

## Rutgers: A Paycheck Away From Homelessness

Who is ALICE?

We all know and encounter ALICE everyday. ALICE provides services we depend upon. ALICE could be a secretary, salesperson, food service worker, nursing assistant, landscaper, cleaning person, or personal care aide.

ALICE is an acronym for "Asset Limited, Income Constrained, Employed." ALICE households are working households whose members hold jobs that do not pay enough to afford basic necessities: housing, childcare, food, health care, and transportation. ALICE households have incomes above the U.S. poverty level but below the bare minimum for economic survival in a given area. ALICE households, together with poverty households, constitute a population that's in a constant struggle to make ends meet.

"They are in perpetual danger of falling into homelessness," said [Jason Shaplen](#), CEO of Stamford-based Inspirica, the largest provider of services to the homeless in Fairfield County.

"One paycheck away from becoming our clients," added [Kelly Leather](#), Inspirica's director of events, communications, and volunteers.

What's shocking is that 35 percent of Connecticut households -- 25 percent ALICE plus 10 percent poverty -- are in this perpetual financial struggle for survival. This was the finding of a report released last week by Connecticut's United Way agencies. Similar studies with similar findings have been conducted by United Way agencies in New Jersey, California, Florida, Indiana, and Michigan.

"This report really helps quantify a problem that many of us have been seeing for quite some time," said Greenwich United Way president [Stuart Adelberg](#). "There are so many people in our community who are working hard and seem to be doing well -- until something unexpected happens. These individuals and families are clearly one unanticipated event away from financial crisis. They are managing month to month and paycheck to paycheck until something major happens -- like an illness, a death in the family, even the loss of the vehicle they rely on to get to work. All of a sudden they are thrown into a tailspin and forced to decide which bills get paid, what needs go unmet, what kind of help to seek." In Fairfield County, 28 percent of households -- 19 percent ALICE and 9 percent poverty -- struggle to survive. In Stamford it's 29 percent; in Greenwich 17 percent.

"It's obvious that the poverty guidelines are inadequate and not an accurate way to measure financial distress," said Greenwich Commissioner of Social Services Alan Barry, noting that a more accurate measure is a comparison between the area's cost of living and actual income levels.

The U.S. poverty threshold for a family of four is \$23,850, uniform throughout the country, with no allowance for regional cost of living variations.

The Greenwich Department of Social Services sets eligibility for services at 200 percent of the poverty level, or \$47,700 for a family of four. The department currently serves 1,600 households comprising about 4,000 Greenwich residents.

The report's ALICE threshold, or basic survival budget, for a family of four in Greenwich is \$67,928. "There are families falling through the cracks," said Barry. "But changing the eligibility requirements would require additional resources for the department to adequately respond to the need." The ALICE survival budget is not a "get ahead" budget. It allows for no savings. Such stability budget would require household income of \$111,632 for a family of four in Connecticut.

Short-term measures, including food pantries, help sustain ALICE. Nancy Coughlin, executive director of Greenwich's Neighbor To Neighbor, said the agency annually provides food to 640 families -- more than 1,800 individuals -- and clothing to 2,600 individuals. Eligibility is set at 200 percent of the poverty level. Coughlin said clients most often cite health care and housing costs as causing them to seek help.

Short-term assistance provides some stability, but this must not become our long-term answer to ALICE. The report points to the need for structural changes that lead to better job opportunities near affordable living, along with community support.

Affordable housing is key, including "deeply affordable housing," said Shaplen, referring to housing targeted at 25 percent of the area median income of \$126,600.

Better paying jobs is also key. "The most critical need is for jobs that pay a living wage," Barry said. Thursday, those of us fortunate enough to take Thanksgiving dinner for granted should consider ALICE's daily, stressful struggle to choose between rent, heat, medicine, or food.

To view the article online, please visit: <http://www.greenwichtime.com/news/article/Rutgers-A-paycheck-away-from-homelessness-5911156.php>