



Workforce Development Council of Seattle-King County

## The Self-Sufficiency Standard and Calculator Initiative

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### How much does it cost to be self-sufficient?

In 2001, the Workforce Development Council adopted the Self Sufficiency Standard. The Self Sufficiency Standard calculates how much income working adults need to meet their basic family household expenses without subsidies. The household expenses that are included in the Standard are housing, transportation, childcare, health care, food, taxes, and miscellaneous expenses. Unlike other measures of economic well being, such as the Federal Poverty Level, the Self Sufficiency Standard is more accurate since it takes into account each person's family size and composition, and bases expenses on geographic location.

Below is a table that illustrates the difference between federal poverty guidelines and the Self Sufficiency Standard. Please note the Self Sufficiency Standard wages listed are for families residing in Seattle, WA.

2006 Poverty Guidelines for the 48 States (Yearly family income)		2006 Self-Sufficiency Standard for Seattle, WA (Yearly family income)	
Family Size	Federal Poverty Line	Family Size	Self-Sufficiency Standard
2	\$13,200	Adult and infant	<b>\$34,616</b>
3	\$16,600	Adult, school age, and teenager	<b>\$29,571</b>
4	\$20,000	Two adults, teenager and preschooler	<b>\$40,249</b>

Following adoption of the Standard, the WDC developed and launched an on-line Self Sufficiency Calculator to be used by Workforce Investment Act (WIA) case managers and the public. The three main purposes of the Calculator are to:

- Provide a tool that integrates financial literacy with career and vocational planning.
- Budget expenses and compare different work scenarios to the standard.
- Test for work supports to see if someone might be eligible for food stamps or subsidized health care, for example.

The Calculator can be used by anyone with internet access or by case managers who may choose to save their client data in the calculator. With the exception of the case manager function, the Self Sufficiency Calculator ([www.wdcssc.com/ssc/](http://www.wdcssc.com/ssc/)) is free for any user. When used by the public, information is not saved in the calculator and users may print their reports before logging out of the Calculator.

The Calculator answers such questions as:

- Am I making enough money to cover my family's needs?
- Would it be cheaper to live in a different part of the county?
- Will this job or career path pay enough?
- Might I be eligible for food stamps, childcare subsidies or tax credits?

## What does the Self Sufficiency data show us?

King County Workforce Investment Act (WIA) case managers are required to save data for their customers seeking employment services into the Self Sufficiency Calculator. Customer information including demographics, household income, and household expenses is entered and saved in the Self Sufficiency Calculator at both registration and exit. **Our goal is to provide access to living wage jobs that help families make progress toward economic self-sufficiency. The preliminary data suggests that our system is doing just that.**

Below are three charts that illustrate complete data we have collected from the Self Sufficiency Calculator over a period of two and a half years (May 18, 2004 through January 7, 2007). In total, there are over 3,000 active clients in our database. We currently have 908 complete records saved in the Self Sufficiency Calculator database. This document highlights preliminary analysis of WIA customer household incomes relative to the Self Sufficiency Standard both at registration and at exit. The goal of the database is to measure our programs' impact on customer economic well being and provide analysis of the data to our WIA partners and stakeholders.

These charts represent important and exciting trends. Data from the Calculator illustrates that **most customers who receive services through our programs are making significant progress toward economic self-sufficiency.**

