sierra	\$ 52,925
El Dorado	\$ 56,346	Napa	\$ 57,728	Siskiyou	\$ 48,448
Fresno	\$ 47,706	Nevada	\$ 55,898	Solano	\$ 54,668
Glenn	\$ 50,950	Orange	\$ 68,134	Sonoma	\$ 57,075
Humboldt	\$ 51,293	Placer	\$ 58,023	Stanislaus	\$ 51,421
Imperial	\$ 52,722	Plumas	\$ 50,281	Sutter	\$ 51,186
Inyo	\$ 48,819	Riverside	\$ 54,288	Tehama	\$ 51,439
Kern	\$ 44,686	Sacramento	\$ 54,189	Trinity	\$ 48,524
Kings	\$ 49,260	San Benito	\$ 57,834	Tulare	\$ 46,736
Lake	\$ 50,833	San Bernardino	\$ 57,135	Tuolumne	\$ 51,628
Lassen	\$ 49,955	San Diego	\$ 59,450	Ventura	\$ 65,293
Los Angeles	\$ 58,659	San Francisco	\$ 62,183	Yolo	\$ 59,299
				Yuba	\$ 51,216

²⁰ Insight Center for Community Economic Development. (June 2003). "Overlooked and Undercounted: A New Perspective on the Struggle to Make Ends Meet in California – Executive Summary." 1.

²¹ Insight Center for Community Economic Development and United Way of the Bay Area. (2004). "The Bottom Line: Setting the Real Standard for Bay Area Working Families." 2.

²² Insight Center for Community Economic Development "Overlooked and Undercounted" 1.

Given the current economic recession, the number of families struggling today has only grown. By using the Self-Sufficiency Standard and Calculator, policymakers, service providers, advocates, foundations, educational institutions, researchers, unions, employers, and public agencies around the state are helping these struggling families strive toward, meet, and exceed their target self-sufficiency wage, to bring them closer to economic security.

The next section of this report provides a detailed analysis of how various stakeholders use the Self-Sufficiency Standard and Calculator to empower workers and their families, and the impact they have had on improving the lives of these Californians.

Section III

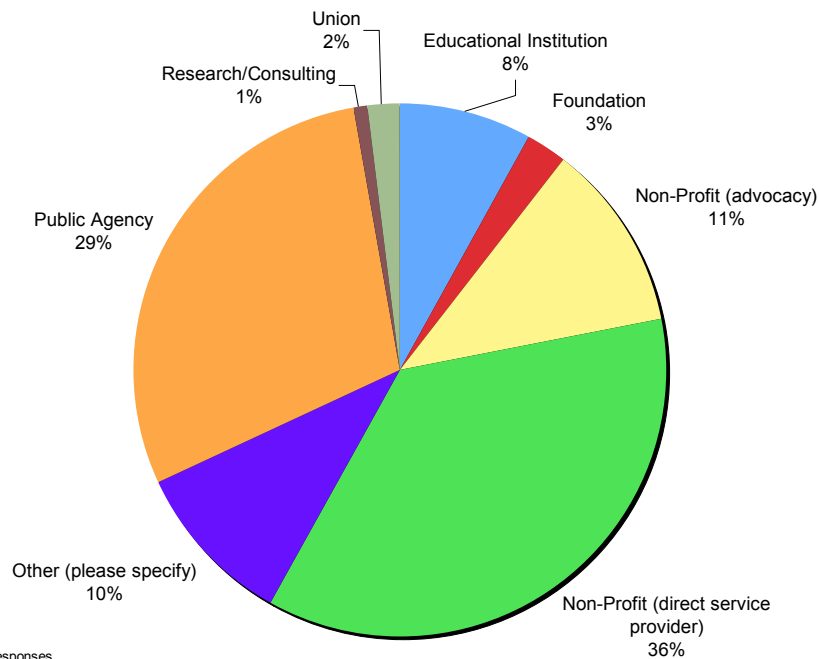
Getting to Self-Sufficiency: How the Self-Sufficiency Standard and Calculator are Helping Families Reach Economic Security

A. Survey Findings – General Overview

1. Who is Using the Self-Sufficiency Standard & Calculator?

Exhibit 4

Nonprofit Direct Service Providers are the Largest Self-Sufficiency Standard and Calculator User Group



The individuals and organizations using the Self-Sufficiency Standard and Calculator are numerous and vary in type. Of the 151 survey respondents, 55 represented nonprofit direct service providers, 44 represented

public agencies, 17 represented nonprofit advocacy organizations, and the remainder represented a combination of educational institutions, foundations, elected officials, labor unions, research/consulting organizations, or other organizations. Exhibit 4 provides a breakdown of the respondents by type. Most of the respondents are located in the Bay Area and Southern California, while a few are located in Northern and Central California.

2. How are Organizations Using the Self-Sufficiency Standard to Move Families Toward Economic Security?

Self-Sufficiency indices are used in a variety of ways by nonprofits, public agencies, foundations, labor unions, businesses, community organizations, faith-based groups, researchers, and educational institutions. In California, the Self-Sufficiency Standard is being used for:

- counseling and educational planning;
- benchmarking and evaluation;
- policymaking by public agencies and elected officials;
- budget advocacy;
- priority-setting criteria in grant making;
- determining eligibility for services;
- identifying “benefits cliffs” and strengthening family support programs;
- program development and planning
- data for labor contract negotiations, academic reports, and media pieces.

The Self-Sufficiency Standard is most commonly used for:

- research/as a data resource
- policy setting within agencies
- resource development/writing grant proposals
- public policy advocacy
- job counseling

These uses indicate that the Self-Sufficiency Standard plays an important role for policy analysis and development. The next section will provide a more detailed picture of these uses.

The Self-Sufficiency Standard plays an important role for policy analysis and development.

Despite its primary use as a policy tool, almost a third of Self-Sufficiency Standard users apply it during direct client services, which includes financial planning and benchmarking client progress towards economic security. When organizations use both the Self-Sufficiency Standard and Calculator, they tend to use the Self-Sufficiency Standard more as a resource for policy, advocacy, research, and grant writing purposes.

Regardless of whether it is applied for policy purposes or direct services, organizations that use the Self-Sufficiency Standard reported being heavily invested in the measure; as many as 45% of organizations reported that using the Self-Sufficiency Standard has changed the way they approach and conduct their work. It is not surprising that the majority (61%) of the organizations who describe themselves as being heavily invested in the Self-Sufficiency Standard have worked with the measure for 2 or more years. The value of the measure becomes more evident as it is integrated more fully into a system, and users have had the time and the opportunity to observe its impact; nearly half of the respondents have used the Self-Sufficiency Standard for at least 3 years.

45% of organizations reported that using the Self-Sufficiency Standard has changed the way they approach and conduct their work.

3. How are Organizations Using the Self-Sufficiency Calculator to Move Families Toward Economic Security?

Given its capacity to calculate benefit eligibility and provide for budgeting and benchmarking, the Calculator is mainly used in direct service with clients. The Calculator is most commonly applied as a resource for identifying a client's eligibility for public benefits. Other applications include financial and job planning, in addition to benchmarking a client's progress towards his/her self-sufficiency wage. Based on our anecdotal experience, which was confirmed by the survey results, the Calculator is used more frequently for calculating benefit eligibility than for benchmarking client progress toward their self-sufficiency wage. This finding is not surprising because for many counselors, follow-up visits are not part of their case management; and even where follow-up visits are included, counselors may not necessarily see clients after their initial visit. Thus, while the Calculator has proven helpful for benchmarking client progress for counselors who work with clients over a period of time, not all counselors have this opportunity.

It is interesting to note that the Calculator is applied differently depending on whether it is used alone or in conjunction with the Self-Sufficiency Standard. For those who use only the Calculator, it is more frequently used for financial planning and benchmarking than for job and educational counseling, whereas for those who use both the Self-Sufficiency Standard and Calculator, the reverse is true. This seems to suggest that when used in conjunction with the Self-Sufficiency Standard, the Calculator is a more helpful job and educational counseling tool.

B. Stakeholder Interview Findings – Painting a Detailed Picture

In recognizing the inadequacies of the Federal Poverty Guidelines, legislators, local governments, service providers, advocates, educational institutions, researchers, foundations, faith-based groups, and businesses are using the Self-Sufficiency Standard and Calculator to better understand the struggles California families face making ends meet.

1. Using the Self-Sufficiency Standard in Public Policy

Given its ability to provide a measure of income adequacy that can be broad (e.g., statewide), or highly specific (e.g., two adults with a preschooler in Fresno County), users have found the Self-Sufficiency Standard to be an effective public policy tool. Specifically, the Self-Sufficiency Standard has been used in public policy at the local, state, and federal levels as follows:

- a. Adoption as an accurate measure of need
- b. Identifying “benefits cliffs” and strengthening family support programs
- c. Setting eligibility standards
- d. Evaluation and priority-setting criteria in grant making
- e. Budget advocacy
- f. Living wage campaigns

a. Adoption as an Accurate Measure of Need

For years, local, state, and federal lawmakers have recognized the inadequacies of the Federal Poverty Guidelines and the need for a new measure of poverty. However in 2008, there have been major steps toward developing and adopting a new measurement. This recent momentum is largely attributed to several key events, including the introduction of a new poverty measure in New York City and discussions of developing similar measures in other cities, a State Children's Health Insurance Program (SCHIP) debate focused on how many multiples of the Federal Poverty Guidelines should entitle children to health care, and the current economic recession. These events highlight the meaninglessness of the Federal Poverty Guidelines in today's economy and the leadership of initiatives around the country to develop better measures.

Federal Progress

On July 25, 2007, Congressman Jim McDermott of Washington held a hearing to consider the current poverty measure, the Federal Poverty Guidelines, its limitations, and possible alternatives.²³ Congressman McDermott presented the problem as being two-fold: (1) due to the Federal Poverty Guidelines' methodological flaws such as failing to vary based on geographical difference in costs, it underestimates the number of people actually living in poverty and (2) the Federal Poverty Guidelines fail to capture the impact public policies and programs such as Food Stamps and Earned Income Tax Credit (EITC) have on reducing the level of need. Several expert witnesses provided public testimony about the need for an updated poverty measure, all of whom cited the National Academy of Sciences' (NAS) recommended measure, which would vary by geography and show how certain federal programs reduce the level of need.²⁴ Although the witnesses were split on the merits of adopting the NAS approach, all agreed that the Federal Poverty Guidelines are flawed and underestimate the number of people in poverty, and that a new measure is needed. The Insight Center and several of our partners submitted written testimony in support of the Self-Sufficiency Standard as a family and geographically-specific alternative measure to the Federal Poverty Guidelines.²⁵

On July 17, 2008, Congressman McDermott held a hearing on a draft proposal to establish the Modern Poverty Measure for the United States, based on the NAS recommendations. In his proposal, Congressman McDermott included a proposal for calculating a:

- **modern poverty threshold**, which would (1) update the threshold of local costs for food, clothing, and shelter based on the Consumer Expenditure Survey for a two adult and two child family; (2) subtract health care, child care and transportation costs from *after tax* income; and (3) subtract the cash value of certain benefits (e.g. housing, Food Stamps, and EITC);
- **decent living standard**, which would measure the amount of annual income needed to allow an individual to live beyond deprivation at a safe and decent, but modest, standard of living; and
- **medical risk care measure**, which would measure the number and percentage of individuals who lack adequate health insurance and therefore, are at risk of being unable to afford needed treatment.

As with the 2007 hearing, a number of expert witnesses provided public testimony discussing the opportunities and limitations of applying the NAS approach. The Insight Center submitted written testimony in support of the proposed decent living standard, noting the importance of recognizing both the effect of receiving public support on a families' economic security, as the proposed Modern Poverty Measure does, as well as having a measure like the Self-Sufficiency Standard, to demonstrate the income needed to meet basic needs without public or private supports.²⁶

On September 18, 2008, Congressman McDermott introduced H.R. 6941, Measuring American Poverty Act of 2008, to provide an improved and updated method for measuring poverty in the United States. The bill calls for the Bureaus of the Census and Labor Statistics to work with federal statistical agencies and outside experts, including NAS, to calculate the modern poverty threshold, decent living standard, and medical risk care measure. At the time this report was written, the bill had been referred to the House Oversight and Government Reform Committee. The Senate version of this bill, S. 3636, was introduced by Senator Chris Dodd, and referred to Senate committee on Friday, September 26, 2008.

²³ House Committee on Ways and Means. (August 2007). "Hearing on Measuring Poverty in America." Serial 110-56. Retrieved October 2, 2008. <http://waysandmeans.house.gov/hearings.asp?formmode=printfriendly&id=7304>.

²⁴ The National Academy of Sciences recommends poverty thresholds that vary by geographical differences and represent a budget for food, clothing, shelter (including utilities), and a small additional amount to allow for other needs such as personal car and non-work-related transportation. The measure includes all cash and in-kind assistance and deducts taxes and work expenses such as child care and transportation.

²⁵ A copy of the submitted testimony is available at: <http://www.insightcced.org/index.php?page=fesi-press-room>.

²⁶ A copy of the submitted testimony is available at: www.insightcced.org.

President Barack Obama has shown his support of efforts to modernize the Federal Poverty Guidelines. In an August 2007 letter to Los Angeles Councilmember Richard Alarcón and in an August 2008 statement by his campaign spokesman Nick Shapiro following the release of New York City's poverty measure, then President-Elect Obama said:

"I believe that we should modernize the Federal Poverty Guidelines to more accurately reflect the costs of living and the economic pressures on American families. Without an accurate measure of poverty and economic insecurity in America, we will not be able to fully tackle the effects of these problems on our children and families."²⁷

State Progress

In 2003, former State Senator Richard Alarcón passed Senate Joint Resolution 15, which urged the federal government to use the Self-Sufficiency Standard rather than the Federal Poverty Guidelines to measure income adequacy and the needs of Californians. Californians for Economic Security (CFES), the coalition behind the Self-Sufficiency Standard, was actively involved in the passage of this bill.

Similarly, CFES helped draft Senate Bill 1639, which increased access to quality, vocational English as a second language education and training programs for low-income parents and foster youth in California. The Self-Sufficiency Standard bolstered the case that low-income parents need greater educational and language training opportunities if they are to attain self-sufficiency level wages. This bill was passed into law in 2004.

