

## **The Earnings and Income of Wisconsin Works (W-2) Applicants**

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## **The Earnings and Income of Wisconsin Works (W-2) Applicants**

### **INTRODUCTION**

In this report we present information on the post-application economic status of individuals who applied to the Wisconsin Works (W-2) program. We analyze the earnings and income of applicants in the first year following W-2 application, comparing outcomes for W-2 participants and nonparticipants. This report addresses the final objectives of a study designed to (1) examine the Wisconsin Works (W-2) application process; (2) describe the frequency of applicant dropouts prior to eligibility determination; and (3) follow the well-being over time of dropouts and their children based on available administrative data.

This analysis builds on two previous reports completed as part of this project. The first report (Ybarra and Kaplan, 2007) outlined the W-2 application process and highlighted differences among participating agencies, while the second report (Ybarra and Noyes, 2008) detailed W-2 placements, drop-out junctures, drop-out reasons, and associated applicant characteristics. This final report also builds on a preliminary analysis of post-application outcomes that considered income in the first quarter after application (Ybarra and Cancian, 2008).

### **DATA AND METHODS**

We analyze information on earnings and income during the first year post-application for a sample of individuals who applied for W-2 benefits in September and October 2006<sup>1</sup>. A full description of the sample and methods employed is contained in our previous report (see Ybarra and Noyes, 2008). We use administrative data from the Unemployment Insurance program (UI) to measure wages; from CARES to measure W-2, food stamp, medical assistance, and child care benefits; and from KIDS to

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<sup>1</sup>From the sample (N=1,806) used for analysis in Ybarra and Noyes (2008), we excluded two-parent households, male participants, and applicants determined ineligible for services (123 additional cases excluded for a final sample of N=1,683). See Appendix A, Figure 1 for a detailed illustration of the W-2 application process.

measure child support received. We also add estimated state and federal Earned Income Tax Credits (see Appendix B for details). While the administrative data we use have a number of advantages, they provide a limited indication of labor market activity (since we can measure only quarterly earnings, and have no information on hours worked or wage rates) and a limited measure of total household income. Our findings should be interpreted in light of these limitations.

Ideally, we would like to assess the effects of program participation and nonparticipation on later outcomes. Unfortunately, while we compare participants and nonparticipants, we cannot attribute differences to participation. As we will show below, participants and nonparticipants are similar along most dimensions we observe in the administrative data. However, they are likely to differ in a number of unmeasured ways with important implications—positive and negative—for outcomes. Two illustrative examples are detailed in Figure 1. Given these unmeasured differences in baseline characteristics, differences in outcomes cannot be interpreted as the effects of W-2 participation or nonparticipation.

**Figure 1: Comparisons of Participants and Dropouts Do Not Measure the Effects of W-2 Participation**

**Example 1.** A mother who knows of a job opening applies for W-2 because she hopes the program will allow her to stay home with her child. After learning more about the program she realizes that, given W-2 program rules and benefit levels, she will be better off if she takes a job. A second mother, who has fewer job skills and cannot find a job, decides to participate in W-2. If we observe their incomes and employment histories a year later we would likely find that the second woman, who participated in W-2, had lower earnings. However, this would be reflective of her relatively limited job skills and opportunities, not the effect of W-2 participation.

**Example 2.** A mother with significant mental health issues begins the W-2 application process but, because of issues related to her illness, fails to complete the application process. A second mother, with a similar profile, but no health issues, completes the application, participates in a Community Service Job (CSJ), and then moves to a regular job. If we observe their incomes and employment histories a year later we would likely find that the first woman, who did not participate in W-2, had lower earnings. However, this would be reflective of the health issues she had prior to application, not the effect of W-2 nonparticipation.

While we cannot measure program effects, we can measure post-application outcomes, including the distribution of outcomes for nonparticipants, and how these vary by the reason for leaving or juncture

at which the applicant dropped out. This may help identify features of the application process that appear to appropriately redirect individuals who are able to do relatively well without W-2 benefits, as well as features that appear to discourage participation by families who may fare less well without these benefits, and may therefore be better served by entering W-2. These measures also provide an indication of the economic status and potential needs of families that have applied for W-2 benefits.

## RESULTS

We begin by briefly reviewing our earlier findings regarding the probability of applicants entering the program or dropping out, and how these vary with applicants' characteristics. We then discuss the earnings and incomes of applicants. For dropouts we report post-application earnings and income by the juncture at which the applicant dropped out, and the reason for the dropout, using the definitions developed in Ybarra and Noyes (2008). For applicants who complete the process and receive a W-2 placement, we report outcomes by initial W-2 tier. We also present information on use of medical assistance and child care subsidies.