Table 1: Self Sufficiency at Registration

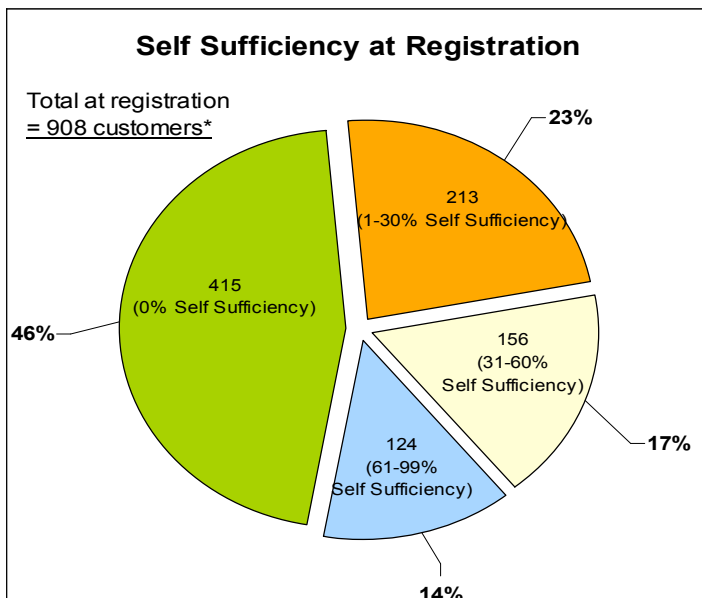
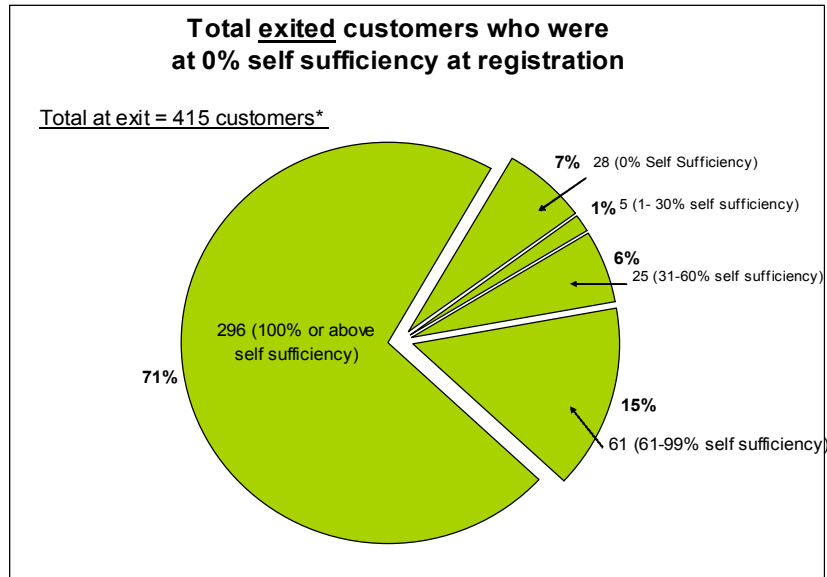


Table 1 illustrates that 46% of customers were at 0% of the self-sufficiency wage for their family type at the time they registered in the WIA program. These customers had no household earned income to support their expenses. If we combine this figure with those between 1% and 30% of the Self Sufficiency Standard, 69% of the 908 customers or 628 customers were at or below 30% of their self-sufficiency wage. The data indicates that most of our customers are entering WIA programs with severe economic hardship.

\*908 customers have saved data at registration and exit between May 18, 2004 and January 7, 2007

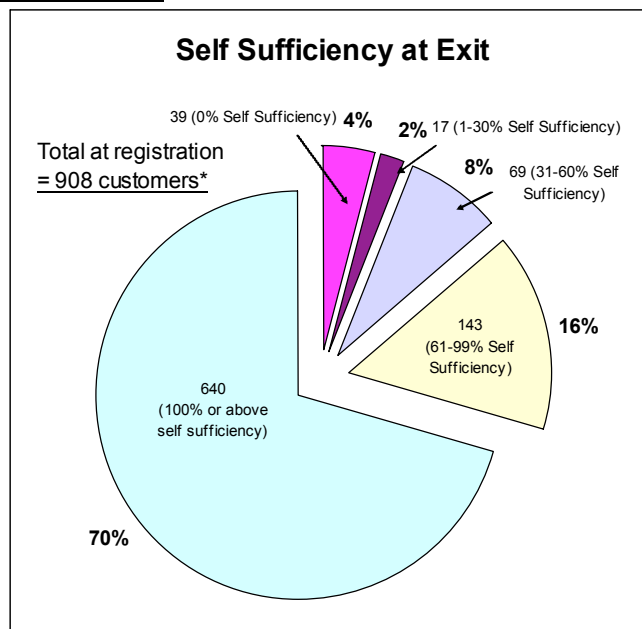
Table 2: Self Sufficiency Exit Numbers for Customers with 0% Self Sufficiency at Registration