CFES' Sacramento partners have also used the Standard to help frame policy debates in the Capitol. For example, the California Commission on the Status of Women relies on "accurate and reliable tools such as the Self-Sufficiency Standard to develop and promote effective public policies," says Executive Director Mary Wiberg. "The county-specific nature of the Self-Sufficiency Standard helps us understand the real economic needs facing our communities."²⁸ In the Public Policy Agenda and Proposals to the Governor and State Legislature for the 2007-2008 legislative session, the Commission supported the statewide adoption of the Self-Sufficiency Standard, including the adoption at the county and local levels, and recommended that the state recalculate the Self-Sufficiency Standard annually.²⁹

Local Progress

Los Angeles Councilmember Richard Alarcón is a long-standing champion of the Self-Sufficiency Standard. During his tenure as a Los Angeles Councilmember, Councilmember Alarcón has introduced several motions and resolutions related to updating the Federal Poverty Guidelines to a regionally-specific measure like the Self-Sufficiency Standard. In 2007, the Los Angeles City Council passed a resolution in support of replacing the Federal Poverty Guidelines with the Self-Sufficiency Standard.³⁰ In 2008, Councilmember Alarcón introduced a motion calling on the City of Los Angeles to adopt a self-sufficiency index to reflect the regional cost of living based on the expenses included in the Self-Sufficiency Standard. This motion also called on several major city departments to measure the impact of re-setting eligibility guidelines for benefits, subsidies,

²⁷ Alarcón, Richard. (July 22, 2008). "Councilmember Alarcón Commends Senator Obama for Supporting an Update of the Federal Poverty Guidelines." *News from Richard Alarcón, Councilmember, 7th District*.

Nather, David. (July 18, 2008). "Obama Endorses Calls for New Federal Poverty Measure." Retrieved July 25, 2008. <http://blogs.cqpolitics.com/beyond/2008/07/obama-endorses-calls-for-new-f.html>.

²⁸ Mary Wiberg, Executive Director, California Commission on the Status of Women, personal communication, May 1, 2008.

²⁹ California Commission on the Status of Women. (2006). "Public Policy Agenda and Proposals to the Governor and State Legislature." *2007-2008 Session*. Retrieved October 9, 2008. <http://women.ca.gov/UserFiles/870.FinalPublicPolicyAgenda.pdf>.

³⁰ Los Angeles City Council. (June 2007). Federal Poverty Guidelines Resolution. *File No. 07-0002-S144*. Available at: <http://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=07-0002-S144>.

and services using this self-sufficiency index.³¹ Also in 2008, the Los Angeles City Council passed a resolution to support the federal efforts led by Congressman Jim McDermott and Senator Chris Dodd to update the Federal Poverty Guidelines to accurately reflect the economic needs and realities of American families.³²

Councilmember Alarcón's office also incorporates the Self-Sufficiency Standard into its public outreach and education efforts on eliminating poverty in Los Angeles. His office cites the Self-Sufficiency Standard in public presentations and advocacy materials on behalf of a legislative push for a self-sufficiency index to replace the Federal Poverty Guidelines. Councilmember Alarcón also refers to the Self-Sufficiency Standard in his anti-poverty taskforce and in his Master Plan to End Poverty in Los Angeles. According to Becca Doten, Councilman Alarcón's Director of Communications, the Self-Sufficiency Standard "helps explain to people what it takes to survive in Los Angeles and throughout the state."³³ The Self-Sufficiency Standard is an example of a more comprehensive metric to analyze and react to poverty – "a system that works."³⁴ Through a local television program titled "The Faces of Poverty," Councilmember Alarcón's office is able to showcase more broadly how the Self-Sufficiency Standard accurately captures what it takes to make ends meet in high cost of living areas like Los Angeles.³⁵

Like Councilmember Alarcón, Los Angeles Mayor Antonio Villaraigosa values the accuracy of the Self-Sufficiency Standard as a tool for policymaking. "The Self-Sufficiency Standard," he says, "gives us an up-to-date, realistic picture that reflects the basic costs of daily life, and it will help policymakers make informed decisions that benefit all of our families and lay the foundation for economic success in the future."³⁶ In his role as the Mayor and as Chair of the United States Conference of Mayors Taskforce on Poverty, Work, and Opportunity, Mayor Villaraigosa led a successful effort for the US Conference of Mayors to pass a resolution calling on the Federal Government to adopt a new poverty measure based on the NAS study.³⁷

The Self-Sufficiency Standard has also been applied in local policymaking in Northern California. In 2004, the San Francisco Board of Supervisors passed a resolution adopting the Self-Sufficiency Standard as "a goal toward which the City and County will strive to achieve and will make concerted efforts to move families out of poverty towards economic self-sufficiency."³⁸

In addition to California, the movement for a more accurate measure of poverty is taking place in other states and localities. In July 2008, the City of New York was the first municipality in the nation to take the NAS approach to scale. New York City Mayor Michael Bloomberg released a new poverty measure for the City that factors in food, clothing, shelter, and utilities expenditures, counts tax credits and benefits such as Food Stamps and Section 8 housing subsidies, and adjusts for differing geographic cost factors in housing.³⁹ The New York City measure was developed by the City's Center for Economic Opportunity and is based largely on

³¹ Los Angeles City Council. (July 2008). Ending Poverty in Los Angeles Motion. *File No. 08-1952*. Available at: <http://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=08-1952>.

³² Los Angeles City Council. (November 2008). H.R. 6941 Measuring American Poverty Act of 2008. *File No. 08-0002-S159*. Available at: <http://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=08-0002-S159>.

³³ March 3, 2008 Phone Interview with Becca Doten, Director of Communications for Los Angeles City Councilman Richard Alarcón.

³⁴ Doten.

³⁵ Doten.

³⁶ Insight Center for Community Economic Development. (2008, May 6). L.A.'s Working Families Struggle to Make Ends Meet [Press Release]. Available at: <http://www.insightccd.org/press-room.html>.

³⁷ Villaraigosa, Antonio, Chair of the United States Conference of Mayors Taskforce on Poverty, Work, and Opportunity. (2007, January 24). "Repairing the Economic Ladder: A Transformative Investment Strategy to Reduce Poverty and Expand America's Middle Class".

³⁸ City and County of San Francisco Board of Supervisors. (October 2004). Resolution adopting the "Family Economic Self-Sufficiency" as a goal toward which the City and County will strive to achieve and will make concerted efforts to move families out of poverty towards economic self-sufficiency through legislation initiative, budgetary planning decisions and executive policy directives. *File No. 041406*. Available at: <http://www.sfgov.org/site/uploadedfiles/bdsupvrs/resolutions04/r0660-04.pdf>.

³⁹ City of New York. *PR-271-08*.

the recommendations of the NAS.⁴⁰ Mayor Bloomberg stressed that effective anti-poverty efforts start with realistic measures: “If we are serious about fighting poverty, we also have to start getting serious about accurately measuring poverty.”⁴¹

By recalculating poverty in New York City, the Bloomberg Administration found that the poverty *threshold* rose from \$20,444 to \$26,138 for a two-adult, two-child family.⁴² The overall poverty *rate* for families in New York City rose to 23%, as opposed to 18.9% according to the official poverty rate.⁴³ Notably, because out-of-pocket health care costs were factored in, the single largest jump in New York City’s poverty rate was among the elderly: 32%, instead of 18.1%.

The single largest jump in New York City’s poverty rate was among the elderly: 32%, instead of 18.1% according to the official poverty rate.

Mayor Bloomberg’s bold action resulted in widespread press coverage, editorials, and letters to the editors. It also garnered support from other mayors across the country, such as Los Angeles Mayor Villaraigosa, Miami Mayor Diaz, Cincinnati Mayor Malloy, among others⁴⁴. In September, 2008, the United States Conferences on Mayors adopted as one of their top policy priorities to urge the federal government “to revise the formula for calculating the federal poverty line, so that it better reflects the actual wages that families must earn to meet basic needs.”⁴⁵

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Progress in the Field

In addition to mayors and legislators, there are other stakeholders who have adopted the Self-Sufficiency Standard and used it to measure need and develop policies. Below are several examples of how the Self-Sufficiency Standard has been applied by service providers, foundations, and businesses to inform their organizations’ policies:

- The Self-Sufficiency Standard is important for framing the work of direct service providers like the Jefferson Economic Development Institute in Mount Shasta, which provides business and financial resources for individuals seeking to become self-employed. Executive Director Nancy Swift believes the Self-Sufficiency Standard “helps us understand why it’s important to serve the working poor and it gives us an economic threshold that is more inclusive and accurate to someone’s life circumstances.”⁴⁶
- For foundations, the Self-Sufficiency Standard provides a way to guide their grant making and also contextualize the work they fund. Y&H Soda Foundation has adopted the Self-Sufficiency Standard to define one of its funding priorities: working poor families. Any working family that falls below the Self-Sufficiency Standard is considered to be a “working poor family.”⁴⁷ In a discussion aimed at linking low-income families to financial services, the San Francisco Foundation cited the Self-Sufficiency Standard in Alameda County to illustrate the economic challenges facing families who live in this

⁴⁰ The New York City Center for Economic Opportunity. (August 2008). “The CEO Poverty Measure.” 8.

⁴¹ City of New York *PR-271-08*.

⁴² The New York City Center for Economic Opportunity 8.

⁴³ The New York City Center for Economic Opportunity 8.

⁴⁴ City of New York *PR-271-08*.

⁴⁵ Crystal Swann and Conference Staff. (September 29, 2008). “Third Stop: Villaraigosa Poverty Forum.” *U.S. Mayor Newspaper*, Vol. 75 (Issue 16). Retrieved October 15, 2008.

⁴⁶ http://www.usmayors.org/usmayornewspaper/documents/09_29_08/pg1_poverty.asp.

⁴⁷ March 17, 2008 Phone Interview with Nancy Swift, Executive Director for the Jefferson Economic Development Institute.

⁴⁷ Y&H Soda Foundation website. http://www.yhsodafoundation.org/browse/funding_information/funding_priorities.

high-cost county.⁴⁸

- For businesses, the Self-Sufficiency Standard can help guide wage levels. The Sierra Nevada Brewing Company, for example, seeks to provide its employees with self-sufficiency wages and will use the Self-Sufficiency Standard to evaluate their entry-level wages.⁴⁹

As the goal of replacing the Federal Poverty Guidelines becomes an increasingly real possibility, it is critical to understand and build off of existing measures, like the Self-Sufficiency Standard, to create a modern poverty measure that accurately reflects the costs families face in today's economy. A fuller discussion of some of the other existing measures and their relationship to the Self-Sufficiency Standard is included in Section IV below.

b. Identifying “Benefits Cliffs” and Strengthening Family Support Programs

The Self-Sufficiency Standard has been used to identify gaps between the high income families need to meet basic needs and the low eligibility thresholds that exclude and prematurely terminate families from accessing vital resources, known as “benefits cliffs”. Through highlighting benefits cliffs and the high cost of living in California, legislators, direct service providers, advocates, and researchers have used the Self-Sufficiency Standard to evaluate and strengthen family support programs.

State

The California Association of Food Banks incorporates the Self-Sufficiency Standard in its anti-hunger advocacy efforts. Jessica Bartholow, Statewide Program Manager for the Food Stamp Outreach and Nutrition Education Programs at the Food Bank, credits the Self-Sufficiency Standard in supporting the development of two vital food bank projects:

“We use the Self Sufficiency Standard to help identify the need for anti-hunger programs and strategies that may work to reduce hunger in low-income households in key areas across the state. By highlighting the need for work supports in California, the Self-Sufficiency Standard has served as a catalyst for developing Earned Income Tax Credit (EITC) and Food Stamp Outreach projects in our state’s food banks.”⁵⁰

“The Self-Sufficiency Standard has served as a catalyst for developing Earned Income Tax Credit (EITC) and Food Stamp Outreach projects in our state’s food banks.”

State Assembly Member Jim Beall appreciates how the Self-Sufficiency Standard reflects regional differences in costs for necessities such as gas and food.⁵¹ Due to the rising cost of food and its disproportionate impact in high cost areas like Santa Clara County, Assembly Member Beall introduced Assembly Bill 433, which passed into law in 2008, and will expand the number of food stamp recipients by eliminating unfair administrative barriers and recognizing the special economic circumstances facing California’s poor.

⁴⁸ Gloria Bruce, Community Development Program Fellow, The San Francisco Foundation, personal communication, May 16, 2008.

⁴⁹ Human Relations Department, the Sierra Nevada Brewing Company, personal communication, October 3, 2008.

⁵⁰ Jessica Bartholow, Statewide Program Manager for Food Stamp Outreach and Nutrition Education Programs, California Association of Food Banks, personal communication, April 29, 2008.

⁵¹ Insight Center for Community Economic Development. (2008, May 6). Bay Area Working Families Struggle to Make Ends Meet [Press Release]. Available at: <http://www.insightcced.org/press-room.html>.

Local

Like its state counterpart, the Alameda County Community Food Bank also incorporates the Self-Sufficiency Standard into its anti-hunger advocacy efforts. The Food Bank cites to the Self-Sufficiency Standard to illustrate the dangerous effects of benefits cliffs on family nutrition:

“The Food Bank is serving many low-income working families who may earn too much to qualify for programs like Food Stamps, but still aren’t able to cover all of their basic necessities. In these situations, food is often the first thing that families cut back on. The Self-Sufficiency Standard is helpful to illustrate exactly how much a Bay Area family needs to earn to cover the basics and how inadequate the minimum wage and the federal definition of poverty are.”⁵²

Patricia Zerounian, a policy analyst for the Monterey County Department of Health, used the Self-Sufficiency Standard to evaluate the Maternal, Child, and Adolescent Health (MCAH) program, a community based program that identifies the needs and implements strategies to improve the health of women, infants, children, and adolescents in Monterey County such as early and regular prenatal care and early childhood development activities. Specifically, the Self-Sufficiency Standard was applied to evaluate the relationship between youth and young adults earning below the Self-Sufficiency Standard and access to health education.⁵³

c. Setting Eligibility Standards

The Self-Sufficiency Standard has been used to increase access to job training and related services for those whose incomes are above the Federal Poverty Guidelines. In particular, Workforce Investment Boards, local agencies that determine how federal and state workforce dollars are distributed, have found the Self-Sufficiency Standard instructive for setting policies.

According to a 2003 national survey of over 100 workforce boards around the country, nearly half (46%) defined self-sufficiency as being higher than the federal default measure (the Lower Living Standard Income Level, or LLSIL). Of those, more than one-third (36%) were using the Self-Sufficiency Standard to define self-sufficiency.⁵⁴

Under the federal Workforce Investment Act (WIA), state and local workforce boards are required to use WIA funds to adhere to particular eligibility criteria, overarching goals, performance measures, and selection of service providers. However, workforce boards are also allowed some flexibility to accommodate regional workforce and labor market needs, which is where many utilize the Self-Sufficiency Standard.

