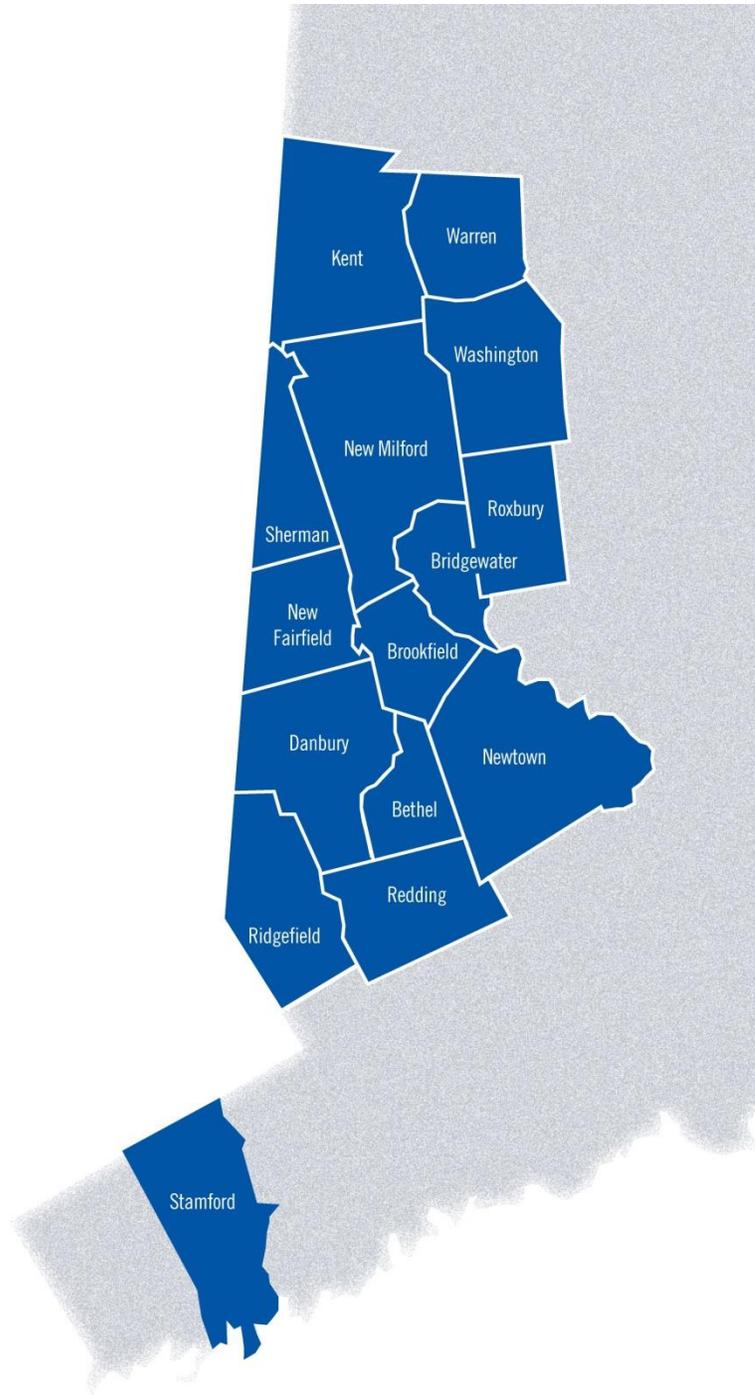


**United Way of Western Connecticut**  
**ALICE**  
**(Asset Limited, Income Constrained, Employed)**  
**Community Conversations**  
**and Survey**

**2015 Summary Report**



# United Way of Western Connecticut Coverage Area



## Why ALICE?

ALICE is a United Way acronym that stands for Asset Limited, Income Constrained, Employed. It represents the growing number of individuals and families who are working, but unable to afford the basic necessities of housing, food, childcare, health, and transportation.

ALICE lives above the Federal Poverty Level but below a basic cost-of-living threshold, a bare-minimum budget that allows for only a modest living. In Connecticut, single adults earning less than \$21,944 (\$10.97 per hour) and families of four earning less than \$64,689 (\$32.34 per hour) are considered ALICE households. (For the purposes of the United Way of Connecticut’s ALICE study, a family of four consists of two adults, one toddler, and one infant.)

