

HOW YOU CAN HELP

JOIN UNITED WAY AS AN AMBASSADOR FOR ALICE

Please join your United Way in advocating for ALICE and finding ways to help these struggling families so they have opportunities to succeed.

HOW WE CAN HELP ALICE TOGETHER

What ALICE needs is a way to increase income and/or reduce expenses: Affordable housing, sources of healthy, affordable food, transportation, child care, support for ill/elderly relatives, loans, and access to good employers.

Raise Awareness of Who ALICE is

- Share ALICE's story with your colleagues, neighbors, friends, family, and in your places of worship. United Way is happy to provide a speaker for the presentation.
- Write a letter-to-the-editor or an op-ed piece for your local paper or share ALICE's story with your network of friends on social media.

Advocate for ALICE

- Work to change policies to help ALICE with affordable housing, child care, transportation, education, better jobs, etc. Introduce an ALICE to your legislators. Explain who ALICE is...health aides, security guards and teacher assistants.

Volunteer

- Become a volunteer tax preparer.
- Tutor a child, especially in reading proficiency which predicts later success.
- Volunteer for a food pantry to get healthy food to ALICE families in your area.

Donate

- Give to United Way and the programs that provide ALICE with a needed hand up during times of crisis.

YOU CAN MAKE A DIFFERENCE

Each individual action you take will help increase public awareness about ALICE. When combined with similar actions taken by others, our collective effort will help rebuild the ladder of opportunity for thousands of ALICE families living in New York. Thank you for helping spread the word about ALICE.



AN INTRODUCTION TO...

ALICE®

ASSET LIMITED, INCOME CONSTRAINED, EMPLOYED



NEW YORK

ALABAMA, ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, CONNECTICUT, DELAWARE, FLORIDA, GEORGIA, HAWAII, IDAHO, ILLINOIS, INDIANA, IOWA, KANSAS, KENTUCKY, LOUISIANA, MAINE, MARYLAND, MASSACHUSETTS, MICHIGAN, MINNESOTA, MISSISSIPPI, MISSOURI, MONTANA, NEBRASKA, NEVADA, NEW HAMPSHIRE, NEW JERSEY, NEW MEXICO, NEW YORK, NORTH CAROLINA, NORTH DAKOTA, OHIO, OKLAHOMA, OREGON, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, SOUTH DAKOTA, TENNESSEE, TEXAS, UTAH, VERMONT, VIRGINIA, WASHINGTON, WEST VIRGINIA, WISCONSIN, WYOMING



STUDY OF FINANCIAL HARDSHIP

Download the Report today at UnitedWayALICE.org/NewYork

GIVE. ADVOCATE. VOLUNTEER.

UnitedWayALICE.org/NewYork
UnitedWayLI.org



THE 2016 ALICE REPORT

A STUDY OF FINANCIAL HARDSHIP

Since its inception, the United Way ALICE Project has shed light on a hidden population: hardworking households earning more than the Federal Poverty Level, but not enough to afford the basic cost of living. United Way calls this newly revealed demographic **ALICE**, an acronym for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed.

The United Way *ALICE Project* has ignited a grass roots movement that is catching on. United Ways in multiple states are joining forces to change the dialogue about financial hardship. ALICE is more than a demographic; in every state, ALICE is a critical part of the fabric of our economy and our communities.



United Way of New York is proud to unveil its United Way ALICE Report for

New York, a data-driven, comprehensive research project that upends the conventional view of the state. On many levels, New York is an affluent state – one with high median incomes, quality schools, and prosperous corporations. **But the fact is that across New York, 44 percent of households cannot afford basic necessities.**

ALICE represents the men and women of all ages and races who get up each day to go to work but aren't sure if they'll be able to put dinner on the table each night. They are our preschool teachers, home health aides, store clerks, and office assistants – workers essential to keeping all our communities and economies humming, yet who struggle to pay their own basic bills.

Visit UnitedWayAlice.org/NewYork to download the United Way ALICE Report and join the community conversation about these issues. By raising awareness about ALICE and stimulating a fresh dialogue between community members and leaders, we can, together, provide ALICE with an opportunity to succeed.

HOW UNITED WAY OF LONG ISLAND IS HELPING ALICE

SHINING A LIGHT ON A HIDDEN POPULATION

Before the first United Way ALICE Report, ALICE was a population and a community issue without a name or face. The release of this study offered a new way to accurately quantify these households and to talk about the challenges that they face, just like Richelle of Long Island.

