

**TO: Program Planning & Development Committee**

**DATE: 07/28/2005**

**FROM: WIB Staff**

**For Action**

**For Information**

**For Discussion**

**SUBJECT: Self-Sufficiency Wage**

**PROPOSED MOTION(S):** That the committee approve a new self-sufficiency wage of \$10.09 for a single adult, \$18.84 for a single parent, \$17.39 for a two-parent family (one working), and \$23.70 (each \$11.85) for a two working parent family. Additionally, approve a motion that participants in the Registered Nurse and Licensed Vocational Nurse programs be exempted from the self-sufficiency wage requirement.

**DISCUSSION:** At present the Workforce Investment Board approved self-sufficiency wage at \$8.42 for a single adult, \$16.59 for a single parent family, \$15.00 for a two parent family (one working), and \$20.94 for a two working parent family. New calculations using the California Budget Project 2003 Methodology increase the wages in each of the categories. As an example, a single parent's self-sufficiency wage will rise from \$16.59 to \$17.39. What that means is a single parent needing WIA services will be qualified if he or she is making less than \$17.39 an hour.

Nurse candidates are selected for training through a competitive process. It is common to find selected candidates earning above the self-sufficiency wage, mainly because they are selected based on their probability of success, and that probability is evidenced by prior employment at a wage normally above the self-sufficiency wage. Not enrolling potential nurses because of prior high earnings will only serve to eliminate candidates with a high probability of succeeding.

The Board, during its May 24, 2001 meeting, directed that the self-sufficiency wage be reassessed at least once per year.

**ATTACHMENT(S):**  
**California Budget Project 2003 Calculations**

**Self-Sufficiency Wage -  
2005  
Basic Family Wage  
Calculation for Merced  
County Residents  
Based On California  
Budget Project 2003  
Methodology**

Expense Categories	Single Adult	Single Parent	Two Parent Family	Two Working Parent Family
	A	B	C	D
Housing & Utilities	\$444.00	\$615.00	\$615.00	\$615.00
Food	\$280.00	\$504.00	\$782.00	\$782.00
Transportation	\$322.00	\$322.00	\$322.00	\$580.00
Child Care	\$-	\$668.00	\$-	\$688.00
Health Care	\$192.00	\$345.00	\$345.00	\$345.00
Miscellaneous	\$267.00	\$547.00	\$695.00	\$695.00
Taxes	\$244.00	\$264.00	\$255.00	\$403.00
Total (Monthly)	\$1,749.00	\$3,265.00	\$3,014.00	\$4,108.00
Total (26 weeks)	\$10,494.00	\$19,590.00	\$18,084.00	\$24,648.00
Total (52 weeks)	\$20,988.00	\$39,180.00	\$36,168.00	\$49,296.00
Basic Family Wage*	\$10.09	\$18.84	\$17.39 (each for 2 parents)	\$23.70 \$11.85
	10.09	18.84	17.39	23.7
Semi-Annual (26 weeks)	\$10,493.60	\$19,593.60	\$18,085.60	\$24,648.00
Annual (52 weeks)	\$20,987.20	\$39,187.20	\$36,171.20	\$49,296.00