

Californians For Economic Security (CFES) & California Family Economic Self-Sufficiency Standard

HOW TO USE THE CALIFORNIA FAMILY ECONOMIC SELF-SUFFICIENCY STANDARD

The recently updated 2008 California Family Economic Self-Sufficiency Standard, released by the Insight Center for Community Economic Development (formerly, NEDLC), quantifies the costs of basic needs for California's working families. Many policymakers, advocates, services providers, foundations, and families are currently using the Self-Sufficiency Standard to make informed decisions on issues affecting working families. The following is a list of those who are using the Standard and how they are using it.

Policymakers are using the Self-Sufficiency Standard

The *Self-Sufficiency Standard* has been used by policymakers, at all levels of government, in creating responsible and effective public policy.

In 2003, former State Senator Richard Alarcón introduced Senate Joint Resolution 15, which challenged the State of California to develop a poverty index that corresponds with the *Self-Sufficiency Standard*. The coalition behind the *Self-Sufficiency Standard* – *Californians For Economic Security (CFES)* – was actively involved in drafting Senate Bill 1639, a bill that increased access to quality, language-specific 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 support if they are to attain self-sufficiency level wages. This bill was passed into law in 2004. In 2007, the Los Angeles City Council also passed a resolution in support of replacing the Federal Poverty Level with the more accurate and realistic *Self-Sufficiency Standard*.

Locally, the Workforce Investment Boards of Sacramento, Long Beach, Pasadena, San Francisco, Santa Cruz, Contra Costa, Mendocino, San Bernardino, and Oakland have raised the eligibility criteria for intensive case management and training services based on the *Self-Sufficiency Standard*. As a result, their employment and training programs are available to more people in their communities.

Direct Service Providers are using the Self-Sufficiency Standard

The *Self-Sufficiency Standard* has provided a much-needed tool for direct service providers to accurately evaluate the needs of their clients as well as providing a basis for leveraging additional funding to increase their service capacity. Direct service providers also use the *Self-Sufficiency Standard* in education and job counseling by identifying jobs that lead to self-sufficiency wages, and as a tool in financial education.

“The Self Sufficiency Standard highlights the need for work supports in California and has served as a catalyst for developing EITC and Food Stamp Outreach projects in our state's Food Banks.” – **Jessica Bartholow, Statewide Program Manager, California Association of Food Banks**

Advocates are using the Self-Sufficiency Standard

Advocates use the *Self-Sufficiency Standard* to effectively make the case for and bring about policy change. By using the *Self-Sufficiency Standard*, advocates can illustrate the impact of certain policies and convey community needs to decision makers, which includes showing where policies fall short. For example, the *Self-Sufficiency Standard* can highlight how using the FPL to determine eligibility for public programs leaves many families in a “policy gap”: they earn too much to qualify for public programs, but not enough to pay for their basic needs.

“We use the Self-Sufficiency Standard to educate policymakers and the public about the needs of low-income households. It is a very useful and credible tool for examining and contrasting the impacts of budget and policy proposals.” - **Mike Herald, Legislative Advocate, Western Center on Law and Poverty**

Labor Unions are using the Self-Sufficiency Standard

Labor unions across the state are using the *Self-Sufficiency Standard* to negotiate higher wages. 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.”

For example, the American Federation of State, County, and Municipal Employees (AFSCME) won a higher wage floor for over 8,000 UC service workers after using the *Self-Sufficiency Standard* to illustrate the true costs of living in California.

Philanthropic Foundations are using the Self-Sufficiency Standard

More and more foundations around California are recognizing that an index that varies by local costs and family size, such as the *Self-Sufficiency Standard*, is an effective way to assess the impact of their grant-making.

"The Self-Sufficiency Standard illustrates in real terms that low-wage employment does not necessarily generate economic security." – **Amanda Feinstein, Senior Program Officer, Walter and Elise Haas Fund**

Foundations use the Self-Sufficiency Standard to understand which programs and services most effectively enable families to reach economic security, and then target their grantmaking accordingly. For example, the United Way of the Bay Area commissioned a study to track 100 families receiving different supports and evaluated which investments had the greatest impact. Orange County United Way is working with 13 grantees to evaluate how effectively their programs move families toward self-sufficiency wages. 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.

Public Agencies are using the Self-Sufficiency Standard

A number of Workforce Investment Boards, Community Action Agencies, CalWORKs agencies, and community colleges use the *Self-Sufficiency Standard* to: 1) guide clients to quality jobs offering self-sufficiency wages, 2) expand high-wage job training opportunities, and 3) enable people to access work supports.

The *Self-Sufficiency Standard* has enabled the Sacramento Employment & Training Agency (SETA) to determine which industries with good wages are growing in the Sacramento area and directs its clients and public resources toward those industries.

"SETA uses the Self-Sufficiency Standard to define self-sufficiency wages in Sacramento County. We raised the eligibility criteria for intensive case management and training services to the Self-Sufficiency Standard, which has made our employment and training programs available to more people in our community." – **Robin Purdy, Deputy Director, Sacramento Employment & Training Agency**

Working Families are using the Self-Sufficiency Standard

The *Self-Sufficiency Standard* has allowed working families to plan for their economic future and understand how their financial security is affected when their life circumstances change. Equipped with data on the minimum income needed to make ends meet in their communities, families can make more informed decisions about how much income they need to live in a given community.

How do I get more information about the Self-Sufficiency Standard for my county?

For more information on the *Self-Sufficiency Standard* or Californians For Economic Security, click: <http://www.insightcced.org/index.php?page=fesi>, or contact Jenny Chung by phone at 510.251.2600 x124 or by email at jchung@insightcced.org.