

# Wisconsin ALICE<sup>®</sup> Project

## Frequently Asked Questions



United Way of Wisconsin

**ALICE** is an acronym that stands for **Asset Limited, Income Constrained, Employed**. ALICE represents the households with income above the Federal Poverty Level but below the basic cost of living. The ALICE Report provides current research-based data that quantifies who in Wisconsin is living on the edge of financial insecurity. United Way will use the ALICE study which contains state, county and municipal level data to raise awareness in order to create lasting changes implemented to improve lives and strengthen local communities.

ALICE is striving for financial stability but faces complex barriers. Solutions will take a multi-faceted approach from private and public sectors, as well as the community as a whole. United Ways throughout Wisconsin recognize we need to go beyond singular or temporary fixes to create lasting change through a focus on the building blocks of a quality life: education, income, and health. In the end, helping ALICE will benefit us all. We all have an interest in improving conditions for ALICE – their everyday struggles reach beyond personal trials to impact the wider community. Get involved in the conversation by contacting your local United Way.

### CORE REPORT STATISTICS

- By comparing real incomes with real expenses, the United Way ALICE Project reveals this stark reality: **42% of Wisconsin households are living on the edge of financial insecurity.**
- In Wisconsin, 42% of households live below the ALICE threshold – about 13% live below the poverty level and another 29% are above poverty but below the basic cost of living.
- ALICE households are working, but struggle to afford the basics of housing, food, health care, child care, and transportation.
- There are nearly 670,922 ALICE households in Wisconsin, more than double the official poverty rate. Together, with those in poverty, there are nearly 960,131 households unable to make ends meet in Wisconsin.
- More than two-thirds of Wisconsin's municipalities have more than 30 percent of households unable to afford life's basic necessities.
- Despite working and receiving financial supports, ALICE still faces a 21% gap in the income needed to be able to survive and afford the basics in Wisconsin.

### WHO IS ALICE IN OUR COMMUNITY?

- The entire community is affected by the challenges that ALICE families face and once those challenges improve, the entire community will benefit.
- These families and individuals have jobs, but many do not qualify for social services or support.
- ALICE holds jobs that are critical to the success of our communities – child care workers, laborers and movers, home health aides, heavy truck drivers, store clerks, repair workers and office assistants – yet, they aren't sure if they'll be able to put dinner on the table each night.
- There is a systemic problem that will not be solved with one magic bullet – policymakers, academics, business and social service agencies need to work together to address long-term systemic change.

### WHAT IS THE HOUSEHOLD SURVIVAL BUDGET?

- The household survival budget quantifies the cost of housing, child care, food, health care and transportation in each county.
- It is a bare-minimum budget. Every line item has been the most conservative estimate based on the cost of living in each county.
- The miscellaneous category, 10% of all costs, covers overflow from basic needs; it is not enough to provide for clothes, cell phone, cable, or automotive or appliance repairs. There is no room in the budget for financial indulgences that many families enjoy.
- This budget does not allow for any savings, leaving an ALICE family more vulnerable to any unexpected expense, such as a costly car repair or health issue.

- United Ways work to help people move their way up on the financial stability continuum from poverty to survival to stability. ALICE families are above poverty, but below financial stability.

## WHAT THE ALICE REPORT IS NOT...:

- Simply an income problem.
- A political position, but rather a body of data that helps us understand the economic realities of this population.
- A stance on raising the minimum wage. This alone would not help ALICE rise above challenging circumstances
- A finger pointing – or finger wagging – to Wisconsin’s businesses. The engine of local economics knows that in order for their business to thrive, their community has to as well.
- An “us” or “them” report but an illumination of daily financial struggles many of us face – including those who fall below the poverty line. United Way is invested in improving the community – and that means all members of the community. While there are different tactics for different needs, United Way focuses on strategies that fight for the education, financial stability and health of everyone in every community – the building blocks of a stable life.

## HOW TO TALK ABOUT ALICE?

- The media and community members refer to the ALICE population in several ways. The goal for United Way is to talk about ALICE in a respectful, non-partisan way at all times.
- Terms to avoid when talking about ALICE include: working poor, minimum wage worker, needy, hand-to-mouth, and vulnerable. Rather, use the phrases such as working hard and falling short, people we know or our hard working neighbors.
- We need to **go beyond singular or temporary fixes** to create lasting change through a focus on the building blocks of a quality life: education, income, and health. In the end, helping ALICE will benefit us all.
- We all have an interest in improving conditions for ALICE – their everyday struggles reach beyond personal trials to impact the wider community. Get involved in the conversation by contacting your local United Way.

## HOW CAN UNITED WAY AND OTHERS USE THE ALICE REPORT?

- Wisconsin’s United Ways are using the ALICE report to educate, engage the community in developing strategies to lift ALICE to financial stability and begin a dialogue about strategies for long-term systemic change.
- We invite all to join us to fight for education, financial stability and health of everyone in every community – the building blocks of a stable life. You can:
  - Host community conversations with corporations, faith-based organizations, government entities and concerned citizens to discuss ways to improve/prevent some of these hardships and how to better support ALICE families.
  - Use the data to educate community members that ALICE exists in your area.
  - Analyze the data and see what barriers are challenging ALICE families in your community.
  - Use the ALICE data to take a closer look at some of the business practices in your community.
  - Organize coalitions in your community that will work towards supporting ALICE.
- Small changes will add up to broad-scale differences for everyone below the ALICE threshold. Together we can envision a better future.

## MORE QUESTIONS OR TO GET INVOLVED

Talk to your local United Way by clicking [here](#) for a map and contact information.