\*415 customers registered at 0% self sufficiency between May 18, 2004 and January 6, 2007

**If we examine only those customers who had zero earned income at the time they registered (415 customers), the improvements in self-sufficiency at exit is impressive.** As illustrated by Table 2 above, of the 415 customers who had no household earned income at registration, 71% or 296 customers exited the program at 100% or above the Self Sufficiency Standard. As an example, if one of those exited customers were a single parent with a teenage child living in Renton, the parent would have had to exit the program earning at least \$25,964 per year or earn \$12.29 per hour—the Standard wage for a single parent of a teenager living in Renton. This is a remarkable improvement considering that this individual had no household income at registration.

Table 3: Self Sufficiency at Exit



At exit, 70% of all customers had wages that were at or above their self-sufficiency wage. An additional 16% exited with household earned income between 61-99% of the Self Sufficiency Standard for their family type. Again, impressive gains in self-sufficiency were made for most of our customers between the time they entered and exited WIA programs.

In conclusion, the data indicates positive trends in how WIA services are making an impact on the economic well being of our customers and their families. There are more questions to answer, but **our preliminary analysis suggests that our workforce programs are having a real and positive impact in our community—for helping people achieve and make great strides toward economic Self-sufficiency.**

## Self-Sufficiency Calculator Fact Sheet

### The Calculator is designed to:

1. Help low-income individuals and jobseekers with career planning and budgeting;
2. Help the WDC determine the true impact of our programs on our customers' ability to provide for their families and be economically self-sufficient—not just whether they got jobs;
3. Give other individuals and service organizations these same capabilities at no cost.

### Key Facts about the King County Self-Sufficiency Calculator

- Free for anyone to use at [www.wdcssc.com/ssc/](http://www.wdcssc.com/ssc/)
- Shows costs for 70 different family types, based on the number and ages of dependents
- Is customized for the family's area of residence in King County. Data sets include: 1) Bellevue, Kirkland, Juanita, Redmond; 2) Renton; 3) Seattle; 4) King County minus the above cities; and 5) King County total
- Expense amounts can be customized to reflect the family's real current costs
- Can be used to test scenarios, such as whether a career path or specific job will pay enough to cover your family's needs or how moving to another part of the county might affect your expenses
- Using 2006 information on the cost of basic needs in King County, shows the earnings required for a specific family to be self-sufficient, i.e. to meet its needs without assistance
- Calculates expenses of the following basic needs: housing, child care, food, transportation, health care, miscellaneous and taxes
- Takes into consideration any public subsidies the user receives, and shows subsidies he/she might be eligible for and how to access them
- Based on the Self-Sufficiency Standard for Washington, a series of formulas developed by Dr. Diana Pearce of the University of Washington School of Social Work
- Includes a database that tracks whether customers of WDC programs made progress toward economic self-sufficiency during their participation—so we can measure our true impact, not just whether the customer got a job

### How is the Self-Sufficiency Calculator Used?

The Calculator provides the following positive benefits:

#### **For Front-Line Staff:**

- Help clients set realistic career and earning goals
- Provide foundation for basic financial literacy counseling
- Quickly assess impact of work supports on customer's career/training plan

#### **For Program Clients:**

- Provide accurate cost-of-living and wage information specific to their community
- Basic "reality check" is a first step towards comprehensive financial literacy
- Build and track household budget
- Quick links to other resources

#### **For Program Managers:**

- Document agency impact on client progress toward self-sufficiency

#### **For Policymakers:**

- Measure state and regional progress toward closing the wage-gap for working families

Provide baseline data to drive economic development strategies that generate more living-wage jobs

### Next Steps: A Statewide Calculator

With funding from the Allen Foundation and key Workforce Investment Board partners, a statewide Self Sufficiency Calculator will be launched in the fall of 2007. The calculator will be provided free of charge to any organization that does not wish to use the case manager function. A nominal maintenance fee will be requested for any organization that wishes to use the case management function of the Calculator.