Most workforce boards who utilize a self-sufficiency index do so under the authority of the section of WIA defining eligibility for “intensive services.” Intensive services generally involve case management, including identification of barriers and resources for the client and determination of whether more training is appropriate. The law states that eligibility for intensive services includes those “who are employed, but who are determined by a one-stop operator to be in need of such intensive services in order to obtain or retain employment that allows for self-sufficiency.”⁵⁵

Locally, the Workforce Investment Boards in Sacramento, Long Beach, Pasadena, San Francisco, Santa Cruz, Contra Costa, Mendocino, San Bernardino, and Oakland have adopted the Self-Sufficiency Standard to

⁵² Allison Pratt, Director of Policy and Services, Alameda County Community Food Bank, personal communication, October 20, 2008.

⁵³ Monterey County Health Department Epidemiology Unit. (2005). “Youth and Young Adult Mortality in Monterey County: Determinants and Outcomes.” 20.

⁵⁴ Wider Opportunities for Women. (2006). “Reality Check: Promoting Self-Sufficiency in the Public Workforce System.” 3.

⁵⁵ Workforce Investment Act §134(d)(3)(A).

expand their income-eligibility criteria so that more workers have access to intensive case management and job-training programs. These workers would not have otherwise qualified for supports that help them reach true economic security.

d. Evaluation and Priority-Setting Criteria in Grant Making

Increasingly, foundations around California are recognizing that a measure that varies by local costs and family size, such as the Self-Sufficiency Standard, is an effective way to determine which programs to fund and to assess the impact of their grant making.

Two local United Ways, United Way of the Bay Area and Orange County United Way, use the Self-Sufficiency Standard to benchmark the effectiveness of their grantees' programs in moving families toward economic security. In 2005, the United Way of the Bay Area partnered with the Insight Center to track 100 families in Alameda, Contra Costa, and San Francisco who were receiving various supports and evaluated which investments had the greatest impact in helping those families reach their self-sufficiency wage. At the end of the 18-month evaluation period, nearly 50% of the families were successful in moving toward their self-sufficiency wage. The study also found that vocational English as a second language programs were particularly effective in moving families toward economic security. In 2007, Orange County United Way launched a pilot program with 12 of their grantees to evaluate how effectively their grantees' programs move families toward self-sufficiency wages, as measured by the Self-Sufficiency Standard. Each agency is tracking approximately 20 families and has begun reporting back to Orange County United Way using the Self-Sufficiency Standard to track their clients' progress out of poverty and towards economic security.⁵⁶ These foundations recognize that the most effective way to invest in job training and direct service programs is to know the *actual* costs faced by clients.

In 2007, Orange County United Way launched a pilot program with 12 of their grantees to evaluate how effectively their grantees' programs move families toward self-sufficiency wages, as measured by the Self-Sufficiency Standard.

e. Budget Advocacy

Advocates across the state are using the Self-Sufficiency Standard to effectively make the case for and bring about policy change. By using the Self-Sufficiency Standard, advocates illustrate the impact of certain policies, such as the devastating impact of program budget cuts on low-wage working families, and convey community needs to decision makers. For example, Western Center on Law and Poverty (WCLP) educates policymakers and the public about the needs of low-income households by using the Self-Sufficiency Standard to examine and contrast the impacts of budget and policy proposals.⁵⁷ The California Partnership, California Food Policy Advocates, and Parent Voices have used the Self-Sufficiency Standard to advocate against budget cuts to vital services such as Food Stamps, CalWORKs, and subsidized child care and to highlight the high costs of goods, including health care, facing their members.⁵⁸

f. Living Wage Campaigns

In 2000, the Living Wage Coalition of Sonoma County used the Self-Sufficiency Standard to successfully lobby the Petaluma City Council to mandate labor standards for the Sheraton Petaluma.

The county-specific information provided by the Self-Sufficiency Standard makes it a powerful tool in living wage campaigns. In 2000, the Living Wage Coalition of Sonoma County used the Self-Sufficiency Standard to successfully lobby the Petaluma City Council to

⁵⁶ March 17, 2008 Phone Interview with Brenyale Toomer-Byas, Associate Director of Community Investments for Orange County United Way.

⁵⁷ Michael Herald, Legislative Advocate, Western Center on Law and Policy, personal communication, April 30, 2008.

⁵⁸ Nancy Berlin, Director, California Partnership, personal communication, May 2, 2008. Kumar Chandran, Nutrition Policy Advocate, California Food Policy Advocates, personal communication, May 5, 2008. Mary Ignatius, Statewide Organizer, Parent Voices, personal communication, May 5, 2008.

mandate labor standards for the Sheraton Petaluma. In return for \$2.75 million in redevelopment loans and tax breaks, the owner-developer of the Sheraton agreed to pay a living wage to the workers at the hotel, to abide by federal and state labor law, and to remain neutral if hotel employees sought an election for union representation.⁵⁹

2. Using the Self-Sufficiency Standard and Calculator in Programs

The Self-Sufficiency Standard has also been an important tool for programs offering direct services, especially programs related to job and educational counseling, and budgeting and financial planning. Approximately a third (32%) of organizations who completed the evaluation survey reported using the Self-Sufficiency Standard for job or educational counseling. In addition, 27% of those organizations are using the Self-Sufficiency Standard to help benchmark their clients' progress towards self-sufficiency wages. The Calculator has been critical for programs offering assistance with application for benefits, as well as for job and educational counseling, and budgeting and financial planning. Specifically, the Self-Sufficiency Standard and Calculator have been used in programming in the following areas:

The Calculator has been critical for programs offering assistance with application for benefits, as well as for job and educational counseling, and budgeting and financial planning.

- a. Budgeting and financial planning
- b. Increasing access to benefits
- c. Education and job training
- d. Supporting high-wage, high-growth sectors
- e. Asset development
- f. Collective bargaining negotiations
- g. Benchmarking progress toward economic security

a. Budgeting and Financial Planning

The Self-Sufficiency Standard and Calculator allow working families to plan for their economic future and understand how their financial security is affected when their life circumstances change. Equipped with information on the minimum income needed to make ends meet, families make informed decisions about how much income they need to live in a given community. Workers, students, and counselors have used the Self-Sufficiency Standard to identify career ladders that lead to self-sufficiency wages and to develop long-term career goals. They have also used it for personal financial planning and budgeting. Below are some examples of how the Self-Sufficiency Standard and Calculator help with financial planning and budgeting:

- The Community Action Partnership in Riverside County (CAP Riverside), through Project BLISS (Building Links to Impact Self-Sufficiency), relies on the Calculator's accuracy to help families with financial planning and budgeting. "CAP Riverside," says Lanita Tademy, Program Manager of Project BLISS, "trains small organizations on how to use the Standard and Calculator in their work. During one of our trainings, we had a family present. After entering in that family's information, the Calculator found that they would have 4 dollars left over each month after paying their bills. When the counselor reported that to the mother, she laughed, reached into her purse, and pulled out 4 dollars. The counselor uses this story to describe the accuracy of the tools."⁶⁰ CAP Riverside has integrated the

CAP Riverside has partnered with the faith-based community to "adopt" families in need and form "circles of support", using the Self-Sufficiency Standard and Calculator to help families with budgeting, and accessing benefits, education, and/or training to bring families closer to economic security.

⁵⁹ Bennett, Martin J. (May 9, 2007). "The Sheraton Petaluma: a success story for labor." *Arguscourier.com*. Retrieved May 9, 2008. <http://www1.arguscourier.com/apps/pbcs.dll/article?AID=/20070509/OPINION02/70508048&template=printart>.

⁶⁰ March 4, 2008 Phone Interview with Lanita Tademy, B.L.I.S.S. Program Manager at Community Action Partnership of Riverside County.

Self-Sufficiency Standard into their other programs, including their Individual Development Accounts (IDAs), matched savings accounts designed to help low-income and low-wealth individuals save regularly and acquire assets, and EITC programs. Finally, CAP Riverside has partnered with the faith-based community to “adopt” families in need and form “circles of support”, using the Self-Sufficiency Standard and Calculator to help families with budgeting, and accessing benefits, education, and/or training to bring families closer to economic security.

- The Workforce Development Department in San Bernardino County, which provides job training and career counseling for San Bernardino County residents, has found the Self-Sufficiency Standard “to be very useful when helping our customers with budgeting issues, and making them more aware of their financial situations,” says Jim Hash, Workforce Development Specialist. “We have also found it to be a good planning tool when helping our customers set their goals for their career paths.”⁶¹
- Recently, businesses have shown increased interest in using the Self-Sufficiency Standard to set wages and benefits for their employees. St Joseph Health System, which oversees St. Jude, Mission, and St. Joseph Hospitals in Orange County and has over 20,000 employees nationwide, is using the Self-Sufficiency Standard and Calculator with their employees through their Employee Assistance Program. Through the Program, employees receive assistance with financial planning and budgeting.⁶²

St Joseph Health System, which oversees St. Jude, Mission, and St. Joseph Hospitals in Orange County and has over 20,000 employees nationwide, is using the Self-Sufficiency Standard and Calculator with their employees through their Employee Assistance Program.

b. Increasing Access to Benefits

Counselors and case managers use the Calculator to find out which of 14 state and federal public benefits and tax credits their clients may be eligible for and to identify local offices where clients can go to apply for these programs.

A number of direct service organizations have found that the Calculator improves their approach to case management with their clients. For example, Diana, a caseworker at Fighting Back Partnership, which runs three Family Resource Centers in Vallejo, described one case where the Calculator assessed that her client was eligible for Expedited Food Stamps, but was turned down after going to the agency to apply. The client returned to Diana, who printed out the information from the Calculator. The client took the printout back to show the agency clerk and was able to get her Expedited Food Stamps.⁶³ This is just one example among many where the Calculator is used to hold public systems accountable when mistakes in benefits allocations are made.

A variety of organizations, including advocacy organizations, use the Self-Sufficiency Standard as an important source of reliable data for grants, presentations, advocacy materials, and as the foundation for cross-sector partnerships. The Self-Sufficiency Standard identifies and quantifies a population of low-wage workers who often fall through the cracks of our public systems, enabling nonprofit organizations to demonstrate need to private foundations. The Children’s Network of Solano County, the convener of California’s first inter-agency coordinating councils dedicated to improving the lives of children, is using the Self-Sufficiency Standard as part of its campaign to partner with the business community to provide workers with information on benefits that can help them reach self-sufficiency. “The Self-Sufficiency Standard,” says Tamsen Stevenson, Senior Research Analyst at the Children’s Network, “is used as a data piece to encourage businesses and corporations to partner with us to raise employee awareness about benefits in

⁶¹ Jim Hash, Workforce Development Specialist, Workforce Development Department of San Bernardino County, personal communication, April 30, 2008.

⁶² Araque, Juan Carlos and Toomer-Byas, Brenyale. (July 2008). “Orange County Self-Sufficiency and Calculator Pilot Project.” Information presented at the How Much is Enough in Your County? Webinar, Oakland, CA.

⁶³ March 17, 2008 Phone Interview with Diana, Caseworker for the Fighting Back Partnership.

their area that would help lead them to economic self-sufficiency.”⁶⁴ The Children’s Network is also involved in similar partnerships with the business community to create child care slots and is now using the Self-Sufficiency Standard to advocate for partnerships that support families striving toward self-sufficiency.

c. Education and Job Training

One of the challenges of helping families move out of poverty and to economic security is access to education and training that lead to high-wage jobs. Organizations all over California are using the Self-Sufficiency Standard as a way to help clients access and remain in education and training. Typically, counseling and education with the Self-Sufficiency Standard occurs in two ways:

- In a group educational setting, staff members use the Self-Sufficiency Standard to raise awareness about the high cost of living, in conjunction with information about career/educational pathways that lead to self-sufficiency wage jobs.
- In a one-on-one individual counseling setting, staff members use the Self-Sufficiency Standard to provide a long-term income goal for clients who are engaged in or considering high-wage job training, micro enterprise training, or higher education. The Self-Sufficiency Standard may be presented to clients, or it may be used only by counselors as a staff resource to guide client options. Counselors may choose the latter option if they believe that the income levels in the Self-Sufficiency Standard might discourage the client because she or he is so far from the self-sufficiency wage.

The Self-Sufficiency Standard and Calculator have been integrated into the job and educational counseling program for advocacy organizations, educational institutions, direct service providers, and public agencies.

- For LIFETIME, an organization that empowers low-income families through education, “the Self-Sufficiency Standard is a great tool to get low-income parents to consider going to college,” says Anita Rees, Associate Director of LIFETIME. “When we use the Self-Sufficiency Standard in our Education Works trainings, parents are shocked to see how much it takes to make ends meet in California. Raising this awareness reinforces their commitment to their education.”⁶⁵
- The Calculator plays an important role in job and educational counseling for a number of schools, including Berkeley City College and Chabot Community College, who counsel CalWORKs recipients about career aspirations and available resources.
- At Opportunity Junction (formerly OPTIC), an organization that offers job training and skills development to low-income adults in Contra Costa County, understanding the Self-Sufficiency Standard has fundamentally changed how they counsel their clients. According to Executive Director Alissa Friedman, “the Self-Sufficiency Standard does a great job of showing the ways in which family composition affects overall costs, and it also shows how expensive housing and childcare are. Our awareness of these facts influences how we counsel our participants when they are evaluating job offers.”⁶⁶
- Workforce Investment Boards, particularly through counselors at their One-Stop Career Centers, are working with clients to track their progress toward self-sufficiency as new training, educational, and employment opportunities arise.

“The Self-Sufficiency Standard is a great tool to get low-income parents to consider going to college.”

⁶⁴ February 28, 2008 Phone Interview with Dr. Tamsen Stevenson, Senior Research Analyst at Children’s Network of Solano County.

⁶⁵ Anita Rees, Associate Director, LIFETIME, personal communication, May, 1, 2008.