Richelle, a wife and mother of three was struggling to pay her bills on time and keep the house warm during the frigid winter months. She and her husband had both fallen on hard times, severely impacting their income and ability to keep up with household expenses. Despite Richelle and her husband both working full-time jobs, the family was still having trouble making ends meet.

In an attempt to save money but stay warm, Richelle would alternate between boiling water on the stove, cooking in the oven or baking to try and heat the house. Ultimately, Richelle realized her family needed assistance if they were to make it through the season safely. Richelle reached out to United Way of Long Island and was connected to the resources they needed to catch up on their bills and heat their house.

"Never in a million years did I think the rug would just be pulled out from underneath us," Richelle remarked.

"Despite being a family with two parents who work full time, we were struggling. United Way of Long Island gave us a chance to use our funds to relieve other expenses, and the peace of mind knowing we don't have to worry about freezing in our own home."

United Way alone cannot change community conditions for ALICE. We hope you share our concern

for this growing segment of the population, whose everyday struggles reach beyond personal trials to impact the wider community. We all have a vested interest in improving conditions for ALICE – and we all have a part to play in the solution.



WHY DOES ALICE MATTER?

WE ARE ALL INTERCONNECTED

We all have a vested interest in improving conditions for ALICE. When ALICE can't afford the basics, the costs are high both for these families and for the wider community.

ALICE Households Suffer Without Sufficient Income

When ALICE households do not have enough income, they have to make difficult choices to reduce their expenses. They may be forced to skimp on child care, healthy food, or car insurance. These "savings" threaten their health, safety, and future.

If a family cannot afford child care in an quality facility, they may substitute with an inexperienced relative, jeopardizing their child's safety and learning opportunities. To reduce housing costs, ALICE may move farther away from work, resulting in a longer commute as well as additional travel and child care expenses.



Other short-term survival strategies such as skipping preventative health care or a bill payment also have long-term penalties, such as poor health, fines, and larger bills in the future.

The Whole Community Suffers when ALICE has Insufficient Income

ALICE's existence has long-term implications for all of us. When ALICE workers cannot afford an emergency, let alone invest in their neighborhood, communities may experience instability, higher taxes, or a decline in economic growth.

When ALICE children are not ready for school, they add a burden to the education system. When ALICE households cannot afford preventative health care, they are more likely to place future strain on the health care system, increasing insurance premiums for all. When ALICE is forced to move further away from work, it results in more congestion and possible traffic accidents for all commuters.

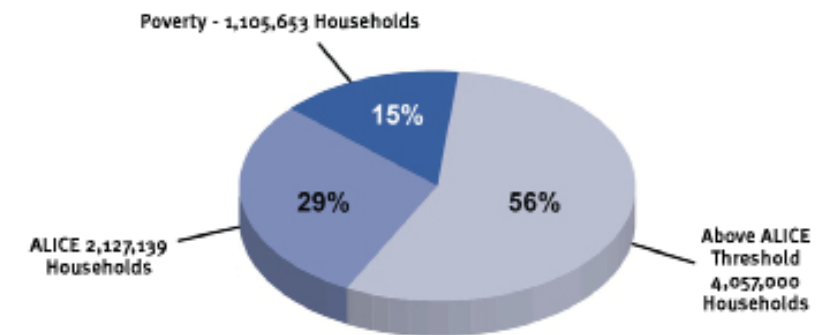
When ALICE struggles, we all suffer.

WHAT THE RESEARCH REVEALED

There are over **2.1 million ALICE households in New York** – households with income above the Federal Poverty Level (FPL) but below a basic cost-of-living threshold. This is almost double the number of households counted in the official poverty rate (1,105,653 households). In total, 3,232,792 million households in New York – 44 percent, more than one in three – are walking a financial tightrope, unable to afford this state's high cost of living.