ALICE individuals and households often earn too much money to qualify for social services, such as food stamps (SNAP), utility payment assistance, housing subsidies, or Medicaid. They pay for daily necessities on limited incomes, sometimes working multiple jobs to cover basic living costs—often just one emergency expense away from serious financial instability. They frequently function on little sleep, with high levels of stress, juggling multiple responsibilities. *Yet they are the people we rely on every day to care for our children and the elderly, provide social services, deliver food to our grocery stores, snow plow our parking lots, provide landscape services, and manage the stores we shop in.* In short, they contribute greatly to the quality of our everyday lives in Western Connecticut.

Currently, there are about 35,000 families, *or approximately 1 in 3 households*, in Western Connecticut who fall into the ALICE category, despite the fact that they work hard every day. For more information about the number of ALICE households in Western Connecticut, and the Household Survival Budget, see Appendix A of this report.

### United Way’s Role in Helping the ALICE Population

United Way of Western Connecticut (UWWC) believes that communities thrive when children succeed in school and reach their full potential, families are financially stable and independent, and individuals achieve and maintain good health throughout each stage of their lives. Our mission is to help bring the resources of dollars and people together to help solve complex community problems that no one organization can solve alone.

The problems of ALICE are one such complex community problem.

Our goal is to impact the lives of the ALICE population, improve their financial stability, and ultimately reduce the number of ALICE households in Western Connecticut.

To do this, we knew it was important to go out into the community and listen to ALICE—to find out what ALICE’s greatest needs are and what their ideas are for ways to make their lives easier and more fulfilling. We wanted to know how we can make ALICE households healthy, strong, and stable—households where children can thrive and learn and adults feel that their hard work is valued and rewarded.

This report lays out how United Way staff and volunteers went out into the communities we serve and listened to ALICE. It shares what we heard and how we plan to address the greatest needs of the ALICE population.

*“I get paid twice a month. One check goes to rent and the other check goes to every other living and household expense. A large amount of money goes toward food. I have tried to save for many rainy days, but the storm will not let up.”*

—Quote from ALICE survey respondent

## **ALICE Community Conversations**

United Way of Western Connecticut staff facilitated 27 community conversations between September and November of 2015. Conversations were scheduled by reaching out to community partners and the agencies we partner with. United Way Board and Council members also helped to schedule conversations and served as note takers. Through these facilitated conversations, we were able to connect with 288 households throughout Danbury, Stamford, and New Milford. The conversations were conducted in a variety of settings, including housing complexes, GED classes, healthcare centers, nonprofit agencies, childcare centers, and play groups.

Conversations were primarily conducted in English, with one conversation conducted completely in Spanish. At least three conversations used Spanish translators to engage those in the room who were primarily Spanish speakers. A \$25 gift card was raffled off at the end of each conversation. Participants who were interested also received information about United Way’s Financial Resource Center and the Financial Coaching program, as well as a flyer about services available through 2-1-1. Danbury-area participants were offered copies of “A Guide to Accessing Food in Danbury.”

Conversations were held with both ALICE individuals and families, and with those who serve or work with ALICE on a regular basis (ALICE stakeholders). Conversation participants were asked to answer five questions. For a list of the questions asked, see Appendix B. For a full list of where conversations were conducted and the number of participants at each conversation, see Appendix C.

<b>Region</b>	<b>Number of Conversations</b>	<b>Total Number of Attendees</b>
Greater Danbury	13	156
Stamford	11	110
New Milford	3	22
Total	27	288

