

TO: Workforce Investment Board

DATE: 9/15/05

FROM: Program Planning and Development

For Action

For Information

For Discussion

SUBJECT: Self-Sufficiency Wage Policy

PROPOSED MOTION(S): That the Workforce Investment Board approve the update of the Self-Sufficiency Wage Policy.

DISCUSSION: On August 25, 2005, the Program Planning and Development Committee approved the attached self-sufficiency wage policy. The self-sufficiency wage is the maximum amount that an individual may earn in order to qualify for WIA programs. New calculations using the California Budget Project 2003 Methodology increase past qualifying wages. As an example, a single parent's self-sufficiency wage will rise from \$16.59 to \$18.84. A family's self-sufficiency wage with two working parents will increase from \$20.94 to \$23.70. Candidates employed in the Healthcare Industry Cluster who seek upgrade training and upward employment are exempt from this policy. RN, LVN and POST program applicants are also exempt from this policy.

ATTACHMENT(S):

Self-Sufficiency Wage Policy

Self-Sufficiency Wage Calculator

Self-Sufficiency Wage

In accordance with the Workforce Investment Act of 1998 (at Section 134(d)(3)(A)(ii)) and the regulations (at 20CFR 663.220), the Merced County Workforce Investment Board has approved the following policy:

Date: September 15, 2005

Policy: Self-Sufficiency Wage

- The self-sufficiency wage for adults is based on a formula from the California Budget Project that allows for family size, cost of living in the Merced area to include housing and utilities, food, transportation, childcare and healthcare to be considered.
- The self-sufficiency wage for dislocated workers is at 85% of the individual's dislocation (layoff) wage but in no event less than the adult self-sufficiency wage.
- The self-sufficiency wage will be based on full-time employment, which is an individual working 40 hours/week, 52 weeks/year of work.
- Direct that self-sufficiency wage(s) shall be reassessed at least once per year.
- Candidates for the RN, LVN and POST programs are exempt from this policy.
- Applicants who are employed within the Healthcare Industry Cluster and are seeking upgrade services and/or other Healthcare employment will be exempt from this policy.

Responsible Official: Special Projects Manager

Revised/Reviewed: September 15, 2005

**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 | 23.70 |
| 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 |