

THE SELF-SUFFICIENCY STANDARD

Budget Worksheet Exercise

STEP 1:

Make a guess/estimate of the Self-Sufficiency Wage for a single-parent family 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		
Transportation		
Health Care		
Miscellaneous (Telephone, clothing, etc.)		
Taxes		
TOTAL		
Total x 12 = Annual Wage		
Annual Wage / 2,112 = Hourly Wage		

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?

For more information about the Self-Sufficiency Standard, contact Dr. Diana Pearce at pearce@uw.edu or (206) 616-2850, or the Center for Women's Welfare at (206) 685-5264.

To find the *Self-Sufficiency Standard* for your state visit <http://www.selfsufficiencystandard.org>.

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 parent works full-time, so they will need to cover the costs of working—transportation, taxes, and child care (assume full-time child care for the preschooler in a child care center, and part-time before and/or after school care for the school-age child).

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).

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.

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

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.