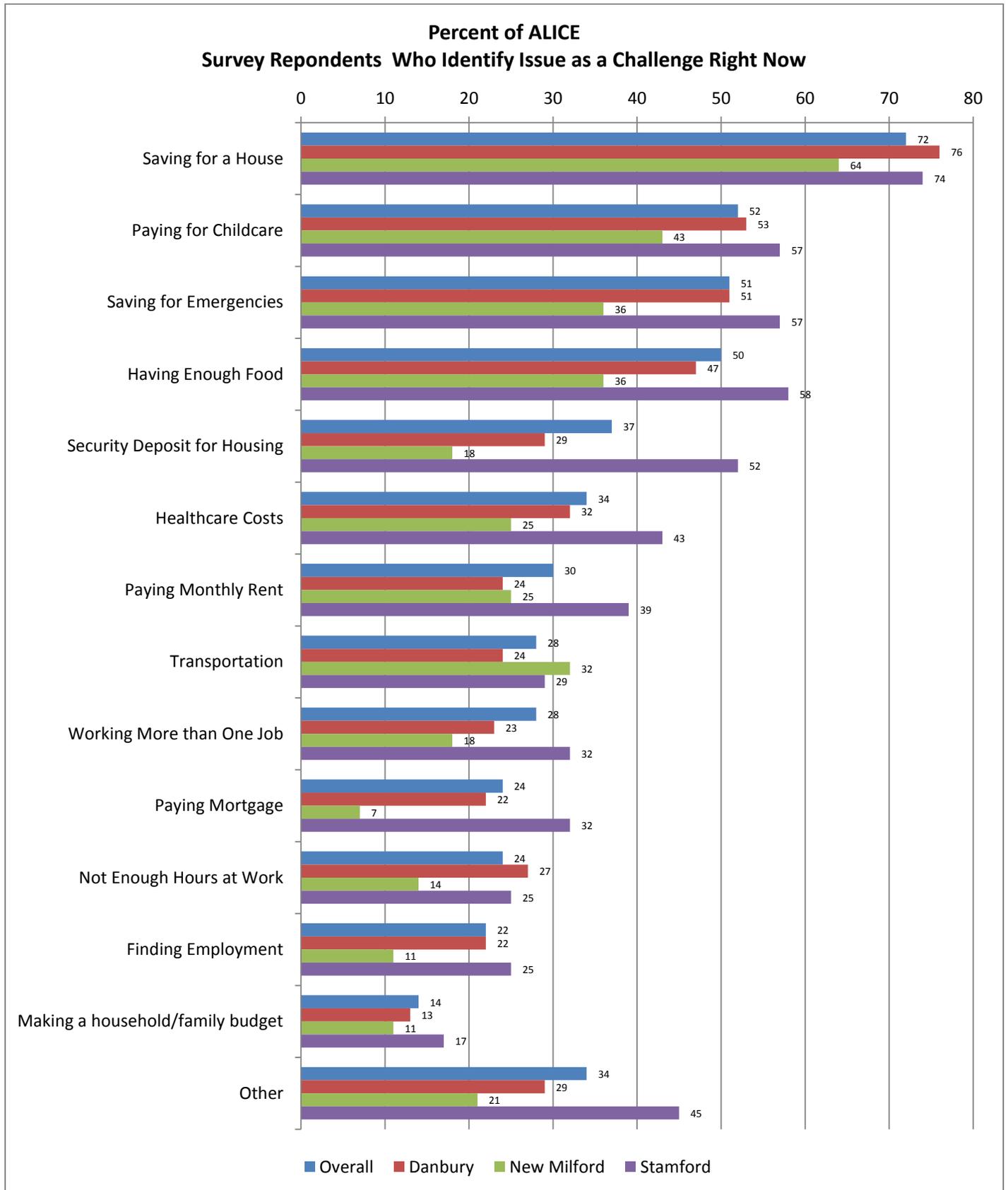
## **ALICE Survey**

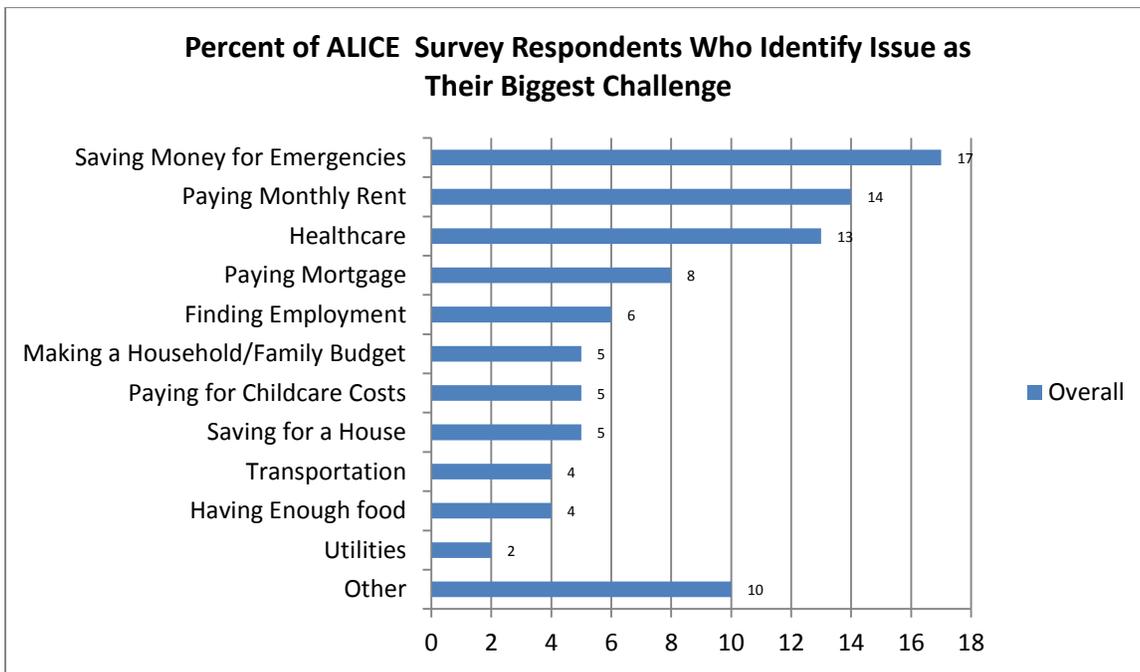
The ALICE Survey was designed with the help and expertise of Beau Anderson of United Way of Connecticut. Beau has a Master’s in Public Administration, with a concentration in survey design.

Hard copies of the survey were completed by every attendee at all community conversations, and at other community meetings. The survey was also available online and was distributed via social media and email networks. It was available in English and Spanish. Our intent was that anyone who lives in an ALICE household in Western Connecticut could have their voice heard through the survey, if they were unable to attend a conversation.

As of December 2015, more than 520 people throughout Western Connecticut had taken the ALICE Survey. The cut-off date for the data analysis below was November 5, 2015. The analysis was based on 454 surveys. UWWC Board and Council members, led by Board Members John and Sandy Rankin, assisted in compiling survey data. They reviewed and analyzed both the quantitative and qualitative data from the surveys, as well as culled themes and highlights from the community conversations. The demographics of the survey respondents can be found in Appendix D.

**Survey Results**





### The Challenges Faced by ALICE

As UWWC staff and volunteers facilitated community conversations and analyzed survey data, a number of themes rose to the top. The picture of the challenges faced by ALICE in Western Connecticut became clearer. The narrative below “fleshes out” the survey results above, and reflects the information gathered through notes taken at the community conversations. Quotes came from respondents who answered the survey question “Please tell us why this is the single biggest challenge facing your household right now.”

### Savings, Credit, and Managing Debt

Because ALICE households often have trouble covering basic household expenses, saving money can be difficult, if not impossible. In fact, 17% of survey respondents identified “saving for emergencies” as their biggest current challenge—more than any other issue. More than 50% of survey respondents identified it as a challenge for their household right now. In community conversations, participants described how a lack of savings can cause small problems to quickly turn into large problems. Payments for car repairs or to replace a broken home appliance often go on high-interest credit cards, putting ALICE families deep into debt, and often resulting in severe damage to their credit rating. Participants at community conversations discussed how immigrants new to this country may not be familiar with “easy” credit and fall victim to the traps of the multiple high interest credit cards that are offered to them.

In addition, because ALICE households often live paycheck to paycheck, they may find themselves using credit cards to pay for everyday

*“I can’t save anything. I can pay for the basics working my full-time job, but medical co-pays or a repair for my car can set my son and I back badly. Emergency funds or assistance would help.”*  
 —Quote from ALICE survey respondent

necessities, such as food, taxes, and necessary home repairs. Many also find themselves borrowing from family and friends to make ends meet. One participant at a community conversation said she feels like she spends her whole life “borrowing from Peter to pay Paul.”