### Outcomes of the W-2 Application Process

Building on our previous analysis (Ybarra and Kaplan, 2007; Ybarra and Noyes, 2008) we follow a sample of 1,683 women who applied for W-2 in three Milwaukee County agencies or in Dane County in September or October of 2006 (see Ybarra and Noyes, 2008, for discussion of sample). Fifty-five percent (N=907) dropped out of the application process while the others entered W-2.<sup>2</sup> Table 1 shows the characteristics of dropouts and participants.<sup>3</sup> The typical applicant was a young (only 23 percent were age 33 or older), African American (80 percent) woman who had never been married (90 percent) and who

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<sup>2</sup>As detailed in Appendix C, we consider an applicant to drop out if they do not complete the application process by declining services or by missing a scheduled appointment, or they have services denied at one of five possible agency appointments.

<sup>3</sup>Adapted from Ybarra and Noyes (2008) Table 4. See Appendix D for notes on changes in sample definitions.

**Table 1**  
**Sample Demographics**

Characteristics	W-2 Placements		W-2 Drop Outs		Overall	
	N	%	N	%	N	%
	776	44.7	907	55.3	1683	100
<i>Age***</i>						
<=18 years	91	11.7	64	7.1	155	9.2
18–24 years	319	41.1	329	36.3	648	38.5
25–32 years	225	29.0	268	29.6	493	29.3
=>33 years	141	18.2	246	27.1	387	23.0
<i>Race</i>						
White	73	9.4	71	7.8	144	8.6
AA	617	79.5	725	79.9	1342	79.7
Latina/o	21	2.7	31	3.4	52	3.1
Other	8	1.0	7	0.8	15	0.9
Unknown	5	7.4	73	8.1	130	7.7
<i>Children*</i>						
No Children	2	0.3	10	1.1	12	0.7
One	349	45.0	359	39.6	708	42.1
Two	215	27.7	269	29.7	484	28.8
Three or more	210	27.1	269	29.7	479	28.5
<i>Marital Status-Never Married**</i>	713	91.9	793	87.4	1506	89.5
<i>Pregnant at Time of Application***</i>	186	24.0	43	4.7	229	13.6
<i>Ed. Level*</i>						
<HS	510	65.7	607	66.9	1117	66.4
HS/GED	186	24.0	192	22.5	378	22.5
>HS	74	9.5	86	9.5	160	9.5
Unknown	6	0.8	22	1.7	28	1.7
<i>Employed in Previous 4 Quarters**</i>	543	70.0	567	62.5	1110	65.9
<i>W-2 Receipt in Previous 12 Months*</i>	253	32.6	349	39.5	602	35.8

Levels of significance: \*\*\* p<.001; \*\*p<.01; \*p<.05.

had one or two children (42 percent and 29 percent, respectively). Most had not completed high school (66 percent), but had some recent work experience (66 percent had earnings in the past year) and no recent W-2 receipt (only 36 percent had received benefits in the past year). Dropouts are somewhat older, and less likely to be pregnant at the time of application, but in most respects dropouts and participants are similar along most of the dimensions observed.<sup>4</sup>

### Earnings and Income of W-2 Participants and Dropouts

Table 2 summarizes the earnings and income of applicants by whether they dropped out or entered W-2. Total income is measured as the sum of W-2 cash assistance, the cash value of food stamps, child support, earnings, and estimated EITC. The table shows the proportion of each group receiving each source of income, as well as the mean for all, and among those with some income from that source. For example, among all applicants, 47 percent received some income from W-2 cash payments, averaging \$1,379 among all applicants, and \$2,926 among those with any receipt. Considering W-2 income across the groups, we see that overall dropouts' W-2 payments averaged only \$570, a low level largely explained by low participation rates—only 22.5 percent had received any payments<sup>5</sup>. Participation rates and average receipts were higher for those in a Custodial Parent of an Infant (CMC) placement, and still higher for those in other W-2 cash tiers. Receipt of cash benefits was lower for those who entered in a W-2 noncash tier.<sup>6</sup> In contrast to W-2, Food Stamp program participation is almost universal across all four groups, with little variance in the amounts received—an average of \$2,800 overall. Fewer parents receive child support—about 39 percent receive an average of \$581 over all, or \$1,474 among those receiving any.

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<sup>4</sup>See Ybarra and Noyes (2008) for information on differences in the characteristics of applicants by drop-out juncture and reason, and by tier of initial W-2 placement.

