

THE SELF-SUFFICIENCY STANDARD BUDGET WORKSHEET EXERCISE

STEP 1.

Make a guess/estimate of the Self-Sufficiency Wage for a single parent with a preschooler and school-age child living in your community.



\$	PER HOUR
----	-----------------

STEP 2.

Review the back of this sheet for information on the assumptions included in the Self-Sufficiency Standard. For each cost fill in what you think would be the minimum necessary. Do not assume any help—public (such as food stamps) or private (such as a relative providing free or low-cost child care).



ITEM COST	MONTHLY COST ESTIMATE	MONTHLY COST ACTUAL*
HOUSING Rent for a 2-bedroom apartment		
CHILD CARE 1 preschooler & 1 school-age child		
FOOD Home cooked meals only		
TRANSPORTATION commute costs + weekly grocery trip		
HEALTH CARE Employer provided + OOP costs		
MISCELLANEOUS Telephone, clothing, etc.		
TAXES & TAX CREDITS Sales, Payroll, income		
TOTAL		
ANNUAL WAGE = TOTAL X 12		
HOURLY WAGE = ANNUAL WAGE / 2,112		
EMERGENCY SAVINGS (MONTHLY)		

STEP 3.

Add up costs. Multiply by 12 to get an annual wage. Divide by 2,112 to get an hourly wage.



*Actual costs as defined in the Self-Sufficiency Standard for your state.



STEP 4.

Use the Self-Sufficiency Standard for your state to fill in the actual costs.

STEP 5.

COMPARE! What is most surprising? For which cost category were you closest in your estimation? For which category were you the farthest? How close were you to your original Self-Sufficiency Wage estimate?

BUDGET WORKSHEET

COST ASSUMPTIONS

The budget exercise on the front of this sheet assumes a single parent with two children, one of whom is school-age (6-12 years old), and one of whom is a preschooler (3-5 years old). The adult works full-time, so she will need to cover the costs of working—transportation, taxes, and child care.

Below are other assumptions to include in your cost estimate:

HOUSING. For housing, assume that the family needs a 2-bedroom unit. Housing costs include the total of rent and all utilities not included in the rent (such as heat, gas, electric, water, sewer, etc., except telephone).

CHILD CARE. Assume full-time child care for the preschooler in a licensed child care center, and part-time before and/or after school care for the school-age child.

FOOD. Only include the cost of food eaten at home. Do not include pre-prepared, fast food, take-out, or restaurant food.

TRANSPORTATION. Do you assume public transportation is adequate to get to and from work and for errands in your community, or is a car necessary? If a car is necessary, include monthly car payments, registration and taxes, repairs and maintenance, insurance, gas, and oil (but not the initial purchase cost of the car). If public transportation is adequate, assume the cost of monthly passes for bus, train, and/or ferry fare as applicable.

HEALTH CARE. Assume that the family has health insurance coverage through their employer, and they pay whatever premium is required, plus out-of-pocket costs (e.g. prescriptions and co-pays).

MISCELLANEOUS. Include clothing, telephone, disposable diapers, personal items, household supplies (cleaning, paper products, stamps, etc.), entertainment, etc.

TAXES. Estimate taxes and tax credits, based on your own or other's payroll deductions. Don't worry about being "correct"—it is just an estimate.

EMERGENCY SAVINGS. For the emergency savings fund, assume the amount needed to cover living expenses minus the amount expected to be received in unemployment benefits. The amount calculated takes into account the average tenure on a job and the average length of a job loss. Since the monthly emergency savings contribution requires additional earnings, the estimate includes the calculation of taxes that would be needed for the additional earnings at the Self-Sufficiency Standard level.



FOR MORE INFORMATION

Information about the Self-Sufficiency Standard and related research and methodology can be found at www.selfsufficiencystandard.org or by contacting the Center for Women's Welfare at the University of Washington (206) 685-5264 or cwss@uw.edu.