While saving for emergencies and budgeting for everyday expenses are a challenge, saving for “bigger ticket” items can be a near impossibility. These are the types of things that used to be part of the American dream for working people. Owning a home, sending children to college, or even going on a family vacation have become out of reach for ALICE households. More than 70% of survey respondents said they found saving for a house a challenge. Many community conversation participants said they have been unable to save any money for their children’s education, and while many adults would like to return to college themselves to obtain better jobs, they simply can’t afford it without going deeper and deeper into debt.

### Childcare

ALICE families with infants and preschoolers often spend a high percentage of their income on childcare; but families with school-age children also face challenges with after-school care and care during the summer months. Many rely on family, friends, and neighbors to provide them with low- cost or free childcare, even though many would like to be able to afford to send their children to licensed childcare centers. At community conversations, many participants said they wouldn’t be able to work at all if they could not depend on their family to watch their children. Those who use childcare subsidies, such as the Care4Kids program, said there was always uncertainty about their eligibility for the subsidy if their situation changed, and that the system was difficult to navigate.

*“If there were better after-school care facilities that were open later in the day, I could work more.”*

—Quote from ALICE survey respondent

The cost of childcare and the hours it is available affects employment decisions made by ALICE. Some participants said they did not take higher paying night-shift work because there was no childcare available during that period. Some changed employment situations because they had a child with special

needs and could not find caregivers that they trusted. Others wanted to return to school so they could obtain higher paying jobs, but couldn’t afford the childcare to do so.

As every parent of a young child knows, illness can wreak havoc on a work schedule. Parents who are paid by the hour are afraid to take time off when they or their children get sick because they will lose income.

Parents said they often go to work when they are sick because they have to save their time off for when their children are ill.

*“I have a CNA certificate, but I have a child with special needs who cannot be left alone while I work.”*

—Quote from ALICE survey respondent

Of course, the stress of living in ALICE households affects the children as well as the parents. Family stress may manifest itself in children’s behavior. It may also affect their ability to learn. Children who are in unlicensed care may not have the opportunity for the types of early education and classroom experiences that prepare them for kindergarten—such as learning how to follow a teacher’s directions, developing large and small motor skills, and socializing with other children their own age. Studies show that these are the types of experiences that benefit children who attend quality preschool, and better prepare them for success in the early grades.

## Having Enough Food

Perhaps the most troubling finding in United Way’s research was the number of ALICE households who say they have difficulty affording food for themselves and their families. More than 50% of survey respondents identified it as a “challenge right now.”

In community conversations, participants explained that because they make too much money for food stamps (SNAP benefits) they often cannot afford to purchase enough food, and particularly enough healthy food, to provide nourishing meals for their families. Because of the high cost of fresh fruits, vegetables, meat, and fish, many said they opted for more filling, high-carbohydrate foods such as pasta, rice, and bread. They were aware that they should be feeding their families a healthier diet, but simply couldn’t afford to do so. One participant said she knew her pre-adolescent son was gaining weight because of his diet, but she felt helpless to change it because of the high cost of healthier foods.

*“I am a single mother on a fixed income. I can’t work more or I will lose help with oil payments and the food bank.”*

—Quote from ALICE survey respondent

Some participants felt that the “cut-off” for food stamp eligibility should be higher. Others said that eligibility requirements and the hours that food pantries are open should change to be more accessible to working people. But some expressed frustration and felt that because they were working hard they shouldn’t have to rely on government assistance or charity to obtain healthy foods.

## Housing, Utility Bills, and Home Repairs

The high cost of housing in Western Connecticut has ripple effects for ALICE; it makes all the other payments more difficult to squeeze out of their monthly budgets. Financial advisors recommend that no more than 30% of household income should go toward rent, but in reality, many ALICE households are paying much more than that to put a roof over their heads—sometimes up to 50% of their monthly income. This makes paying for food, childcare, transportation, and all the other necessities of life that much harder. Fourteen percent of survey respondents said paying monthly rent was their biggest challenge; 30% said it was a challenge right now. Over 37% of respondents had trouble putting together enough money to pay for a security deposit.