<sup>5</sup>We observed applicants for a 60-day observation period after their initial W-2 application in September or October of 2006. Some of those who dropped-out of the application process during the review period ultimately reapplied for W-2 services outside of the 60-day observation window and became W-2 participants during 2007 (22.5 percent).

<sup>6</sup>Note that participation rates are not 100 percent for those who were assigned to CMC or other W-2 cash tier because income is measured in the year that begins in the first full calendar quarter after application. Thus, some participants have already stopped receiving cash benefits by that time.

**Table 2**  
**2007 Earnings and Income by W-2 Dropouts and Participants**

	All		W-2 Dropouts		W-2 CMC Placement		W-2 Other-Cash Tier		W-2 Non-Cash Tier	
	N = 1683	100.0%	N = 907	53.9%	N = 293	17.4%	N = 380	22.6%	N = 103	6.1%
<i>2007 Income Sources</i>										
<i>W-2 Receipt</i>										
% with any	47.1		22.5		74.4		88.4		34.0	
Mean all	\$1,379		\$570		\$1,575		\$3,272		\$956	
Mean > 0	\$2,926		\$2,532		\$2,117		\$3,701		\$2,814	
<i>Food Stamps</i>										
% with any	94.4		91.0		98.0		98.9		98.1	
Mean all	\$2,800		\$2,662		\$2,911		\$3,017		\$2,896	
Mean > 0	\$2,966		\$2,927		\$2,972		\$3,049		\$2,953	
<i>Child Support</i>										
% with any	39.4		39.3		36.5		39.5		48.5	
Mean all	\$581		\$615		\$516		\$495		\$773	
Mean > 0	\$1,474		\$1,568		\$1,414		\$1,254		\$1,592	
<i>Earnings</i>										
% with any	71.2		69.3		81.9		62.6		89.3	
Mean all	\$5,309		\$5,274		\$7,686		\$3,120		\$6918	
Mean > 0	\$7,451		\$7,605		\$9,383		\$4,982		\$7,745	
<i>EITC</i>										
% with any	69.8		67.6		79.9		61.8		89.3	
Mean all	\$1,551		\$1,494		\$2,037		\$1,040		\$2,558	
Mean > 0	\$2,269		\$2,264		\$2,604		\$1,715		\$2,864	
<i>Total Income (W-2, FS, Child Support, Earnings and EITC)</i>										
% with any	98.3		97.1		99.7		100.0		99.0	
Mean all	\$11,619		\$10,615		\$14,726		\$10,945		\$14,101	
Mean > 0	\$11,815		\$10,929		\$14,776		\$10,945		\$14,239	

Those entering in a noncash tier have higher levels of child support (48.5 percent receiving an average of \$1,592).

Earnings account for the bulk of average income across all four groups, but the average level varies substantially across the groups. About 70 percent of dropouts have earnings, averaging \$7605 for those with any earnings. Perhaps surprisingly, the highest average earnings are found for the 81.9 percent of CMC participants who have earnings, and earn an average of \$9,383. This is consistent with the CMC program serving as short-term paid leave for mothers who take a short leave from employment at the time of birth (see Ybarra, 2008). Participants originally deemed work-ready and placed in a noncash tier have the highest employment rate, 89.3 percent, and average earnings of \$7,745 among earners. The lowest average earnings are from those who entered a cash tier of W-2. Sixty-two percent work in the first year, earning on average \$4,982. Virtually all applicants with earnings qualify for the EITC<sup>7</sup>, which is an important source of income—averaging \$2,269 over all applicants estimated to receive a credit.

Average income<sup>8</sup> from each source, shown in Table 2, is also summarized in Figure 2, which shows average amounts across all individuals in each group—those with and without income from a given source. Total average income was substantially higher for W-2 participants entering the CMC or noncash tier, with mean total incomes of \$14,726 and \$14,101, respectively. The distribution of income across sources was also remarkably similar across these two groups. Applicants who dropped out and those who entered W-2 had substantially lower incomes: \$10,615 for dropouts and \$10,945 for those entering another (non-CMC) cash tier. As expected, those entering another cash placement had substantially higher levels of W-2 receipt.

