

Wanda

A Virtual Customer

Wanda is a 34-year-old single parent, with two kids, ages 9 and 12. She's working full-time as a cashier at a grocery store at \$11 an hour. She has a high school diploma, but no other significant training. She is sharing housing with her sister to keep expenses down. She pays a neighbor to watch the kids after school until she gets home from work. Her sister works full-time, but she occasionally watches the kids in the evening when the need arises.

Wanda has a long-standing interest in physical therapy. After doing some labor market research with her employment case manager, Wanda has decided to follow a career path that will involve going to school to get her associate's degree to be a physical therapist assistant. She'd like to start going to community college half-time to get the associate's degree she'll need.

Wanda knows she will have to continue working while she is in school, but has considered a possible move to a physical therapist aide position. Her research has shown that the starting wage for physical therapist aides in King County is \$10/hour—less than her current wage. However, she has discussed with her employment case manager that it might be an advantage to be working in a position that is more closely related to her ultimate career goal.

She has also considered staying at her current job and cutting back her hours to manage a half-time school workload, and, of course, she'll make less money if she does that. She's concerned about whether she can afford either of these options, since she is currently just covering her expenses.

Wanda's Options

Testing the Impact of 3 Different Scenarios

Test 1	Test 2	Test 3
<ul style="list-style-type: none"> • Keep current job • Reduce hours to 30 hours per week • Enroll in Physical Therapist Assistant training program • In school ½ - time for 4 years 	<ul style="list-style-type: none"> • Physical Therapist Aide job • Full-time work • Enroll in Physical Therapist Assistant training program • In school ½ - time for 4 years 	<ul style="list-style-type: none"> • Physical Therapist Assistant job • Full-time work • After completing Physical Therapist Assistant training program (4 years)
<ul style="list-style-type: none"> • Pays \$11/hour, 30 hours per week 	<ul style="list-style-type: none"> • Pays \$10/hour, 40 hours per week 	<ul style="list-style-type: none"> • Pays \$19/hour to start

Self-Sufficiency Summary Report for Wanda's Household
living in Renton, King County, Washington with 3 in her household, ages 34, 12, 9.

	1	2			3
	Current Wages/ Benefits	Test 1	Test 2	Test 3	Self Sufficiency Standard Wage
Monthly Wages	\$1,936	\$1,452	\$1,760	\$3,344	\$4,188
Hourly Wages	\$11.00/hr (40 hrs)	\$11.00/hr (30 hrs)	\$10.00/hr (40 hrs)	\$19.00/hr (40 hrs)	\$23.79/hr (40 hrs)
Other Earned Income (Monthly)	\$0	\$0	\$0	\$0	\$0
Unearned Income (Including Social Security etc, TANF & SSI)	\$0	\$0	\$0	\$0	\$0
TOTAL Monthly Income	\$1,936	\$1,452	\$1,760	\$3,344	\$4,188
Monthly Costs					
Housing	\$600	\$600	\$600	\$600	\$1,200
Child Care	\$200	\$65*	\$65*	\$200	\$1,058
Food	\$450	\$450	\$450	\$450	\$655
Transportation	\$200	\$200	\$200	\$200	\$108
Health Care	\$50	\$0*	\$0*	\$0*	\$405
Miscellaneous	\$150	\$150	\$150	\$150	\$343
Taxes	\$231	\$173	\$210	\$490	\$685
TOTAL Monthly Expenses	\$1,881	\$1,638	\$1,675	\$2,090	\$4,454
Tax Credits					
EITC (Earned Income Tax Credit)	\$311	\$413	\$348	\$15	\$0
CDCC (Child & Dependent Care Credit, non-refundable)	\$150	\$165	\$155	\$110	\$100
CTC (Child Tax Credit)	\$167	\$167	\$167	\$167	\$167
TOTAL Monthly Tax Credits	\$628	\$745	\$670	\$291	\$267
TOTAL Expenses after Tax Credits	\$1,253	\$893	\$1,005	\$1,799	\$4,187
Income Adequacy (Budget Balance)					
Surplus or Shortfall	\$55	-\$186	\$85	\$1,254	\$0
Income Adequacy	103%	89%	105%	160%	100%
Self-Sufficiency Adequacy	46%	35%	42%	80%	100%
Tax Credits (Refundable Next Year)					
<i>If you work these hours and at this wage for the entire year, when you file your taxes early next year, you could receive the following CTC (refundable Child Tax Credit) and EITC (Earned Income Tax Credit) amounts.</i>					
Annual EITC	\$3,734	\$4,957	\$4,179	\$176	-
Annual CTC (Refundable)	\$2,000	\$2,000	\$2,000	\$2,000	-

Based on the information Wanda provided, she may be eligible for the following assistance programs:

These benefits reflect that information which is in the Test 3 column.

[Basic Health](#) Est. Benefit Amount \$0.00 To apply, contact: 1-800-660-9840

[Working Connections Child Care](#) Est. Benefit Amount \$0.00 To apply, contact: 1-800-446-1114

[Children's Health Insurance Program \(CHIP\)](#) Est. Benefit Amount \$0.00 To apply, contact: 1-877-KIDS-NOW

[Medicaid](#) Est. Benefit Amount \$50.00 To apply, contact: 1-800-562-3022

* The cost for this item reflects the cost with the assistance of a subsidy.

- 1 This column shows Wanda's current income and expenses.
- 2 These columns show the impact on Wanda's income and expenses under different scenarios.
- 3 This column shows the wage that would be required to cover expenses at market rates—with no subsidies—for the average family of Wanda's composition in Renton, WA.
- 4 Wanda's employment case manager suspected that she might be eligible for two work supports—child care and health care subsidies—that could help her make ends meet. The Calculator estimates the potential reduction in Wanda's expenses if she receives the work supports.
- 5 The Income Adequacy section calculates how well monthly income covers expenses. For example Wanda's current income is 103% of her expenses, leaving her with a small surplus of \$55 each month after expenses are covered.
- 6 The Tax Credits section is a reminder of the tremendous value of filing a tax return and claiming refundable tax credits. This may stimulate a discussion between Wanda and her case manager about how to strategically use refunds to fill gaps and create more of a financial cushion for her family, as well as the possibility of filing for past years' credits.

WHAT'S NEXT: Wanda and her employment case manager can use this information, in conjunction with other tools/resources to make a concrete plan for advancement, including how to cover her basic expenses while pursuing training.