*“Rent is the biggest expense. My husband has to work two jobs to provide income, and has less time to spend with his family. He has to work part-time and full-time with overtime to cover all of our necessities.”*

—Quote from ALICE survey respondent

Utility payments are top of mind for ALICE, especially as the winter months approach. As one community conversation participant put it, “I just got finished paying for last year’s heating bill, and now winter is coming again.” Survey respondents and community conversation participants identified assistance with paying utility bills as something that would be helpful in making ends meet. As with food, many said they were above the income eligibility requirement for assistance and felt that people who were living in poverty had better access to utility subsidies than working families. Some felt that the system “penalizes” people who work, especially in the area of heating assistance.

*“I have to pay rent and the electric bill is so expensive. I have to call the utility company and budget all the time. I always work and can’t give my kids anything. It is very hard.”*

—Quote from ALICE survey respondent

ALICE households who own their homes have trouble dealing with the myriad costs associated with home ownership—all of which relate to

the difficulty in saving for emergencies, identified above. If a new furnace or a plumbing repair is needed, the savings evaporate or the expense puts them into debt.

## Healthcare

While most of children living in ALICE households are able to obtain health insurance through the State of Connecticut's HUSKY system, many of their parents go without healthcare coverage. They simply cannot afford the extra expense of paying for private insurance. Those who do have insurance often have high deductibles, often as high as \$5,000. If the adult becomes sick, the cost of seeing a doctor comes out of his or her own pocket as part of the deductible. Many adults delay treatment or go without treatment because of high deductibles. A

*"I make enough money to cover my rent and my basic bills, provided absolutely nothing goes awry, and things always do. But now I need to buy health insurance as we earn too much for Medicaid, and where do I get an extra \$200 to \$300 a month when I'm barely getting by as is?"*

—Quote from ALICE survey respondent

major illness or hospitalization can put ALICE in debt for as much as the amount of the deductible, and soon a monthly structured payment to a healthcare provider must be made, in addition to paying other bills.

Healthcare also influences employment decisions. Some ALICE participants said they stayed in lower-paying jobs to keep their private insurance, or they refused promotions and higher hourly wages

because it was better for them to stay on Medicaid than pay high insurance premiums and face high deductibles.

## Employment Issues (finding employment, obtaining enough hours, working multiple jobs)

Most of the ALICE community conversation participants viewed higher-paying jobs as the answer to many of their financial problems; however, a path to obtaining those jobs was not clear. As discussed above, many felt frustrated that better paying jobs were unavailable to them because of their own childcare or health insurance situations.

Many identified college and vocational training as a way to make more money, but some felt that college was inaccessible to them because of high tuition payments. A number of respondents said that they wished they had known more about vocational training and the types of jobs that pay higher wages without requiring a college degree. They felt that more guidance during their high school years about job training and how to budget for household expenses would have been helpful.

*"My job pays me by the hour, and there are no benefits. I would like training on what types of jobs would allow me to earn the income I need to cover all of my family expenses."*

—Quote from ALICE survey respondent

A number of community conversation participants work seasonal jobs that make their income unpredictable. Some who work in landscape services say they work long hours during the warm summer months, but then their income dries up as the weather gets colder, they work fewer hours, and their heating bills rise. Snow plow drivers can be affected by warmer winters when there is little snowfall. A steadier, more predictable income flow would make it easier for them to set up and follow household budgets.

Almost one third of the survey respondents are working more than one job. This puts stress on schedules and on family life. Some expressed a desire to be able to spend more time with their children, but they could not because they needed to work more hours to make ends meet.

### **Next Steps**

UWWC is using the qualitative and quantitative data, described above, to determine how we can have the greatest impact on improving the lives of ALICE families in western Connecticut.

During January of 2016, UWWC staff and council members will prioritize short-term and long-term strategies that can address the issues identified by ALICE as their most pressing needs—through fundraising, advocacy, or volunteerism. Opportunities for collaborating, or for developing collaborations, will be explored, and private sector partners will be identified.

In February 2016 the plan will be presented to the UWWC board, and we will begin implementation. A communication plan will inform local agencies, the media, volunteers, and donors about the strategies we have decided to implement.

# UNITED WAY OF WESTERN CONNECTICUT

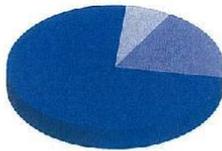
Population: 362,612 | Number of Households 132,527

## How many households are struggling?

**ALICE**, an acronym for Asset Limited, Income Constrained, Employed, are households that earn more than the U.S. poverty level, but less than the basic cost of living for the community. Combined, the number of poverty and ALICE households equals the total population struggling to afford basic needs.