Figure 3 provides additional detail on changes in earnings and other income over the first year after application, showing average earnings, child support, food stamps, and W-2 receipts in each quarter

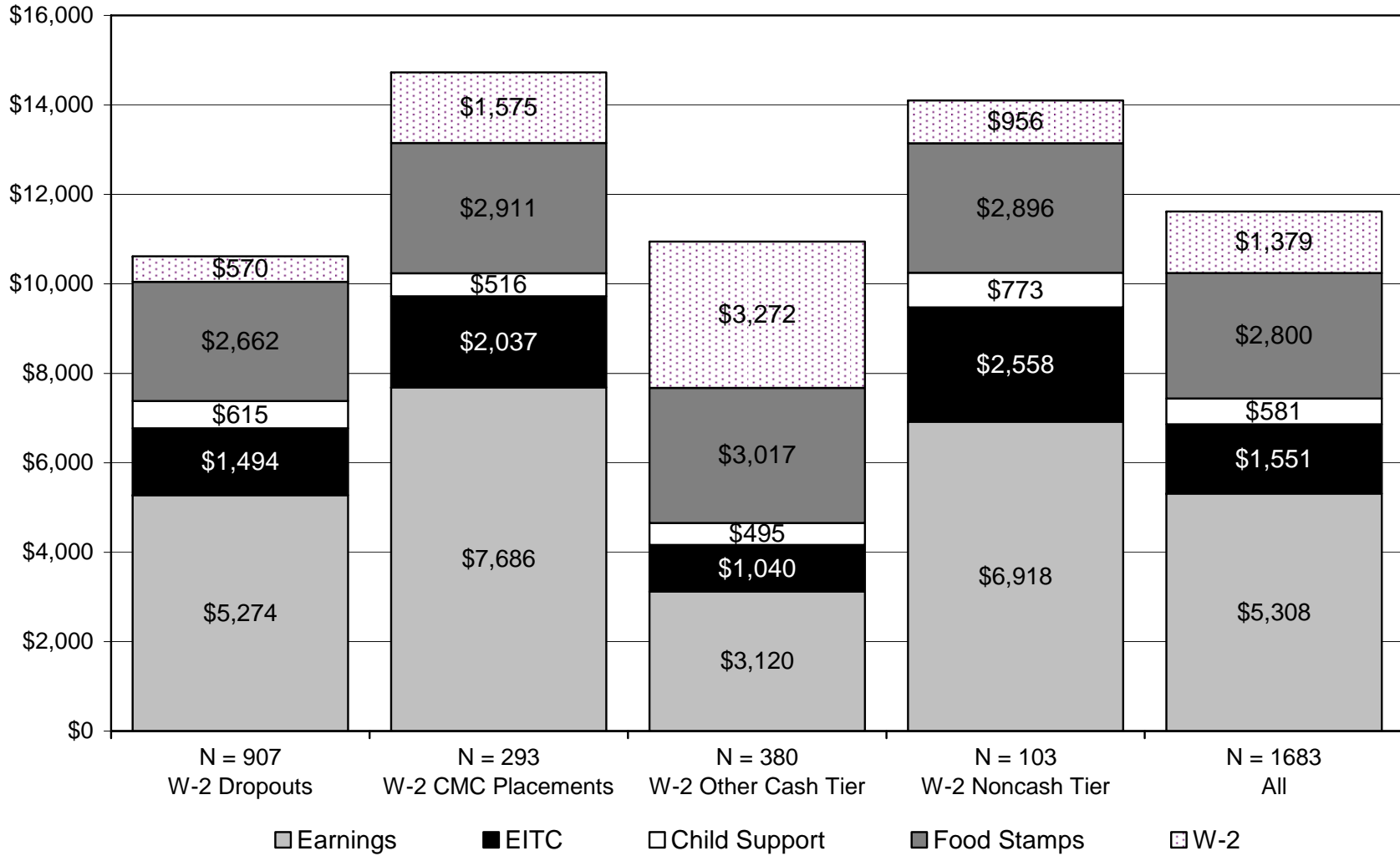
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<sup>7</sup>Almost all applicants with earnings are estimated to receive the EITC. A few (N=25, 1.5 percent) have high earnings and do not qualify for the credit.