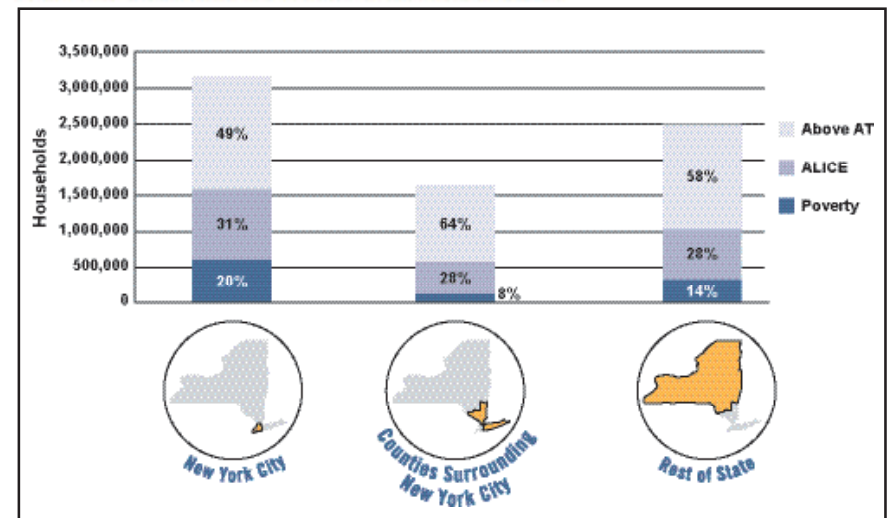
These households struggle to afford even the most basic necessities of housing, child care, food, health care, and transportation. By using new methods for measuring financial hardship, the United Way ALICE Report reveals a far broader and more serious problem than previously thought.

Household Income, New York, 2014



Source: American Community Survey, 2014, and the ALICE Threshold, 2014

Households by Income, New York Regions, 2014



Source: American Community Survey, 2014, and the ALICE Threshold, 2014

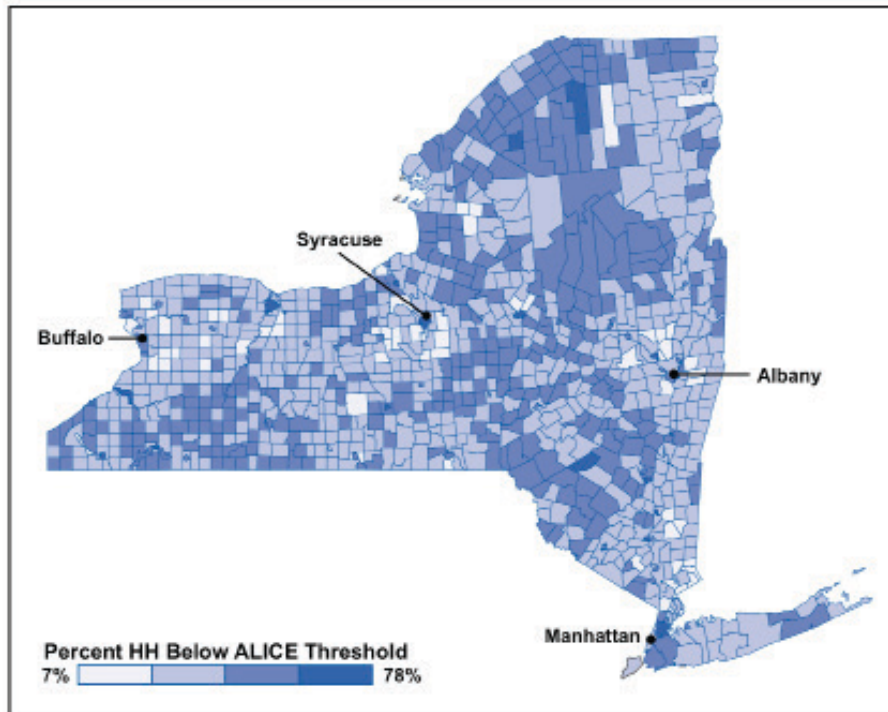
WHERE DOES ALICE LIVE?

ALICE EXISTS IN EVERY COMMUNITY

84 percent of New York's 935 county subdivisions have 30 percent or more households earning less than what is needed to afford the basics.

The United Way ALICE Report unveils the Economic Viability Dashboard, a new way to evaluate each county based on job opportunities, housing affordability, and community support system - the factors most important to ALICE households. This analysis reveals a common challenge to find job opportunities in the same counties that are affordable places for ALICE households to live. In addition, many affordable counties do not offer key community resources such as access to quality schools, high levels of health coverage, and the types of community engagement that create social capital.

Percent of Households below the ALICE Threshold by County Subdivision, New York, 2014



Source: American Community Survey, 2014, and the ALICE Threshold, 2014

Note: For areas with small populations, the American Community Survey estimates of household income are often based on 5-year averages, making these ALICE estimates less precise than the county-level estimates.

