

Californians for Economic Security & California Family Economic Self-Sufficiency Standard

The updated **2008 California Economic Family Self-Sufficiency Standard** has revolutionized advocates' abilities to effectively make the case for and bring about policy change.

Rising Cost of Living Threatens Working Families

The 2008 California Family Economic Self-Sufficiency Standard reveals that the cost of meeting basic needs for a family comprised of one adult, one preschooler, and one school-age child has risen sharply since 2003:

- Cost of food is up 15%
- Child care costs have risen 31%
- Cost of health care is up 36%

**Statewide median of 58 counties*

The recently updated 2008 *California Family Economic Self-Sufficiency Standard* (Self-Sufficiency Standard), released by *Californians For Economic Security*, a project of the Insight Center for Community Economic Development, quantifies the costs of meeting the basic needs of California's working families. Calculated by Dr. Diana Pearce of the University of Washington, the *Self-Sufficiency Standard* is the only county-specific financial measure of its kind and is available for 156 different family compositions.

Addressing the Growing Income Expense Gap

The newly updated *Self-Sufficiency Standard* reveals that the Federal Poverty Level (FPL) covers only a fraction of the basic costs faced by today's working families. Since 2003, the cost of food in California has risen 15% for a family with one adult and two children, while the cost of child care and health care has increased by 31% and 36%, respectively. Meanwhile, wages have remained stagnant, leaving more working families struggling to make ends meet.

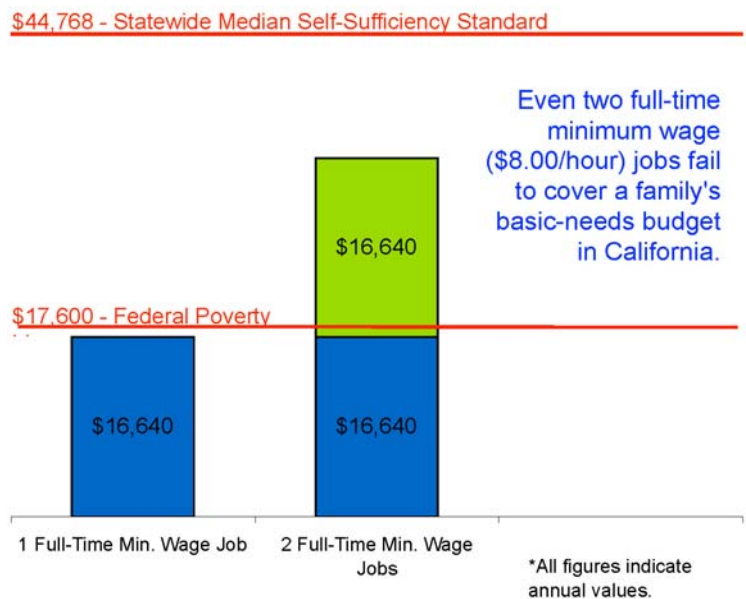
The 2008 *Self-Sufficiency Standard* was updated to reflect these rising costs for all of California's 58 counties, making it the most accurate tool available to evaluate the needs and economic health of working families. **Now more than ever, advocates need an up-to-date and realistic measure with which they can communicate the impact of existing policies and convey community needs to decision makers. The *Self-Sufficiency Standard* has revolutionized advocates' abilities to effectively make the case for and bring about policy change.**

Self-Sufficiency Standard Up 43% in 5 Years

Due to the rising costs of basic items like food, housing, gas, health care, and child care over the past 5 years, California's working families now need much more income to make ends

Struggling to Make Ends Meet in California

One Adult with One Preschooler and One School-age Child



meet. The **Self-Sufficiency Standard** reveals that since 2003, the median income needed for basic needs has risen 43% (from \$31,252 to \$44,768).¹

Federal Poverty Level (FPL): A Measure of Income Inadequacy

The Federal Poverty Level (FPL) is commonly used to measure income adequacy and determine eligibility for many public programs. However, because the FPL falls below the *Self-Sufficiency Standard*, many families are caught in a policy gap – they earn too much to qualify for public programs, and yet do not earn enough to make ends meet. Moreover, *the Self-Sufficiency Standard* shows that even with the recent increases in the California minimum wage, an adult with two young children would need at least two full-time jobs just to make ends meet.

Self-Sufficiency Standard & Effective Public Policy

The *Self-Sufficiency Standard* quantifies in an empirical way what those in the direct service and advocacy fields know anecdotally - that the Federal Poverty Level grossly underestimates the true cost of living for working families in California. **The *Self-Sufficiency Standard* provides advocates with a more accurate way to measure the effectiveness of existing programs by illustrating the gap between what is available and what is needed.**

The *Self-Sufficiency Standard* varies by county and is calculated for 156 different family compositions, allowing advocates to accurately quantify the need for services in their specific communities and convey a compelling case for support.

For example, the Western Center on Law and Poverty 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.

CFES – A Coalition for Change

Californians For Economic Security (CFES) is a statewide, research-driven initiative and part of a national effort to ensure that California's working families and retired elders have enough income to meet their most basic needs and move toward economic security. *CFES* is guided by a statewide steering committee and provides education, advocacy, and outreach to policymakers, advocates, foundations, and direct service providers. *CFES* is led by the Insight Center for Community Economic Development (formerly NEDLC), a national research consulting, and legal organization based in Oakland, California.

Selected Steering Committee Members:

- California Association of Food Banks
- California Commission on the Status of Women
- California Partnership
- Community Action Partnership of Riverside County
- Community Services Planning Council, Sacramento
- Fresno County Economic Opportunities Commission (EOC)
- Lawyers' Committee for Civil Rights
- LIFETIME
- Mendocino County Health & Human Services Agency
- 9 to 5 National Association of Working Women
- Orange County United Way
- Parent Voices
- Sacramento Employment & Training Agency
- San Bernardino County Department of Workforce Development
- United Way of the Bay Area
- Women's Initiative for Self Employment

For more information on *CFES* or the *Self-Sufficiency Standard*, go to www.insightccd.org, or contact Jenny Chung or Susie Smith by phone at 510.251.2600, or email at jchung@insightccd.org or ssmith@insightccd.org.

¹ 43% median cost of living increase based on a family comprised of one adult, one preschooler, and one school-age child.