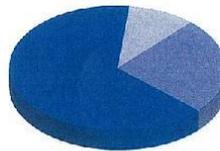
Town	Total HH	% ALICE & Poverty
Bethel, Fairfield County	6,938	22%
Bridgewater, Litchfield County	746	22%
Brookfield, Fairfield County	5,833	18%
Danbury, Fairfield County	29,871	38%
Kent, Litchfield County	1,178	26%
New Fairfield, Fairfield County	4,781	15%
New Milford, Litchfield County	10,775	25%
Newtown, Fairfield County	9,514	19%
Redding, Fairfield County	3,519	18%
Ridgefield, Fairfield County	8,641	16%
Roxbury, Litchfield County	994	17%
Sherman, Fairfield County	1,260	14%
Stamford, Fairfield County	46,699	29%
Warren, Litchfield County	604	20%
Washington, Litchfield County	1,463	30%

United Way of Western Connecticut service area



- Poverty: 9,685 HH, 7%
- ALICE: 25,123 HH, 19%
- Above ALICE: 97,872 HH, 74%

Connecticut



- Poverty: 141,628 HH, 10%
- ALICE: 332,817 HH, 25%
- Above ALICE: 883,367 HH, 65%

NOTE: Municipal-level data often relies on 3- and 5-year averages, is not available for the smallest towns that don't report income, and may overlap with Census Designated Places (CDP).

## What does it cost to afford the basic necessities?

This bare-minimum budget does not allow for any savings, leaving a household vulnerable to unexpected expenses. Affording only a very modest living in each community, this budget is still significantly more than the U.S. poverty level of \$11,170 for a single adult and \$23,050 for a family of four.

Household Survival Budget		
	SINGLE ADULT	FAMILY (INFANT AND PRE-K)
Housing	\$691 - \$1,162	\$1,063 - \$1,769
Child care	\$0	\$1,544 - \$1,657
Food	\$196	\$592
Transportation	\$95	\$146 - \$704
Health care	\$106 - \$121	\$422 - \$482
Miscellaneous	\$154 - \$180	\$482 - \$515
Taxes	\$182 - \$236	\$489 - \$560
Monthly total	\$1,696 - \$1,974	\$5,301 - \$5,661
ANNUAL TOTAL	\$20,348 - \$23,689	\$63,606 - \$67,928
Hourly wage	\$10.17 - \$11.84	\$31.80 - \$33.96

Source: U.S. Department of Housing and Urban Development (HUD), U.S. Department of Agriculture (USDA), Bureau of Labor Statistics (BLS), Internal Revenue Service (IRS) and state Treasury, and ChildCare Aware, 2012; American Community Survey, 1, 3, and 5 year estimates.

## About the United Way ALICE PROJECT

Connecticut United Ways have joined with five other states – California, Florida, Indiana, Michigan, and New Jersey – to release statewide ALICE Reports in 2014. For more information and to read the full United Way ALICE Report for Connecticut, visit: <http://ALICE.CTUnitedWay.org/MeetALICE/UWWCT>

## Appendix B

### Questions for Community Conversations Financial Stability & Housing (For an ALICE audience)

**Financial Stability** – explain the topic; employment, workforce development, education/college, managing money, budgeting, saving, housing, childcare, health costs, food, etc.

**Question #1**

What is the most important issue or concern that you have when it comes to your financial stability?

**Question #2**

How does this issue affect you personally?

**Question #3**

What kinds of things are keeping you from having the level of financial stability you would like?

**Question #4**

What kinds of things could be done to help you with this issue and improve your financial stability? i.e. grant funding and mobilizing volunteers (dollars and people)

**Question #5**

What does your ideal community look like when it comes to financial stability for residents?