⁶⁶ Survey response from Alissa Friedman, Executive Director of Opportunity Junction.

d. Supporting High-Wage, High-Growth Sectors

Workforce Investment Boards, Community Action Agencies, CalWORKs agencies, and community colleges use the Self-Sufficiency Standard to identify quality jobs offering self-sufficiency wages. Using the Self-Sufficiency Standard, organizations identify high-growth industries and occupations that lead to living wage jobs. Based on that information, organizations target job training programs toward those industries and occupations. These are two of the elements included in sector initiatives, which are regional, industry-focused approaches to workforce and economic development that improve access to good jobs and/or increase job quality in ways that strengthen an industry's workforce. The Insight Center leads the national effort to promote sector initiatives, the National Network of Sector Partners.

According to Deborah Dukes, Staff Analyst for the San Bernardino County Department of Workforce

"The Self-Sufficiency Standard impacts our approach to training dollars. We will not train in occupations that will not lead to self-sufficiency."

Development, "the Self-Sufficiency Standard impacts our approach to training dollars. We will not train in occupations that will not lead to self-sufficiency."⁶⁷ Similarly, the Sacramento Employment and Training Agency (SETA) uses the Self-Sufficiency Standard "to define self-sufficiency wages in Sacramento County," says Deputy Director Robin Purdy. This helps them determine which industries with good wages are growing in the Sacramento area and how to direct their clients and public resources toward those industries.⁶⁸ Other local Workforce Investment Boards and Economic

Development Agencies are using the Self-Sufficiency Standard as an economic development tool to identify industries that lead to self-sufficiency wages and thereby use public subsidies to help attract those kinds of better paying sectors to their region.

e. Asset Development

The Self-Sufficiency Standard is increasingly being used to promote asset development. For the Fresno County Economic Opportunities Commission, the Self-Sufficiency Standard is "good data" that fits their new strategic focus of creating pathways out of poverty and mobilizing families toward economic stability. Associate Executive Director Allysunn Williams believes, "The Self-Sufficiency Standard will assist us in the creation and transfer of asset-building tools that will undergird families and help them overcome the financial challenges that send them back to square one or disenable them from moving forward."⁶⁹ Asset development organizations and coalitions like the Asset Policy Initiative of California, also realize that a foundation of economic security supported by self-sufficiency level employment is a prerequisite to savings and asset building strategies.⁷⁰ Thus, the Self-Sufficiency Standard is instrumental to asset building practitioners and advocates.

"The Self-Sufficiency Standard will assist us in the creation and transfer of asset-building tools that will undergird families and help them overcome the financial challenges that send them back to square one or disenable them from moving forward."

f. Collective Bargaining Negotiations

The Self-Sufficiency Standard is used by labor unions in negotiating labor contracts with universities and businesses. The Self-Sufficiency Standard has helped change the frame of the debate from negotiating "what the employer can pay" to "what workers need to survive." American Federation of State, County, and Municipal Employees (AFSCME) Local 3299,

AFSCME President Lakesha Harrison credits the use of the Self-Sufficiency Standard as an aid to winning a higher wage floor for over 8,000 University of California service workers.

⁶⁷ March 4, 2008 Phone Interview with Deborah Dukes, Staff Analyst for the San Bernardino County Department of Workforce Development.

⁶⁸ Robin Purdy, Deputy Director, Sacramento Employment and Training Agency, personal communication, April 30, 2008.

⁶⁹ Insight Center for Community Economic Development. (2008, May 6). Fresno's Working Families Struggle to Make Ends Meet [Press Release]. Available at: <http://www.insightcced.org/press-room.html>.

⁷⁰ See Asset Policy Initiative of California, Local Asset Poverty Index, available at <http://www.assetpolicy.org/lapi.vp.html>.

which represents 20,000 University of California service workers, used the Standard to highlight the low wages of workers in a campaign to increase wages and benefits for service workers at UC Berkeley. AFSCME President Lakesha Harrison credits the use of the Self-Sufficiency Standard as an aid to winning a higher wage floor for over 8,000 of those workers and AFSCME is using the Self-Sufficiency Standard again in 2008 to push for higher wages as costs rise:

“In 2005, the Self Sufficiency Standard showed that 93% of service workers at the University of California do not earn a wage high enough to sustain a family of one adult and one child without public assistance. In 2008, we were appalled to find that UC workers lost ground, with 96% now falling below the Self Sufficiency Standard. That is why we have proposed a statewide minimum wage of \$15 per hour at UC.”⁷¹

g. Benchmarking Progress toward Economic Security

The Self-Sufficiency Standard and Calculator are powerful benchmarking and evaluation tools for legislators, public agencies, advocates, community-based organizations, researchers, and foundations to know those unable to make ends meet and to track those families’ movement toward economic security. Forty-five organizations reported using both tools for benchmarking. Of the organizations that have a continuing relationship with clients, 27% reported that they use the Self-Sufficiency Standard to help benchmark their clients’ progress towards economic security.

Some agencies use the Self-Sufficiency Standard regularly to track their clients’ progress toward economic security. For example, CAP Riverside reported that they track every three months, using the Self-Sufficiency Standard as a goal that their clients are striving to reach.

STEP UP! Silicon Valley, a broad-based coalition led by Catholic Charities of Santa Clara County, developed an integrated services model that will better connect Silicon Valley residents to the range of available resources. The goal of the campaign is to cut poverty in half in Santa Clara County by 2020, and they will be using the Self-Sufficiency Standard to measure their progress toward that goal.

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For others, self-sufficiency is part of the mission, and the Self-Sufficiency Standard is a way to evaluate an organization’s ability to meet its overall programmatic goals. According to Karuna Jaggar, Director of Research and Public Policy at the Women’s Initiative for Self-Employment, an organization that provides business plan training and support services to low-income women in the San Francisco Bay Area:

“We use the Self-Sufficiency Standard as part of our outcome evaluation and to ensure mission fulfillment. We collect data about our clients’ income gains, business growth, movement off of public assistance, and creation of jobs for themselves and others, because we want to know that they are economically self-sufficient and building assets. We are proud that just one year after participating in our business plan course, nearly one-third of Women’s Initiative clients are economically self-sufficient.”⁷²

In this section, service providers, legislators, and advocates shared, in their own words, how the Self-Sufficiency Standard provides an accurate measure of need and how both the Self-Sufficiency Standard and Calculator fortify their efforts in helping Californians reach economic security. The next section details the challenges these users face in applying the Self-Sufficiency Standard and Calculator, our responses to those challenges, and our recommendations for how to continue supporting this growing movement.

⁷¹ Stephanie Rosenfeld, Researcher, AFSCME Local 3299, personal communication, April 30, 2008.

⁷² March 6, 2008 Phone Interview with Karuna Jaggar, Director of Research and Public Policy for Women’s Initiative for Self-Employment.

Section IV

Building the Movement: Challenges, Responses, and Future Directions

Most anti-poverty policies and programs rely on the Federal Poverty Guidelines and Thresholds, the complementary calculation used for statistical reporting, to measure what families need to cover their basic expenses and which families are unable to do so. However, as this report shows, the Federal Poverty Guidelines and Thresholds are outdated and thus, completely irrelevant when it comes to measuring economic need in today's economy. Using an irrelevant measure limits our anti-poverty efforts because we do not really know the extent of the problem we are trying to solve. In order to judge the effectiveness of today's anti-poverty programs, we must have a reliable benchmark against which to evaluate success. In order to effectively combat poverty, particularly in these challenging economic times, we must be able to target programs to the populations most in need and cannot accomplish that if we do not have an accurate demographic profile of those populations. As Mayor Bloomberg and other leaders around the country recognize, if we are serious about fighting poverty, we must start with an accurate measure of what families need to make ends meet in today in the communities in which they live. Organizations throughout California and around the nation have found that the Self-Sufficiency Standard provides that measurement. Using an accurate measure like the Self-Sufficiency Standard ensures that we will target our scarce resources to most effectively guide families toward economic security.

Previous sections of this report demonstrated the power of the Self-Sufficiency Standard and Calculator in programs and policies moving families to economic security. This section highlights the experiences of our partners in their application of the Self-Sufficiency Standard and Calculator, including challenges they have faced and our responses, in addition to future directions as we build the economic security movement. Specifically, this section will address the following:

- **Improving the Self-Sufficiency Standard and Calculator**
 - Updating the Self-Sufficiency Standard more frequently
 - Including more family compositions in the Self-Sufficiency Standard
 - Creating intergenerational links between the Self-Sufficiency Standard and Elder Index
 - Streamlining the time needed to use the Calculator
 - Counseling with the Calculator

- **Paradigm Shift**
 - Outreach/Expansion of the Self-Sufficiency Standard and Calculator
 - Funders and legislators' support of the Self-Sufficiency Standard
 - Policy advocacy plan
 - Mission alignment with other measures

As with previous sections, the information in this section is based on survey responses and personal interviews.

A. Improving the Self-Sufficiency Standard and Calculator

1. Updating the Self-Sufficiency Standard More Frequently

Since its initial release in 1996, the Self-Sufficiency Standard has been updated every 3-5 years based on the funding available. CFES recognizes the need for more regular updates and is seeking funding that would allow the Self-Sufficiency Standard to be updated every 2 years. The long-term goal, however, is to have the state of California adopt the Self-Sufficiency Standard as the measure of need in California, and commit to re-calculating it each year.

2. Including More Family Compositions in the Self-Sufficiency Standard

The original Self-Sufficiency Standard included 70 family compositions. Over the last several years, direct service providers have identified and requested that certain family types, including those with more children and adults, be included in the Self-Sufficiency Standard. In response to this request, the Insight Center increased the number of family compositions to 156 in the 2008 Self-Sufficiency Standard.

3. Creating Intergenerational Links Between the Self-Sufficiency Standard and Elder Index

The 2008 Self-Sufficiency Standard reflects families where all individuals are under the age of 65. Earlier this year, the Insight Center released the Elder Economic Security Standard™ Index (Elder Index), which provides the income individuals 65 and older need to meet their basic needs. Many partner organizations have reported that there is a growing trend of intergenerational households, such as families where grandchildren live with their grandparents. The Insight Center is analyzing the possibility of using both the Self-Sufficiency Standard and Elder Index to reflect the income needed by intergenerational households.

4. Streamlining the Time Needed to Use the Calculator

Several organizations reported that, while helpful, using the Calculator was time-intensive, sometimes taking up to an hour. This occurred mostly in cases where clients did not have the necessary information when their counselors or case managers ran the Calculator. Thus, the Insight Center has advised counselors and case managers, where possible, to distribute a list of the Calculator questions to clients ahead of time so that they can gather all the information needed prior to using the Calculator. This can reduce the time it takes to use the Calculator down to 10-15 minutes.

5. Counseling with the Calculator

Some organizations that use the Calculator in their work reported that the results can be demoralizing to clients because of how out-of-reach the Self-Sufficiency Standard appears given their current situation. Respondents explained that clients can feel overwhelmed by the prospect of having to bridge a large income and expense gap. The Insight Center recognizes this concern and encourages counselors and case managers to view the path to economic security as a series of progressive steps over time. Early on in the process, too much information may prove counter-productive. But, as working families get the support and training they need to bolster their self-confidence and their skills, they will be able to seize opportunities and use the information that the Calculator provides to strengthen their efforts and move closer to economic security.

B. Paradigm Shift: From Poverty to Economic Security

1. Outreach/Expansion of the Self-Sufficiency Standard and Calculator

Although there are a diverse array of stakeholders who already use the Self-Sufficiency Standard and Calculator, there are still areas in California and groups of organizations whose work would benefit greatly from these tools. For example, CalWORKs counselors who use the Self-Sufficiency Standard and Calculator with students at community colleges believe that their colleagues in other departments, such as the financial aid and career services offices, could provide more help to students by using these tools. There is also a growing interest among unions, researchers, and businesses to use the Self-Sufficiency Standard, as well as a desire to involve a greater number of local Workforce Investment Boards in the economic security movement. The Insight Center is exploring how best to broaden the reach of these tools to include these and other stakeholder organizations.

Currently, knowledge and use of the Self-Sufficiency Standard and Calculator is concentrated in the Bay Area and Southern California. Over the last year and a half, the Insight Center has expanded the presence of the Self-Sufficiency Standard and Calculator in the Central Valley and far Northern California, developing partnerships in Fresno and Mendocino, while continuing to deepen their presence in the Bay Area and Southern California. Given that the Central Valley and some areas of far Northern California have been hit particularly hard with increasing costs for rent, child care, and health care over the last several years, the Insight Center seeks to spread information about and assistance on the Self-Sufficiency Standard and Calculator to organizations in those regions.

2. Funders and Legislators' Support of the Self-Sufficiency Standard

Foundations reported that they would use the Self-Sufficiency Standard more strategically, more often, and more rigorously in their work if they could show their trustees and the public that the Self-Sufficiency Standard is publicly adopted as *the* new measure by state and federal entities, as well as by the majority of nonprofits across California. However, legislators often like to see that others are using tools before they are incorporated into legislation. And, nonprofit service providers often report that they need financial support from foundations so that staff members can incorporate the Self-Sufficiency Standard and Calculator into their work. This situation presents a “chicken and egg” challenge where foundations, nonprofit service providers, and legislators are all looking to each other to validate the tools by using them first.

In the coming years, the Insight Center encourages more organizations and legislators to use the Self-Sufficiency Standard and Elder Index to help combat the “chicken and egg” phenomenon. We build broad support for the Self-Sufficiency Standard among service providers by showing them how the Self-Sufficiency Standard and Calculator are tools they can use to fundraise, to plan future strategic directions, and to advocate for expanding eligibility to cover the people they serve. We demonstrate how the tools are being used to provide effective case management to their clients. The Insight Center continues to meet with and share information about the tools with existing and new foundation partners and legislators. This report, which illustrates many of the best practices involving the Self-Sufficiency Standard and Calculator throughout California, is a critical piece of this outreach effort.

3. Policy Advocacy Plan

To affect statewide policy, an organizational presence in Sacramento is not only helpful, but it is essential. Close proximity helps to foster relationships with legislators and their staff. Although the Insight Center does not have a physical office in Sacramento, it has developed relationships with partner organizations that are based in the Capitol, including the California Commission on the Status of Women and the Western Center for Law and Poverty, who both use the Self-Sufficiency Standard in their advocacy efforts. In addition, the Insight Center's staff regularly travels to Sacramento for legislative visits and to participate in public hearings on issues relevant to the economic security of families, such as the California State Assembly Human Services Committee Informational Hearing *Global Food Crisis: What Can be Done Now to Help California's Low-Income Families*, which cast a spotlight on the harsh realities the poor face in obtaining adequate amounts of nutritious food.