MANY ALICE IN MOST COMMON JOBS

Top 20 NY State Occupations by Employment and Wage, 2014

Of the most common jobs in New York, the vast majority of them earn below the cost of living. Jobs making a salary over the ALICE threshold are highlighted in dark blue.

OCCUPATION	NUMBER OF JOBS	MEDIAN HOURLY WAGE
Retail Salespersons	310,540	\$10.32
Office Clerks	207,560	\$14.11
Janitors and Cleaners	194,820	\$13.44
Secretaries and Administrative Assistants	193,460	17.94
Cashiers	191,470	\$9.16
Registered Nurses	169,560	\$36.50
Food Prep, Including Fast Food	157,570	\$8.94
Waiters and Waitresses	151,270	\$9.28
Customer Service Representatives	150,070	\$17.04
Home Health Aides	146,550	\$10.37
General and Operations Managers	146,550	\$57.27
Personal Care Aides	142,220	\$10.98
Stock Clerks and Order Fillers	122,360	\$10.51
Teacher Assistants	118,970	\$13.26
Bookkeeping and Auditing Clerks	114,770	\$19.00
First-Line Supervisors of Administrative Support Workers	114,490	\$28.38
Security Guards	105,290	\$14.42
Nursing Assistants	101,030	\$15.87
Laborers and Movers, Hand	98,770	\$12.42
Accountants and Auditors	97,620	\$37.52

Source: Bureau of Labor Statistics, Occupational Employment Statistics (OES) Wage Survey – All Industries Combined, 2014

WHY DOES ALICE EXIST?

III. LACK OF HIGH-PAYING JOBS

Low-income jobs dominate the economy in New York now and will continue to do so in the future.

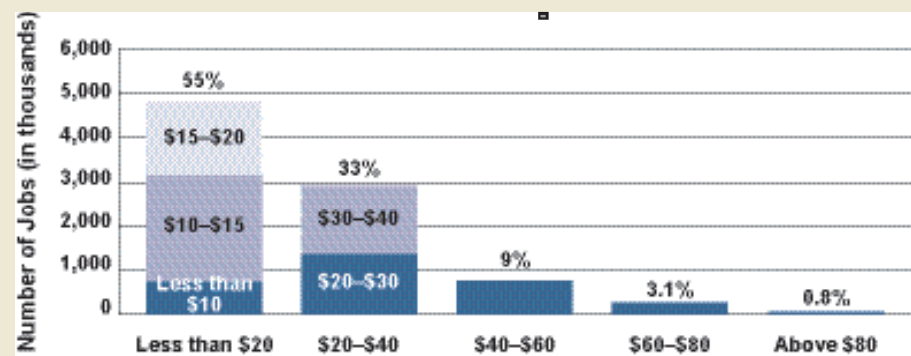
The services ALICE provides, in jobs such as health aides, security guards, and teaching assistants, are vital to the New York economy. Yet they do not pay enough to cover the state's high cost of living.

More than half of all jobs in New York pay less than \$20/hour (or \$40,000/year if full-time). At this rate, these workers can only afford two thirds of the Household Survival Budget for a family of four (\$62,472).

ALICE families face a variety of challenges: low-wage jobs located far from their homes (with the attendant rise in commuting costs); financial barriers that limit access to low cost community banking services; and having few or no assets to cushion the cost of an unexpected health emergency or caregiving need.



Number of Jobs by Hourly Wage, New York, 2014



WHO IS ALICE?

ALICE is not confined to any one race, ethnicity, age group, or gender. Anyone could be ALICE, now or in the future.

AGE

ALICE households exist in all age groups, even in households headed by someone in their prime earning years, 25 to 64 years old. Interestingly, senior households (headed by someone 65 years or older) are less likely to be in poverty but more likely to be ALICE. Social Security benefits have lowered the number of seniors in poverty, but they do not enable financial self-sufficiency.