## Appendix C

### Community Conversation Locations and Number of Attendees

#### Stamford Community Conversations

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**Location:** Bayview Towers, 300 Tresser Blvd.,  
Stamford, CT 06901

**Date:** October 7, 2015

**Attendees:** 2

**Location:** Jewish Family Services, 733 Summer St.,  
6<sup>th</sup> Floor, Stamford, CT 06901

**Date:** October 13, 2015 and October 20, 2015

**Attendees:** 10 and 11

**Location:** Stamford YMCA, 10 Bell St., Stamford, CT  
06901

**Date:** October 13, 2015

**Attendees:** 11

**Location:** Scofield Manor, 614 Scofieldtown Rd.,  
Stamford, CT 06903

**Date:** October 14, 2015

**Attendees:** 11

**Location:** Women's Mentoring Network, 141  
Franklin St., Stamford, CT 06901

**Date:** October 14, 2015

**Attendees:** 17

**Location:** Baby Cottage II, 1114 Hope St., Stamford,  
CT 06907

**Date:** October 15, 2015

**Attendees:** 8

**Location:** Abilis, South End Branch of Ferguson  
Library, 34 Woodland Ave., Stamford, CT 06902

**Date:** October 19, 2015

**Attendees:** 14

**Location:** Family Centers, 60 Palmer's Hill Rd.,  
Stamford, CT 06902

**Date:** October 21, 2015

**Attendees:** 8

**Location:** Person-to-Person, 1864 Post Rd., Darien,  
CT 06820

**Date:** October 21, 2015

**Attendees:** 8

**Location:** Domus, 245 Selleck St., Stamford, CT  
06902

**Date:** November 10, 2015

**Attendees:** 8

#### Danbury Community Conversations

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**Location:** Financial Resource Center/Financial  
Coaches (ALICE Stakeholders), Volunteer Center  
Conference Room at United Way of Western CT, 85  
West St., Danbury, CT 06810

**Date:** August 31, 2015

**Attendees:** 6

**Location:** TBICO, The Corporate Edge Class, 22 Eagle  
Rd., Danbury, CT 06810

**Date:** September 17, 2015

**Attendees:** 8

**Location:** Naugatuck Valley Community College,  
Early Childhood Class, 183 Main St., Danbury, CT  
06810

**Date:** September 21, 2015

**Attendees:** 16

**Location:** Head Start Staff, Head Start Building, 32  
Foster St., Danbury, CT 06810

**Date:** September 23, 2015

**Attendees:** 11

**Location:** School Readiness Providers Directors'  
Meeting (ALICE Stakeholders), Education  
Connection, 4 Mountainview Terrace, Danbury, CT  
06810

**Date:** September 24, 2015

**Attendees:** 10

**Location:** Family Learning Center (Play Group Parents and Staff), 49 Osborne St., Danbury, CT 06810

**Date:** September 28, 2015

**Attendees:** 12

**Location:** Naugatuck Valley Community College, Public Speaking Class, 183 Main St., Danbury, CT 06810

**Date:** September 29, 2015

**Attendees:** 23

**Location:** Americares Free Clinic (conducted in Spanish), 76 West St., Danbury, CT 06810

**Date:** September 30, 2015

**Attendees:** 11

**Location:** GED Class, Danbury High School, 43 Clapboard Ridge Road, Danbury, CT 06811

**Date:** October 1, 2015

**Attendees:** 14

**Location:** Danbury Public Schools School Readiness Staff, 17 Cottage St., Danbury, CT 06810

**Date:** October 6, 2015

**Attendees:** 7

**Location:** Danbury Community Messengers, United Way Conference Room, 83 West St., Danbury, CT 06810

**Date:** October 20, 2015

**Attendees:** 11

**Location:** Families Network of Western CT Staff, 5 Library Place, Danbury, CT 06810

**Date:** October 21, 2015

**Attendees:** 8

**Location:** Advanced ESL Class, Danbury High School, 43 Clapboard Ridge Rd., Danbury, CT 06811

**Date:** October 27, 2015

**Attendees:** 19

### **Southern Litchfield County Community**

#### **Conversations**

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**Location:** New Milford Area Social Service Directors, United Way of Western CT Offices at 24 Bank St., New Milford, CT 06776

**Date:** September 23, 2015

**Attendees:** 2

**Location:** Family Read/Literacy Volunteers on the Green, New Milford VNA Nurturing Families

**Date:** October 13, 2015

**Attendees:** 11

**Location:** New Milford Social Services ALICE clients

**Date:** October 29, 2015

**Attendees:** 9

## Appendix D

Demographic Information on Survey Respondents (includes both ALICE and poverty-level respondents)