In the coming years, the Insight Center will look to broaden both its strategic organizational partners in Sacramento and its legislative allies to expand the influence of the Self-Sufficiency Standard in legislation and public hearings. We also intend to partner with state legislators to hold public hearings on the measures we promote. Earlier this year, we worked with Assembly Member Jim Beall to sponsor a hearing about the number of families who fall below the Elder Index. In addition, we are sponsoring the Elder Economic Dignity Act of 2009, AB 324, which calls for the statewide adoption of the California Elder Economic Security Standard™ Index. This bill would require that (1) the California Department of Aging adopt and recalculate the Elder Index annually and (2) Area Agencies on Aging determine the poverty of seniors using the Elder Index in preparing local area plans.

4. Mission Alignment with Other Standards

Groups within California as well as across the nation are rallying behind alternatives to the Federal Poverty Guidelines. Many of these groups have designed their own alternatives, which range from measures like the NAS approach, which provides a threshold just above the current Federal Poverty Guidelines, to measures like the Self-Sufficiency Standard, which provides a threshold usually between two and three times the current Federal Poverty Guidelines.

These alternatives also range in terms of the type and depth of detail they provide about costs based on geography and family composition. Some, like the New York City measure, are specific to a local area, while others, like the California Budget Project's measure, look at 10 regions across the state.⁷³ The Economic Policy Institute's Basic Family Budget Calculator, which can calculate basic family budgets for over 400 communities in the United States,⁷⁴ and the National Center for Children in Poverty's Basic Needs Budget Calculator, which calculates income needed both with or without work supports and is used to analyze policy rules,⁷⁵ are among the best-known national measures. The type and amount of detail used in these measures is often a function of how the measure will be used; measures intended to influence public policy are typically less detailed, while measures intended for direct service are more specific.

The Self-Sufficiency Standard is a reliable alternative measure for several reasons. The strength of the Self-Sufficiency Standard is that it is both specific and simplified; its family-and-county nature means it can be used in customized case management for different family compositions living in each of the 58 counties, while it can also be generalized by averaging costs up to a regional and state level for policymaking. In addition, the Self-Sufficiency Standard sets forth a goal of economic security rather than gross deprivation; it sets forth the amount that families need to cover basic needs without public or private support as opposed to how much they actually spend today, which is in many cases less than what is actually needed.

The strength of the Self-Sufficiency Standard is that it is both specific and simplified; its family-and-county nature means it can be used in customized case management for different family compositions living in each of the 58 counties, while it can also be generalized by averaging costs up to a regional and state level for policymaking.

Underlying the Self-Sufficiency Standard and other measures is a common goal: the federal and state adoption of a poverty measure that is methodically sound and reflects what it actually costs to make ends meet in today's economy. One of the key benefits to alternative measures is that they increase awareness of the inadequacies of the Federal Poverty Guidelines. However, to realize the goal of adoption of a more accurate measure of need, proponents of alternative measures need to unite around one or two measures of economic security. The Insight Center is committed to carefully analyzing other highly-regarded measures and seeks to work with other national leaders to come to a consensus on one or two measures for national discussion and adoption. Ultimately, federal and state governments should adopt and evaluate the nation's progress with a measure that reflects what families actually need to achieve economic success, not economic deprivation.

⁷³ California Budget Project. (October 2007). "Making Ends Meet: How Much Does It Cost to Raise a Family in California?" 3.

⁷⁴ Economic Policy Institute's Basic Family Budget Calculator is available at: http://www.epi.org/content.cfm/datazone_calculators.

⁷⁵ The National Center for Children in Poverty's Basic Needs Budget Calculator is available at: <http://nccp.org/tools/frs/budget.php>.

Section V Conclusion

"It's an awful feeling to wonder how you're going to feed your kids and how you're going to keep them out of bad neighborhoods and bad schools because you can't afford to pay rent in a place to be safe for them,"⁷⁶

Kimber Brown, divorced mother of one, Santa Clara County

As this report goes to print, we are experiencing one of the worst economic recessions of our state and country's histories. Coupled with sharp increases in the cost of basic goods, the economic downturn has led to unprecedented demands for unemployment benefits and services that help cover basic needs such as food and clothing.⁷⁷ In a time of tight budget constraints, it is all the more important that limited local, state, and federal resources aimed at supporting working families, are most effective. To be most effective, such policies and programs must be based on accurate information about what supports working families need to reach economic security.

Legislators at all levels of government, including President Barack Obama, recognize that the Federal Poverty Guidelines fail to provide accurate information about economic need and are calling for the adoption of a reliable new measure. There are a number of alternative measures, including the Self-Sufficiency Standard, which could serve as the official measure. By setting forth geographic-and-family-specific self-sufficiency wages that cover basic needs without public or private support, the Self-Sufficiency Standard offers precise information that legislators cite to when developing and evaluating family support policies and programs, that service providers apply when guiding working families through financial and career counseling, and that families use to set goals when planning their future.

For most, the movement along the economic continuum to economic security is a long journey. This is particularly true for those living in a high-cost state like California where it takes more to cover the same needs than in a more affordable state. Numerous organizations and individuals use the Self-Sufficiency Standard and Calculator to measure their progress along the economic continuum. And, while economic security may be the goal, the key to reaching it, whether in the context of a family's personal journey, an advocate's fight against budget cuts, or a foundation's targeted grant making, is recognizing the success of each step forward along the continuum. The Self-Sufficiency Standard and Calculator have been and will continue to be a powerful measure and tool that legislators, service providers, advocates, businesses, educational institutions, faith-based groups, researchers, unions, and others use in supporting families moving toward economic security.

⁷⁶ "Struggling to make it in Silicon Valley." Roman, Tomas. ABC. KGO, San Francisco, 28 Nov. 2008.

⁷⁷ McIntosh, Andrew. (October 8, 2008). "California's unemployment fund going broke, officials warn." *The Sacramento Bee*. Retrieved December 5, 2008. <http://www.sacbee.com/103/story/1296762.html>. "Demand for Clothing, Food on the Rise: Charitable Organizations Find Increased Need for Clothing, Food." Ibang, Imaeyen. Good Morning America. ABC, KGO, San Francisco, 24 Nov. 2008.

Section VI Resources and Endnotes

Appendix A Research Methodology

The information for this report is based on 151 survey responses and 28 in-depth telephone interviews with a sub-set of the survey respondents about their use of the Self-Sufficiency Standard and Calculator. The survey asked respondents a variety of questions to identify the following:

- Type, size, budget, and location of the organization.
- How long organizations have been using the Self-Sufficiency Standard and Calculator and how they apply the tools to their work.
- Suggested improvements for the Self-Sufficiency Standard and Calculator.
- Other tools and measurements organizations use in their work.
- A profile of organizations' clients.

The survey was sent out to a master list of 1,235 individuals. This master list was compiled from several Insight Center lists with the addition of several other key organizations that work on poverty, economic development, and low-income issues in California. The Insight Center lists included organizations that received a Calculator password, members of the CFES listserv, organizations that attended the 10-Year Summit on Family Economic Self-Sufficiency in 2007, and organizations and legislators who supported the 2003 launch of the Self-Sufficiency Standard. An effort was made to include members from all the potential types of organizations who might be using the tools in the state: foundations, unions, direct service providers, advocacy organizations, legislators, public agencies, educational institutions, and researchers and consultants.

The Insight Center received 151 responses to the survey, equivalent to a 12.6% response rate. Of the 151 respondents, 55 represented nonprofit direct service organizations, 44 represented public agencies, 17 represented nonprofit advocacy organizations, and the remainder represented an educational institution, foundation, union, research/consulting organization, or other type of organization. The majority of responses came from organizations located in the Bay Area and Southern California. There were also responses from organizations in Northern and Central California.

After receiving the survey responses, the Insight Center contacted over 60 people from among the survey respondents, to set up follow-up telephone interviews. The Insight Center conducted 28 in-depth telephone interviews to gather more detailed information about the ways in which organizations are using the Self-Sufficiency Standard and Calculator, challenges they face using the tools and expanding the use of the tools more generally, and ideas on ways to address those challenges. The questions were tailored to each organization, building upon the organization's survey response and thus, varied by organization. However, the same types of questions were asked for each category of organizations (i.e. foundations were asked questions about how the Self-Sufficiency Standard impacts their grant making and nonprofit direct service providers were asked about how the Self-Sufficiency Calculator is integrated into their counseling with clients).

Appendix B Survey Questions

1. Organization Information

1. General Information:

Name:	<input type="text"/>
Position/Role:	<input type="text"/>
Organization Name:	<input type="text"/>
Phone	<input type="text"/>
Email	<input type="text"/>
Address:	<input type="text"/>
City:	<input type="text"/>
Zip Code:	<input type="text"/>
County:	<input type="text"/>

2. How would you describe your organization?

- Foundation
- Non-Profit (advocacy)
- Non-Profit (direct service provider)
- Public Agency
- Union
- Legislative Board/Office
- Research/Consulting
- Educational Institution
- Other (please specify)

3. Approximately how many people work in your organization?

4. Approximately what is your organization's yearly budget?

- Under \$500,000
- \$500,000 - \$1 million
- \$1 million - \$3 million
- \$3 million - \$5 million

Over \$5 million

Don't know

5. For **DIRECT SERVICE PROVIDERS ONLY**, who is your organization's **PRIMARY** client population?

general assistance

people with disabilities

TANF recipients

the underemployed

the unemployed

Other (please specify)

2. Using EITHER Self-Sufficiency Tool

IF YOU ARE FILLING THIS OUT BY HAND:

-proceed to "Using Both Tools" (3rd page) if you check YES to the following question

-proceed to "Using the Self-Sufficiency Tools" (12th page) if you check NO to the following question

1. Does your organization use EITHER the Self-Sufficiency Standard OR the Online Self-Sufficiency Calculator?

yes

no

3. Using Both Tools

Note: Even though the Self-Sufficiency Standard is imbedded into the Online Calculator, only check yes to using both tools if you use the Standard and the Calculator separately from one another.

IF YOU ARE FILLING THIS OUT BY HAND:

-proceed to "Standard and Online Calculator" (9th page) if you answer YES to the following question

-proceed to "Using the Standard OR the Calculator" (4th page) if you answer NO to the following question

1. Does your organization use BOTH the Self-Sufficiency Standard AND the Online Calculator?

yes

no

4. Using the Standard or the Calculator

IF FILLING OUT BY HAND, after filling out the following questions,

-proceed to "Standard" (5th page) if you use ONLY the STANDARD

-proceed to "Calculator" (7th page) if you use ONLY the ONLINE CALCULATOR

1. Does your organization currently use ONLY the Self-Sufficiency Standard?

yes

no

2. Does your organization currently use ONLY the Online Calculator?

yes

no

5. Standard

IF FILLING OUT BY HAND, PROCEED TO "END PAGE" AFTER FILLING OUT THE FOLLOWING QUESTIONS.

1. Please list the names and positions of those people in your organization who use the Standard.

2. Our organization uses the Standard for:

- As a resource for setting policy in our agency
- As a tool in collective bargaining
- Benchmarking client progress/evaluation
- Community/Labor organizing
- Education counseling
- Financial planning
- Finding out for which benefits a client is eligible
- Job counseling
- Other
- Public policy advocacy
- Research/as a data resource
- Resource development/writing grant proposals
- Setting client eligibility (for the services we offer). Please specify which services.

3. Approximately how long has your organization used the Standard as a tool in its work?

0-6 months

6 months to 1 year

1-2 years

2-3 years

- 3-5 years
- more than 5 years
- don't know

4. Does using the Standard change how your organization approaches or conducts its overall work?

- yes
- no

If yes, in what ways does it change your approach?

5. Does your organization currently use the Federal Poverty Line or similar standards/tools to

	yes	no	
calculate client benefits?	<input type="checkbox"/>	<input type="checkbox"/>	Does your organization currently use the Federal Poverty Line or similar standards/tools to calculate client benefits?
	yes	no	

set organizational policy?	<input type="checkbox"/>	<input type="checkbox"/>	set organizational policy? yes
	yes	no	

Please describe the standards/tools your organization uses

6. How could the Standard be improved to be more useful to your organization's work?

6. Calculator

IF FILLING OUT BY HAND, PROCEED TO "END PAGE" ONCE FILLING OUT THE FOLLOWING QUESTIONS.

1. Please list the names and positions of the people in your organization who use the Online Calculator.

2. Our organization uses the Online Calculator for:

- As a resource for setting policy in our agency

- As a tool in collective bargaining
- Benchmarking client progress/evaluation
- Community/Labor organizing
- Education counseling
- Financial planning
- Finding out for which public benefits a client is eligible
- Job counseling
- Other
- Public policy advocacy
- Research/as a data resource
- Resource development/writing grant proposals
- Setting client eligibility (for the services we offer). Please specify which services.

3. Approximately how long has your organization used the Online Calculator as a tool in its work?

- 0-6 months
- 6 months to 1 year
- 1-2 years
- 2-3 years
- 3-5 years
- more than 5 years
- don't know

4. Approximately how many clients does your organization see each month?

5. Of these clients, with approximately what percentage (%) do you use the Online Calculator?

6. Which best describes the majority of the clients with/for whom your organization uses the Online Calculator:

- Below the Federal Poverty Line
- Between 100% and 200% of the Federal Poverty Line (approximately the Lower Living Standard Income Level - LLSIL)
- Between 200% and 300% of the Federal Poverty Line (approximately the Self-Sufficiency Standard)

Don't know

7. Is your organization currently tracking or recording the data from the Online Calculator?

yes

no

don't know

8. Is your organization doing any follow-up with your clients using the Online Calculator to benchmark their progress to self-sufficiency?

yes

no

If you are, how are you benchmarking their progress? If you are not currently, why not?

9. Does using the Online Calculator change how your organization conducts or approaches its overall work?

yes

no

If yes, in what ways does it change your approach?

10. Does your organization currently use the Federal Poverty Line or similar standards/tools to

	yes	no
calculate client benefits?	<input type="checkbox"/> Does your organization currently use the Federal Poverty Line or similar standards/tools to calculate client benefits? yes	<input type="checkbox"/> no

set organizational policy?	<input type="checkbox"/> set organizational policy? yes	<input type="checkbox"/> no
-----------------------------------	---	-----------------------------

Please describe the standards/tools your organization uses

11. How could the Online Calculator be improved to be more useful to your organization's work?

7. Standard and Online Calculator

IF FILLING OUT BY HAND, PROCEED TO "END PAGE" ONCE FILLING OUT THE FOLLOWING QUESTIONS.