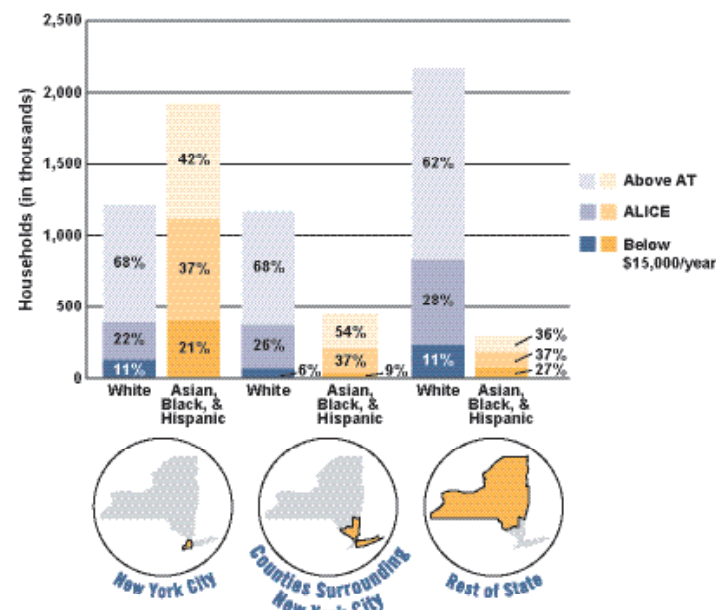
Household Type

One of the most common ALICE household types is households with children – not surprising given these families' higher costs for child care, preschool, and after care.

Race and Ethnicity

More than half of ALICE households across New York state are White. However, proportions change significantly based on region (see below chart). Wage discrepancies affect certain groups more than others; female-headed households, Blacks, Hispanics, people with a disability, veterans, and recent immigrants are still overrepresented in the ALICE population.

Households by Race/Ethnicity and Income, New York Regions, 2014



Note: Because race and ethnicity are overlapping categories and New York is a state with a large percentage of people of color, the totals for each income category do not add up to 100 percent exactly. This data is for households; because household size varies far different racial/ethnic groups, population percentages may differ from household percentages. Native Americans account for only 0.15 percent of households; there is insufficient data to accurately calculate their household income status. Note: Because household poverty data is not available for the American Community Survey's Race/Ethnicity categories, annual income below \$15,000 is used as a proxy.

Source: American Community Survey, 2014, and the ALICE Threshold, 2014

WHY DOES ALICE EXIST?

There are many factors contributing to and perpetuating conditions for ALICE. While some circumstances are individual, a few systemic problems affect the majority of ALICE households: the high cost of living, income not keeping pace with costs, and continued growth of low-paying jobs.

I. THE HIGH COST OF LIVING IN NEW YORK

Based on the Household Survival Budget, more than one in three New York households can't afford the basics of housing, food, health care, child care, and transportation.

According to this new measure, using the thriftiest official standards, it takes an average of \$62,472 for a family of four (two adults, an infant, and a preschooler) to afford the basics – more than double the U.S. poverty rate of \$23,850. The Household Survival Budget for a single adult is \$21,540, also more than double the U.S. poverty rate of \$11,670.

Household Survival Budget, Monthly Costs, New York Average, 2014

	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER	2007 – 2012 PERCENT INCREASE
Housing	\$668	\$919	17%
Child Care	\$0	\$1,364	9%
Food	\$202	\$612	20%
Transportation	\$330	\$653	11%
Health Care	\$141	\$564	56%
Miscellaneous	\$163	\$473	19%
Taxes	\$291	\$622	35%
Monthly Total	\$1,795	\$5,206	19%
ANNUAL TOTAL	\$21,540	\$62,472	19%
Hourly Wage	\$10.77/hour	\$31.24/hour	19%

Source: HUD; National Association of Child Care Resource and Referral Agencies; USDA; IRS

II. INCOME AND ASSISTANCE FALLS FAR SHORT OF MEETING NEEDS

Despite working, ALICE and poverty-level households often need assistance to meet their most basic needs. Yet even with assistance, many of these households still fall far short of making ends meet from month to month.

New York ALICE households struggle with housing, child care and transportation the most.

CHILD CARE GAP

The largest gap in cost of services is in child care (47 percent gap). A family with two young children will spend around 26 percent of its budget on child care.

Housing Gap

In the ALICE Household Survival Budget, housing accounts for 18 percent of the family budget. However, on average in New York, 55 percent of renters pay more than 30 percent of their household income on rent, and 31 percent of owners pay more than 30 percent of their income on monthly owner costs.

Transportation Gap

Many ALICE households struggle to find affordable transportation to work, especially in rural areas. For a family of four on the Survival Budget, transportation accounts for 13 percent of the family budget. While nonprofits fill a small role in supporting families with transportation, there is still a 49 percent gap in resources for all households to meet the ALICE threshold for transportation.