1. Please list the names and positions of those people in your organization who use the Standard and the Online Calculator (specify which people work with which tool).

2. Our organization uses the Standard and Online Calculator for:

	Standard	Online Calculator
As a resource for setting policy in our agency	<input type="checkbox"/> Our organization uses the Standard and Online Calculator for: As a resource for setting policy in our agency Standard	<input type="checkbox"/> Online Calculator
As a tool in collective bargaining	<input type="checkbox"/> As a tool in collective bargaining Standard	<input type="checkbox"/> Online Calculator
Benchmarking client progress/Evaluation	<input type="checkbox"/> Benchmarking client progress/Evaluation Standard	<input type="checkbox"/> Online Calculator
Community/Labor organizing	<input type="checkbox"/> Community/Labor organizing Standard	<input type="checkbox"/> Online Calculator
Education counseling	<input type="checkbox"/> Education counseling Standard	<input type="checkbox"/> Online Calculator
Financial Planning	<input type="checkbox"/> Financial Planning Standard	<input type="checkbox"/> Online Calculator
Finding out for which public benefits a client is eligible	<input type="checkbox"/> Finding out for which public benefits a client is eligible Standard	<input type="checkbox"/> Online Calculator
Job counseling	<input type="checkbox"/> Job counseling Standard	<input type="checkbox"/> Online Calculator
Other	<input type="checkbox"/> Other Standard	<input type="checkbox"/> Online Calculator
Public policy advocacy	<input type="checkbox"/> Public policy advocacy Standard	<input type="checkbox"/> Online Calculator
Research/As a data resource	<input type="checkbox"/> Research/As a data resource Standard	<input type="checkbox"/> Online Calculator
Resource development/Writing grant proposals	<input type="checkbox"/> Resource development/Writing grant proposals Standard	<input type="checkbox"/> Online Calculator
Setting client eligibility (for the services we offer)	<input type="checkbox"/> Setting client eligibility (for the services we offer) Standard	<input type="checkbox"/> Online Calculator

3. Approximately how long has your organization used the Standard and Online Calculator as a tool in its work?

Standard

Online Calculator

0-6 months	<input type="checkbox"/> Approximately how long has your organization used the Standard and Online Calculator as a tool in its work? 0-6 months Standard	<input type="checkbox"/> Online Calculator
6 months to 1 year	<input type="checkbox"/> 6 months to 1 year Standard	<input type="checkbox"/> Online Calculator
1-2 years	<input type="checkbox"/> 1-2 years Standard	<input type="checkbox"/> Online Calculator
2-3 years	<input type="checkbox"/> 2-3 years Standard	<input type="checkbox"/> Online Calculator
3-5 years	<input type="checkbox"/> 3-5 years Standard	<input type="checkbox"/> Online Calculator
more than 5 years	<input type="checkbox"/> more than 5 years Standard	<input type="checkbox"/> Online Calculator
don't know	<input type="checkbox"/> don't know Standard	<input type="checkbox"/> Online Calculator

4. Approximately how many clients does your organization see each month?

5. Of those clients, with approximately what percentage (%) do you use the Online Calculator?

6. Which best describes the majority of the clients with/for whom your organization uses the Online Calculator:

- Below the Federal Poverty Line
- Between 100% and 200% of the Federal Poverty Line (approximately the Lower Living Standard Income Level - LLSIL)
- Between 200% and 300% of the Federal Poverty Line (approximately the Self-Sufficiency Standard)
- Don't know

7. Is your organization currently tracking or recording the data from the Online Calculator?

- yes
- no

8. Is your organization doing any follow-up with your clients using the Standard or Online Calculator to benchmark their progress to self-sufficiency?

	yes	no
Standard	<input type="checkbox"/> Is your organization doing any follow-up with your clients using the Standard or Online Calculator to benchmark their progress to self-sufficiency? Standard yes	<input type="checkbox"/> no
Online Calculator	<input type="checkbox"/> Online Calculator yes	<input type="checkbox"/> no

9. Does your organization currently use the Federal Poverty Line or similar standards/tools to

	yes	no
calculate client benefits?	<input type="checkbox"/> Does your organization currently use the Federal Poverty Line or similar standards/tools to calculate client benefits? yes	<input type="checkbox"/> no

set organizational policy?	<input type="checkbox"/> set organizational policy? yes	<input type="checkbox"/> no
-----------------------------------	---	-----------------------------

Please describe the standards/tools your organization uses

10. Does using the Standard or Online Calculator change how your organization approaches or conducts its overall work?

- yes
- no

If yes, in what ways does it change your approach?

11. How could the Standard be improved to be more useful to your organization's work?

12. How could the Online Calculator be improved to be more useful to your organization's work?

8. Using the Self-Sufficiency Standard or Online Calculator
IF FILLING OUT BY HAND, PROCEED TO "END PAGE" ONCE FILLING OUT THE FOLLOWING
QUESTIONS.

1. Did your organization previously use the Standard or Online Calculator in its work?

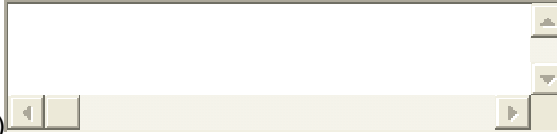
- yes
- no

If previously used, please describe why your organization stopped using either tool

2. Why are you not currently using the Standard or Online Calculator in your work?

- Did not know about it
- Does not apply to the kind of work we do
- Do not have funding to use it
- Its too complicated

Other (please specify)

A text input field with a light beige background and a thin border. It contains no text. On the right side, there are three small square buttons: a top one with an upward-pointing triangle, a middle one with a downward-pointing triangle, and a bottom one with a rightward-pointing triangle. On the left side, there are two small square buttons: a leftward-pointing triangle and a rightward-pointing triangle.

3. Would you be interested in receiving more information about the Self-Sufficiency Standard and/or the Online Calculator?

- yes
- no

9. End Page

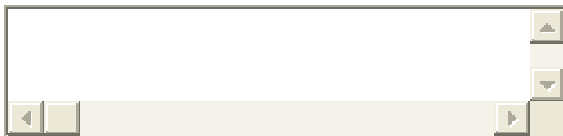
2. If you are not part of the listserv, would you like to be added to it?

- yes
- no

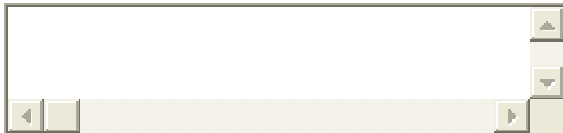
3. If your organization is a part of the listserv, is it helpful in facilitating your work?

- yes
- no

Please describe how it could be more helpful to the work your organization does

A text input field with a light beige background and a thin border. It contains no text. On the right side, there are three small square buttons: a top one with an upward-pointing triangle, a middle one with a downward-pointing triangle, and a bottom one with a rightward-pointing triangle. On the left side, there are two small square buttons: a leftward-pointing triangle and a rightward-pointing triangle.

4. Any additional comments or suggestions:

A text input field with a light beige background and a thin border. It contains no text. On the right side, there are three small square buttons: a top one with an upward-pointing triangle, a middle one with a downward-pointing triangle, and a bottom one with a rightward-pointing triangle. On the left side, there are two small square buttons: a leftward-pointing triangle and a rightward-pointing triangle.

Appendix C Interview Questions

Foundations

- Describe how you use the Self-Sufficiency Standard and Calculator in your work.
- Do the Self-Sufficiency Standard and Calculator change the way that you approach how you fund different projects?
- How do the Self-Sufficiency Standard and Calculator affect the types of projects you work on and/or organizations with which you work?
- Do you think that most other foundations that do similar work to yours are using the Self-Sufficiency Standard and Calculator?
 - What other tools are they using?
- What are the barriers to getting more foundations to use the Self-Sufficiency Standard and Calculator in California? Nationwide?
- How much does the progression of the movement to use the Self-Sufficiency Standard affect the use of the tools in your work? (i.e. if the Self-Sufficiency Standard is more widespread and has a chance of being introduced in legislation, does that affect the level at which you use the standard and the tools?)
- Are there any other foundations that you know of where the Self-Sufficiency Standard and Calculator would fit in with their work but they are not using the tools?
- Do you have any personal stories of people who have been helped or projects funded by using the Self-Sufficiency Standard and/or Calculator?

Nonprofit (Advocacy)

- Describe how you use the Self-Sufficiency Standard and Calculator in your work.
- How does using the Self-Sufficiency Standard and Calculator affect the overall strategy of your advocacy?
- Does using the Self-Sufficiency Standard and Calculator change your target population or the organizations with which you work?
- How often do you use the Self-Sufficiency Standard and Calculator in your lobbying or advocacy?
- What do you think are the barriers to getting more advocacy organizations to use the Self-Sufficiency Standard and Calculator in their work in California? Nationwide?
- Do you use similar tools to conduct your advocacy work? Are there other tools that are easier, or more applicable to the type of work that you do?
- Do you receive funding for using the tools?
- What are the barriers towards more groups using the Self-Sufficiency Standard and Calculator in their advocacy?
- What are the barriers do you see in getting the Self-Sufficiency Standard adopted into legislation and regulations?
- Are there other advocacy groups that do not use the Self-Sufficiency Standard and Calculator currently with whom it would be good to talk?
- Do you know of personal stories of people who have been helped by using the Self-Sufficiency Standard and Calculator?

Nonprofit (Direct Service):

- Describe how you use the Self-Sufficiency Standard and Calculator in your work.
- How has using the Self-Sufficiency Standard and Calculator changed the work you do?
- What are the barriers to getting more direct service providers to use the Self-Sufficiency Standard and Calculator?
- Do you get funded for using the tools?
 - If not, is that a barrier towards using the tools more?
- Are there areas of your work where you cannot or do not use the Self-Sufficiency Standard and/or Calculator with clients and what are they?

- Are there any people that you have directly helped using the Self-Sufficiency Standard and Calculator that you would not have been able to without it?
 - Do other tools work for what you do?
 - Do you use it to set eligibility criteria for benefits?
- Are there other direct service providers who use other standards or tools in their work? Which ones?
- Do you know of personal stories of people who have been helped or successful campaigns waged using the Self-Sufficiency Standard and Calculator?

Public Agency:

- Describe how you use the Self-Sufficiency Standard and Calculator in your work.
- Has using the Self-Sufficiency Standard and Calculator changed how you do/approach your work?
- Do you receive funding for using the Self-Sufficiency Standard and/or Calculator?
- Does funding affect the populations that you serve?
- Are there other tools that you use? Which ones?
- Are there aspects of your work where you cannot or do not use the Self-Sufficiency Standard and/or Calculator?
- What are the barriers to getting more public agencies to use the Self-Sufficiency Standard and Calculator in their work?
 - What are your recommendations on how to overcome these barriers?
- Are there types of public agencies that the Self-Sufficiency Standard and Calculator are more applicable to?
- Are there other public agencies that are not using the Self-Sufficiency Standard or Calculator in their work that we should talk to?
- Do you know of personal stories of people who have been helped as a result of using the Self-Sufficiency Standard and Calculator?

Unions:

- Describe how you use the Self-Sufficiency Standard and/or Calculator.
- Is your collective bargaining more effective when you use the Self-Sufficiency Standard and Calculator? How? Stories?
- In what aspects of your work are you not able to use the Self-Sufficiency Standard and/or Calculator?
- How does using the Self-Sufficiency Standard and/or Calculator affect the politics of your negotiations?
- Are there certain types of workers for whom organizing with the Self-Sufficiency Standard and/or Calculator is more/less effective?
- Are there other unions that do not use the Self-Sufficiency Standard and/or Calculator?
 - What tools do they use?
- What are the barriers to getting more unions to use the Self-Sufficiency Standard and/or Calculator?

Legislators:

- Describe how you use the Self-Sufficiency Standard in your work.
- Are there types of legislation and regulations with which you use the Self-Sufficiency Standard more often?
- What are the politics associated with using the Self-Sufficiency Standard in legislation and regulations?
- Who supports it? Who opposes it?
- What are the barriers to getting the Self-Sufficiency Standard into legislation/regulation?
- What are your recommendations on how to overcome these barriers?
- What are the barriers to getting funding to public agencies to use the Self-Sufficiency Standard and/or Calculator in their work?
- Are there legislators that are very supportive or very opposed to using the Self-Sufficiency Standard and/or Calculator that we should talk to?

- Do you know personal stories of people who have been helped by your work with Self-Sufficiency Standard or bills introduced with Self-Sufficiency Standard and Calculator incorporated into them?

Research/Consulting

- Describe how you use the Self-Sufficiency Standard and/or Calculator in your work.
- What type of research do you use the Self-Sufficiency Standard and/or Calculator for?
- Are there types of research that you do in which you think another measurement of poverty is more useful, applicable, etc?
- How has using the Self-Sufficiency Standard and/or Calculator in your research affected the way you approach your work?
- How has it changed the outcomes of your work?
- What change was affected by your work? How has your research been used?
- What are the barriers towards getting more researchers or consultants to use the Self-Sufficiency Standard and/or Calculator?
- Do you have suggestions of ways to monitor the use of the Self-Sufficiency Standard and/or Calculator in research?

Educational Institutions

- Describe how you use the Self-Sufficiency Standard and/or Calculator in your work.
- Which types of students do you use the tools with/for?
- How has using the Self-Sufficiency Standard and/or Calculator changed the work you do/how you approach your work?
- Are there aspects to your work for which you cannot use the Self-Sufficiency Standard or Calculator? Why?
- Are there other standards/tools that are easier, more applicable, etc. to your work?
- Do you receive funding for using the Self-Sufficiency Standard or Calculator?
- What are the barriers towards getting other offices on campus (e.g. financial aid offices/career counseling offices) to use the Self-Sufficiency Standard and/or Calculator in their work?

Calculator Partners

- What improvements do you suggest to the Self-Sufficiency Standard and/or Calculator?
- Does/Do it/they require immediate attention or can they be addressed over time?
- How do you think we can get more organizations to use the Self-Sufficiency Standard and Calculator?
- Do you have suggestions about how to promote the Calculator to more counties?
- Do you have suggestions about additional ways you think the Self-Sufficiency Standard and Calculator can be used?
- Is funding an obstacle towards greater use of the Self-Sufficiency Standard and/or Calculator?
- Is complexity an obstacle towards greater use the Self-Sufficiency Standard and/or Calculator?
- What political barriers hinder the Self-Sufficiency Standard from getting adopted into local and statewide legislation?

Appendix D

List of Organizations Surveyed and Interviewed

Organizations Surveyed	
9to5, National Association of Working Women*	Legal Services of Northern California
Abrazar, Inc.	Liberation Outreach Services
AFL-CIO Center for Strategic Research	Live Oak Family Resource Center
American Canyon Family Resource Center	Long Beach Community Action Partnership
APA Family Support Services	Long Beach Unified School District
Asian Pacific American Legal Center	Los Angeles City Council President Eric Garcetti
Athens-Clarke County	Los Angeles City Councilmember Richard Alarcón*
Bay Area Legal Aid	Los Angeles Coalition to End Hunger & Homelessness
Berkeley City College*	Legal Services of Northern California
Building Opportunities for Self-Sufficiency (BOSS)	Marin City Network
Boys & Girls Clubs of Buffalo	Mendocino County Department of Health and Human Services*
Boys & Girls Clubs of Garden Grove	MetSYS, Inc.
California Department of Rehabilitation	Mid-Peninsula Housing Corporation
California Employment Development Department – Labor Market Information Division	Monterey County Health Department
California Partnership*	Mutual Assistance Network of Del Paso Heights
City of San Francisco Human Services Agency	Napa County Workforce Investment Board
Canal Alliance	NOVA Workforce Board
Caruthers Street Charities, Inc. dba Project HOPE	Oakland ACORN
Catholic Charities of the East Bay	Ohlone College
Chabot College*	OPEIU Local 3
Child Care Links	Opportunity Junction
Children’s Network of Solano County*	Orange County United Way*
CILS	Redwood Center
City College of San Francisco	Riverside County Economic Development Agency*
City of Fremont	Riverside County Workforce Development Center*
City of Oceanside CDC	Sacramento Employment and Training Agency (SETA)
College of San Mateo	San Bernardino County Department of Workforce Development
Community Action Board	San Diego Miramar College
Community Action Partnership of Riverside County*	San Francisco Department of Children, Youth, and Families
Community Action Partnership of San Bernardino County	San Francisco Department of Public Health
Community Action Partnership of Orange County	San Francisco Labor Council Community Services/STEP*
Community Action Partnership of Kern County	San Francisco Mayor’s Office of Economic and Workforce Development*
Community Child Care Council of Santa Clara County, Inc.	San Jose Evergreen Community College District
Community Health Clinic Ole	Santa Clara Adult Education
Contra Costa County Employment and Human Services	Santa Clara County Social Services Agency
COPE	SJECCD
Corporation for Supportive Housing	Senator Elaine Alquist

De Anza College – OTI; the Occupational Training Institute	Step One School, Inc.
Dixon Family Services	Strategies ICFS
DOR	Sustainable San Mateo County
EARN	The Healthy Marriage Project
East Bay Community Foundation*	UNITE HERE
East Bay Community Law Center	United Indian Nations, Inc.
East Bay Works/Contra Costa County	United Way of the Bay Area*
EHC Life Builders	United Way of Kern County
Family Resource & Referral Center	University of Washington
Fighting Back Partnership FRC*	Walter and Elise Haas Fund*
	West County Resource Center
Fremont Family Resource Center	West Oakland Senior Center
Goodwill Industries International	West Valley Community Services (formerly Cupertino Community Services)
Greater Sacramento Urban League	Wider Opportunities for Women
Holy Cross Lutheran Church	WIRE-Net
Hopelink	Wiseplace
Housing Authority of San Bernardino County	Women at Work
Humboldt County Department of Health and Human Services	Women’s Initiative for Self-Employment*
Independent Living Resource of Contra Costa County	Work2Future
Jefferson Economic Development Institute (JEDI)*	Working Partnerships USA
Jewish Family Service of Orange County	World Education/SABES CRC
Joint Special Populations Advisory Committee	World Institute on Disability
Jewish Vocational Services	Wyoming Department of Workforce Services
Kern County Department of Human Services	Y&H Soda Foundation*
Kern County Department of Mental Health	Youth for Change*
Lake County Department of Social Services	YWCA Greater Los Angeles
Law Offices of Frances Sheehy	

* Organizations interviewed

Appendix E Sample of Self-Sufficiency Legislation

- (1) San Francisco Resolution, File Number 041406 (2004)
- (2) Senate Joint Resolution 15 (2004)
- (3) Los Angeles City Council Resolution, Council File 07-3141 (2008)

1 [Family Economic Self Sufficiency]

2
3 **Resolution adopting "Family Economic Self Sufficiency" as a goal toward which the**
4 **City and County will strive to achieve and will make concerted efforts to move families**
5 **out of poverty towards economic self-sufficiency through legislation initiative,**
6 **budgetary planning decisions and executive policy directives.**

7
8 WHEREAS, According to the Californians for Family Economic Self Sufficiency and
9 The National Economic Development & Law Center, a single parent raising two young
10 children in San Francisco would have to effectively hold down three full-time minimum wage
11 jobs in order to make ends meet; and

12 WHEREAS, The cost of living for working families in the City and County of San
13 Francisco has risen by 70% since 1996; whereas, costs rose by just 29% in Los Angeles
14 County over the same period; and

15 WHEREAS, A single person living in San Francisco must earn \$13.26 per hour to pay
16 for food, rent, child care, transportation, health care, taxes, and miscellaneous expenses; and

17 WHEREAS, Approximately 26.6% of San Francisco households (68,274) have
18 incomes too low to pay for basic needs; and

19 WHEREAS, The definition of "family economic self-sufficiency" is that individuals and
20 families have enough income to cover their basic costs of living and working (food, rent, child
21 care, transportation, health care, miscellaneous costs and taxes); and

22 WHEREAS, The Self Sufficiency Standard for California describes the amount of
23 income necessary to meet these basic needs for 70 different family types; and

24 WHEREAS, The San Francisco Workforce Investment Board has adopted the Self
25 Sufficiency Standard and uses it as an eligibility criterion for job training; and

Supervisor Ammiano, Daly, Gonzalez
BOARD OF SUPERVISORS

1
2 WHEREAS, Many Bay Area public agencies, non-profit organization and foundations
3 utilize the Self Sufficiency Standard as a data resource, a funding criterion, and a counseling
4 tool; and

5 WHEREAS, The Federal Poverty Line is inadequate to accurately describe the actual
6 costs of living for working families in San Francisco, since it is calculated using the cost of
7 food times three and does not include other substantial costs such as housing or child care;
8 and

9 WHEREAS, One out of five Bay Area households have incomes between the Federal
10 Poverty Line and the Self Sufficiency Standard, leaving these families in a gap between the
11 poverty line and economic independence; and

12 WHEREAS, The California State Legislature adopted a resolution in 2004 urging the
13 federal government to use a self-sufficiency index in place of the Federal Poverty Line (SJR
14 15); and

15 WHEREAS, Connecticut and Illinois calculate a state-sponsored self-sufficiency index,
16 and public agencies all over the country have adopted the Self Sufficiency Standard as an
17 indicator of well-being, a counseling tool, and a benchmarking tool; and

18 WHEREAS, The Self Sufficiency Standard uses publicly available and regularly
19 updated data sources, including HUD, California Department of Education, California
20 Department of Managed Care, the California Franchise Tax Board and the U.S. Census;
21 therefore, be it

22 RESOLVED, That the San Francisco Board of Supervisors hereby adopts "Family
23 Economic Self-sufficiency" as a goal toward which the City and County will strive to achieve
24 and will make concerted efforts to move families out of poverty towards economic self-
25 sufficiency through legislation initiative, budgetary planning decisions and executive policy
directives; and be it

FURTHER RESOLVED that the Board of Supervisors adopts the California Self
Sufficiency Standard as an accurate measure of the income required to pay for basic needs in
San Francisco; and

Supervisor Ammiano
BOARD OF SUPERVISORS

Page 2
10/27/2004

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FURTHER RESOLVED, That the Board of Supervisors urges the Clerk of the Board to notify to all relevant City Departments that directly provide services to the public, by alerting them of the City's adoption of the Self Sufficiency Standard by delivering a copy of this resolution upon passage.

Supervisor Ammiano
BOARD OF SUPERVISORS

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10/27/2004

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 041406

Date Passed:

Resolution adopting "Family Economic Self Sufficiency" as a goal toward which the City and County will strive to achieve and will make concerted efforts to move families out of poverty towards economic self-sufficiency through legislation initiative, budgetary planning decisions and executive policy directives.

October 19, 2004 Board of Supervisors — CONTINUED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Gonzalez, Ma, Maxwell, McGoldrick, Peskin, Sandoval

October 26, 2004 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Gonzalez, Ma, Maxwell, McGoldrick, Peskin, Sandoval
Noes: 1 - Elsbernd

October 26, 2004 Board of Supervisors — ADOPTED AS AMENDED

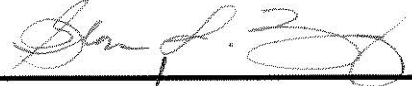
Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Gonzalez, Ma, Maxwell, McGoldrick, Peskin, Sandoval
Noes: 1 - Elsbernd

File No. 041406

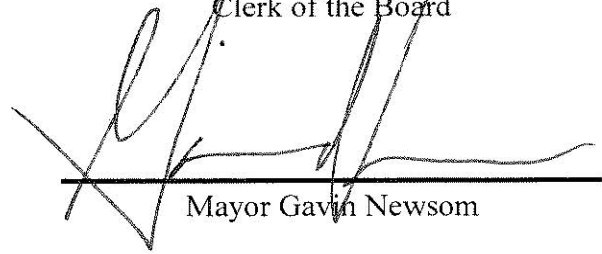
I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on October 26, 2004 by the Board of Supervisors of the City and County of San Francisco.

NOV 04 2004

Date Approved



Gloria L. Young
Clerk of the Board



Mayor Gavin Newsom

File No. 041406

City and County of San Francisco
Tails Report

2

Printed at 2:00 PM on 10/27/04

AMENDED IN SENATE SEPTEMBER 3, 2003
AMENDED IN SENATE JUNE 2, 2003

Senate Joint Resolution

No. 15

Introduced by Senator Alarcon
(Coauthor: Assembly Member Lieber)

April 21, 2003

Senate Joint Resolution No. 15—Relative to the federal poverty level.

LEGISLATIVE COUNSEL'S DIGEST

SJR 15, as amended, Alarcon. Federal poverty level.

This measure would memorialize the President and Congress of the United States to ensure that the United States is working to meet the basic needs of all families, begin a process to better calculate the federal poverty level, and use existing models to calculate poverty, including geographical costs of living.

Fiscal committee: no.

1. WHEREAS, The federal poverty level was created by Congress
2. in the 1960s to determine the number of people living in poverty;
3. and
4. WHEREAS, The Census Bureau notes that the federal poverty
5. measure is a statistical yardstick rather than a complete description
6. of what people and families need to live; and
7. WHEREAS, The federal poverty level is calculated by
8. multiplying basic food consumption by three; and

1 WHEREAS, The federal poverty level implies a demographic
2 model of a two-parent family with one parent in the workforce and
3 one parent at home; and

4 WHEREAS, The federal poverty level does not include the
5 different cost of living across states, counties, and cities; and

6 WHEREAS, The cost of housing, health care, transportation,
7 child care, and essential services, such as water, electricity, and gas
8 are not included in calculating the federal poverty level; and

9 WHEREAS, The current 2002 federal poverty level is defined
10 by a family unit of one with an income of \$8,860, a family unit of
11 two with an income of \$11,940, a family unit of three with an
12 income of \$15,020, and a family unit of four with an income of
13 \$18,100; and

14 WHEREAS, The 2000 federal census reports that 14 percent of
15 Californians live at the federal poverty level; and

16 WHEREAS, Dr. Diana Pearce of the University of Washington,
17 with Wider Opportunities for Women and Californians for Family
18 Economic Self-Sufficiency (CFESS), a project of the National
19 Economic Development and Law Center, have developed the
20 California Self-Sufficiency Standard, which uses major budget
21 items and varies geographically; and

22 WHEREAS, Approximately 30 percent of Californians do not
23 earn enough to pay for basic needs, according to a study utilizing
24 the California Self-Sufficiency Standard; and

25 WHEREAS, It is in the best interest of the state to ensure that
26 families have enough income to meet their basic needs; and

27 WHEREAS, A more accurate calculation of poverty would
28 assist in California's effort to end poverty; and

29 WHEREAS, Many California families are struggling with
30 inadequate resources to meet their families' basic needs, yet many
31 of these families do not receive any assistance. Although often
32 described as "falling between the cracks," this group is neither
33 small nor marginal as that phrase suggests, but, rather, is a
34 substantial proportion of our society, and yet little is known about
35 them; and

36 WHEREAS, A more accurate calculation of the federal poverty
37 level would redirect more federal funds to states; now, therefore,
38 be it

39 *Resolved by the Senate and Assembly of the State of California,*
40 *jointly,* That the Legislature respectfully memorializes the

1 President and Congress of the United States to do all of the
2 following:

3 (1) Ensure that the United States is working to meet the basic
4 needs of all families.

5 (2) Begin a process to better calculate the federal poverty level
6 to ensure that all states receive an adequate representation of the
7 number of families who are struggling to meet their basic needs.

8 (3) Use existing models to calculate poverty, including
9 geographical costs of living that take into account expenses such
10 as housing, child care, health care, and transportation, ~~as reflected~~
11 ~~in the California Self-Sufficiency Standard~~; and be it further

12 *Resolved*, That the Secretary of the Senate transmit copies of
13 this resolution to the President and Vice President of the United
14 States, the Speaker of the House of Representatives, the Majority
15 Leader of the Senate, and to each Senator and Representative from
16 California in the Congress of the United States.

HOUSING, COMMUNITY ECONOMIC DEVELOPMENT

MOTION

AD HOC POVERTY SEP.28 2007

The Federal Poverty Guidelines were created in 1963-1964 by Mollie Orshansky of the Social Security Administration. To determine poverty levels, Orshansky took the dollar costs of the U.S. Department of Agriculture's economy food plan for families of three or more persons and multiplied the costs by a factor of three. While this equation may have made sense at in the 1960s, food is no longer one third of a family's budget. With the increased costs of housing, health care and child care, food is roughly one sixth of a family budget today, making the formula for the Federal Poverty Guidelines a flawed one. Additionally, the Federal Poverty Guidelines are consistent across the United States, and do not take into account regional cost of living differences.

Currently, the Federal Poverty Guidelines consider a family of four making under \$20,650 a year as "in poverty." 4.8 million Californians (13.3 percent of the state's population) have income levels below the Federal Poverty Level. However, when one factors in what it takes a person or family to be "self-sufficient," the number of people who are unable to make ends meet without additional assistance rises tremendously. In Los Angeles, the National Economic Development and Law Center determined that it takes at least \$54,000 for a family of four to be self-sufficient, or more, depending on the composition of the members of the family. Approximately lout of Angelenos are not self-sufficient.

In the recent years, many organizations and politicians have come out in support of updating the Federal Poverty Guidelines, so the guidelines take into account family composition and regional cost of living differences, as well the current reality of what basic costs families incur in their daily lives.

The push for updating the poverty levels continues to grow in momentum. On August 1st, Congressmember Jim McDermott (D-W A) called a special hearing for the House Ways and Means Committee Subcommittee on Income Security and Family Support on "Measuring Poverty in America." In the past several years, regional self-sufficiency standards have been created for over 30 states, spearheaded by Wider Opportunities for Women (WOW). And in Los Angeles, I introduced a resolution in support of updating the Federal Poverty Guidelines, which, to date, two presidential candidates have endorsed and two others are considering their positions.

If the Federal Poverty Guidelines are updated, the effects will be felt across the nation. The Federal Government will be able to more efficiently allocate resources based on a true understanding of need. In California, for every \$1.00 that the state of California and California taxpayers send to the Federal government, only 78 cents are returned to California from the Federal government. An update of the Federal Poverty Guidelines to a self-sufficiency standard could mean increased resources for the state and the City.

Many city programs, such as Healthy Kids and the Section 8 housing voucher program, have eligibility based on the Federal Poverty Level or a multiple of the Federal Poverty Level (e.g.: 200% of the Federal Poverty Level). These programs will undoubtedly be affected by a change in how poverty is calculated. However, the true impact that updating the Federal Poverty Guidelines will have on Los Angeles is unknown.

I THEREFORE MOVE that the Council instruct the Community Development Department with the assistance of the Chief Legislative Analyst, Los Angeles Housing Department, Community Redevelopment Agency, and other appropriate City Departments, to report on what the impact updating the Federal Poverty Guidelines to a Self-Sufficiency Standard would have on City programs and services;

I FURTHER MOVE that the Community Development Department present its findings to the Ad Hoc Committee on Ending Poverty in Los Angeles within 60 days.

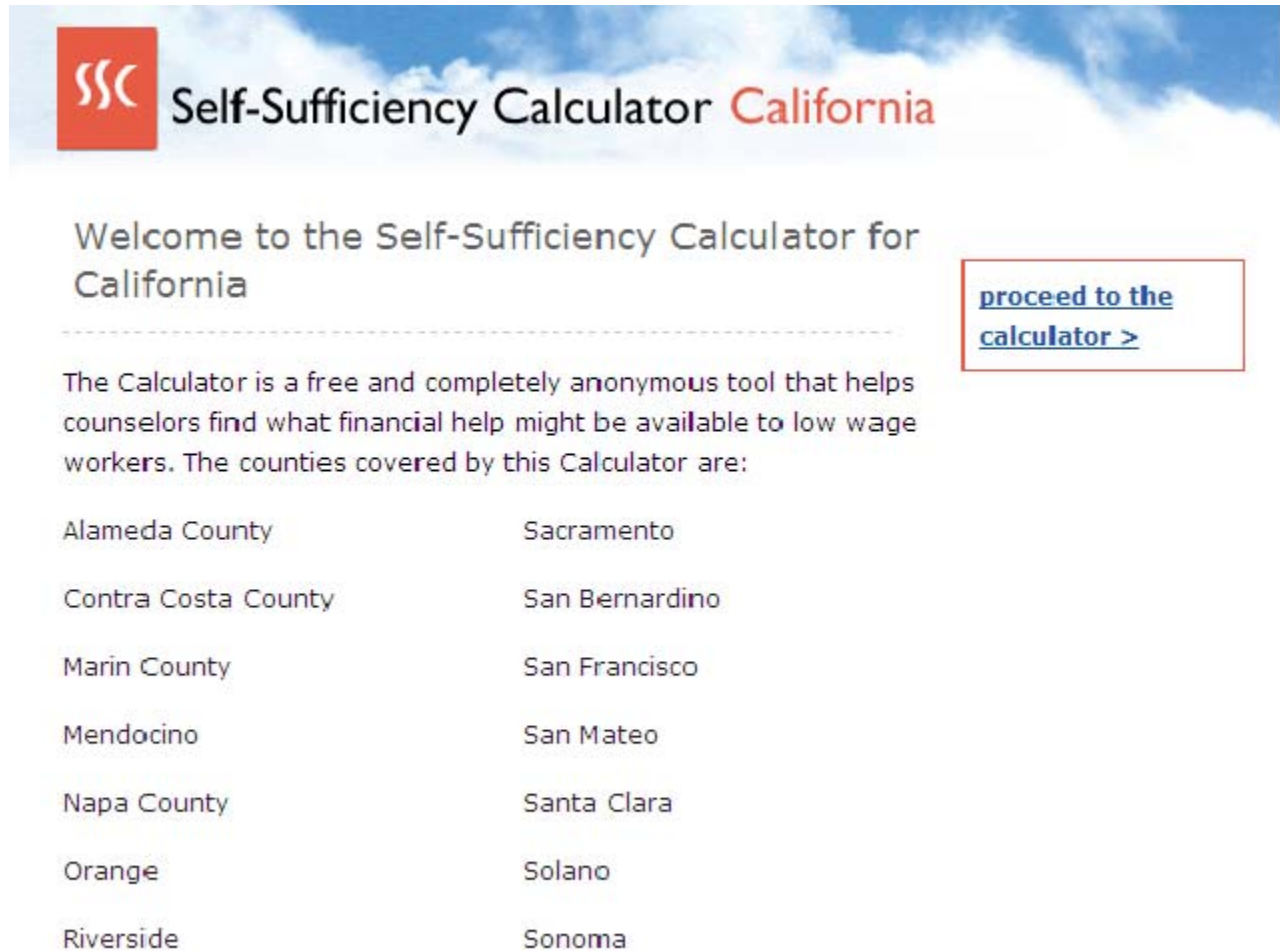
Appendix F

San Francisco County Self-Sufficiency Standard for Selected Family Types

Monthly Costs	One Adult	One Adult, One Preschooler, One School-age Child	Two Adults, One Preschooler, One School-age Child
Housing	1,154	1,444	1,444
Child Care	0	1,400	1,400
Food	292	663	911
Transportation	45	45	90
Health Care	104	276	333
Miscellaneous	160	383	418
Taxes	386	861	852
Earned Income Tax Credit (-)	0	0	0
Child Care Tax Credit (-)	0	-100	-100
Child Tax Credit (-)	0	-167	-167
Self-Sufficiency Wage			
Hourly	\$12.17	\$27.30	\$14,72 per adult
Monthly	\$2,141	4,805	\$5,182
Annual	\$25,693	57,658	\$62,183

Appendix G California Self-Sufficiency Calculator: Selected Screen Shots

Homepage



Welcome to the Self-Sufficiency Calculator for California

The Calculator is a free and completely anonymous tool that helps counselors find what financial help might be available to low wage workers. The counties covered by this Calculator are:

Alameda County	Sacramento
Contra Costa County	San Bernardino
Marin County	San Francisco
Mendocino	San Mateo
Napa County	Santa Clara
Orange	Solano
Riverside	Sonoma

[proceed to the calculator >](#)



STEPS >> 1. **family** 2. income 3. expenses 4. results

Family Information

Language Preference:

The county in which you live:

Age of Head of Household (you)

[Learn about how your immigration status affects benefits](#)

Total Family Size

calculate-->

Additional Adults **with whom you share a kitchen**

18-23

24-59

60+

Children (of each age) in the Household

Two or less

3-5 years

6-12 years

13-17 years

Please check the appropriate box for each answer.


Yes No

Are you pregnant?

Are you married?

[Start Over](#)

The Self-Sufficiency Calculator for California. All Rights Reserved



Self-Sufficiency Calculator California

STEPS >> 1. family 2. **income** 3. expenses 4. results

Income Information

First wage earner's income information *before taxes* ⓘ

Wage: \$

per :

for : hours per week

Income:

Month \$

Year \$

What is your target income? [Lookup Table](#) ⓘ

Please check the appropriate box for each answer .

Yes No

Are you currently unemployed? ⓘ

Do YOU receive other monthly income or child support?

Is there an additional wage earner in your family? ⓘ

Does anyone in your household get disability benefits?

Do all members of your family have health insurance? ⓘ

Do you have assets of over \$2,000 (\$3,000 if

Page 2 Lookup Table: Self-Sufficiency Standard

Self-Sufficiency Calculator		California
Step #1:	Choose your county <input type="button" value="v"/>	
Step #2: Number of adults	1 <input type="button" value="v"/>	
Step #3: Number of Children	2 <input type="button" value="v"/>	
Santa Clara County Monthly		Self-Sufficiency Wage
Adult + infant + infant		5619
Adult + infant + preschooler		6048
Adult + infant + schoolage		5056
Adult + infant + teenager		4451
Adult + preschooler + preschooler		6458
Adult + preschooler + schoolage		5466
Adult + preschooler + teenager		4840
Adult + schoolage + schoolage		4503
Adult + schoolage + teenager		3985
Adult + teenager + teenager		3467

Page 3: Expense Information

SSC Self-Sufficiency Calculator California

STEPS >> 1. family 2. income 3. **expenses** 4. results

Expense Information (monthly)

Information notes (i) tell you what should be included.

Housing Costs (i)	<input type="text" value="1150"/>
Utility Costs (i)	<input type="text" value="100"/>
Food Costs (i)	<input type="text" value="400"/>
Transportation Costs (i)	<input type="text" value="150"/>
Child Care Costs (i)	<input type="text" value="500"/>
Health Care Costs (i)	<input type="text" value="0"/>
Miscellaneous Costs (i)	<input type="text" value="200"/> (+)

Total Expenses

\$

calculate-->

SSC Self-Sufficiency Calculator California

STEPS>> 1. family 2. income 3. expenses 4. results

Calculator Results

Test Wage \$ for hr/wk.
Family Size
test second wage

[Eligibility Report](#)
[Budget Report](#)
[County Contact Page](#)

Income (monthly)

<input type="text" value="1248.02"/> Wages	Child Support Information
<input type="text" value=""/> Child Support	Paid Family Leave
<input type="text" value="0"/> Other Income	Public Benefits and Education
<input type="text" value=""/> Work Study	CalWORKs ←
<input type="text" value="0"/> CalWORKs	Disability Benefits
<input type="text" value=""/> SSI	
<input type="text" value="0"/> SSDI	
<input type="text" value=""/> Unemployment	Unemployment
<input type="text" value="1248.02"/> Total Income (+)	

Page 4 continued: Results

Tax Credits (monthly)

0	EITC	✔ Earned Income Tax Credit (Year end EITC: \$4536)
0	CTC	✔ Child Tax Credit (Year end credit: \$180)
0	CCTC	✘ Child Care Tax Credit
0	Total Credits (+)	

Net Taxes

-84.18	Net Taxes	ℹ You owe taxes.
--------	-----------	------------------

More Information

-328.2	Shortfall
81	% Income as a Percentage of Expense After New Benefits
98	% Wage as a percentage of Federal Poverty Level
17	% Wage as a percent of Self-Sufficiency
40	% Income as a percentage of expenses today (before benefits)

Interactive Budget Worksheet

Self-Sufficiency Calculator

California

Your Monthly Budget

Date: 3/22/2008

Counselor's name & ph. number:

Client's name & phone number:

Date of next visit: / /

Monthly Income	before	after	Income Supports	before	after
Wages	\$ 0	\$ 0			
Other Income	\$ 0	\$ 0			
Child Support	\$ 0	\$ 0			
Inc. Supports Subtotal	\$ 0	\$ 0	Unemployment	\$ 0	\$ 0
			CalWORKs	\$ 0	\$ 0
			SSI	\$ 0	\$ 0
			SSDI	\$ 0	\$ 0
Monthly EITC	\$ 0	\$ 0			
Monthly Expenses	before	after	Work Supports	before	after
Housing	\$ 0	\$ 0	HEAP	\$ no	\$ no
Utilities	\$ 0	\$ 0	Food Stamps	\$ 0	\$ 0
Food	\$ 0	\$ 0	WIC	\$ 0	\$
			School Lunch	\$ 0	\$
Transportation	\$	\$	Child Care	\$ no	\$ no
Child Care	\$ 0	\$ 0	Medi-Cal	\$ no	\$ no
Health Care	\$	\$	Healthy Families	\$ no	\$ no
Misc Costs	\$ 0	\$ 0	Lifeline	\$ 0	\$ 0
Taxes	\$ 0	\$ 0			
totals	\$ 0	\$ 0			

Annual/ Year-End Tax Credits	\$ 0
------------------------------	------

Test Wage: \$ 0 for 0 hours/week.
Family Size: (adults: 1, infants: 0, preschool: 0, school-aged: 0, teens: 0)
Shortfall after using the SSC: \$ 0 vs. before using the SSC \$ 0


[Recalculate](#)

Sample Benefit Information Page



Back to previous 

Food Stamps

Jump to: 

[For more information, please see the eligibility page.](#)

What are Food Stamps?

The Food Stamps program offers benefits that you can use at grocery stores to buy food. Food Stamps cannot be used to buy alcohol, vitamins, medicines, cigarettes, cleaning supplies, pet food, soap, toilet paper, shampoo or prepared food.

Food Stamps come in the form of an EBT card. EBT stands for "Electronic Benefit Transfer" and the card works like an ATM bank card. When you slide the card at the grocery store checkout stand, your eligible food purchases will be automatically deducted from the Food Stamps you have that month.

NOTE FOR IMMIGRANTS: Your immigration status may affect your eligibility for this benefit. Also, your receipt of certain benefits may affect your immigration application process. Click [HERE](#) to learn more.

[top](#)

How To Apply:

- If you are eligible, you will receive **Food Stamps** within 30 days of applying.
- If you earn less than \$150 a month and have less than \$100 in cash on hand, you may be able to get **Expedited Food Stamps** within 3 days of the date you apply. You can ask about Expedited Food Stamps when you apply.
- If the county finds that you are eligible for CalWORKs, you will automatically receive Food Stamps. If your income gets too high for you to stay on CalWORKs, you will automatically receive 6 months of **Transitional Food Stamps**.