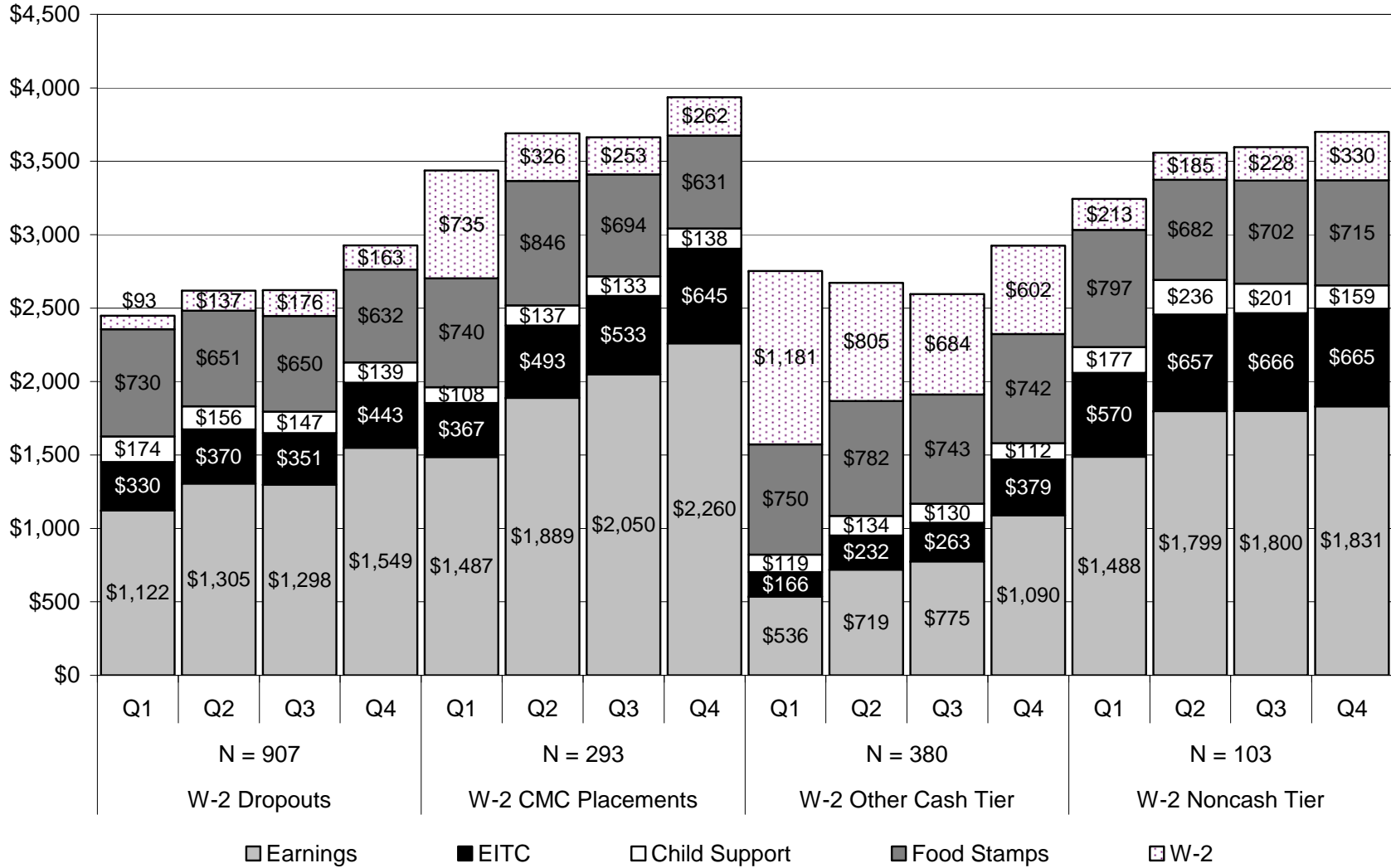
<sup>8</sup>Reports of average total income greater than zero in Table 2 reflects the total income average for those applicants with positive income from at least one income source in 2007.



**Figure 2**  
**2007 Annual Earnings and Income by W-2 Dropouts and Participant Groups**



**Figure 3**  
**2007 Quarterly Earnings and Income by W-2 Dropouts and Participant Groups**



(EITC amounts shown are proportional to quarterly earnings). The figure allows comparisons across and within groups at different points in time. Changes in earnings over the quarters are especially notable. As expected, participants in a W-2 cash tier have the lowest earnings in the first quarter post-application (\$536). Earnings rise in each quarter, to \$1,090 in the fourth quarter. Total average income for those who entered a cash tier does not vary substantially over the four quarters as average W-2 benefit amounts fall as earnings rise. Earnings for participants in a CMC placement start higher (by the first quarter post-application many have already returned to work) and grow to \$2,260 by the fourth quarter—the highest of any of the groups considered here. Patterns are more stable for those in a noncash tier of W-2 and for W-2 dropouts.

Table 2 and Figures 2 and 3 illustrate *average* income across groups. However, they do not provide information on the distribution of incomes within groups—the proportion of families with, for example, very low incomes. Table 3 presents additional information, showing the proportion of families within each group who have total incomes (including W-2 cash benefits, the cash value of food stamps, earnings, and estimated EITC) below the official poverty line, and below half the official poverty line (commonly used as an indicator of deep poverty). While we use the federal poverty line as a reference point, note that our definition of income, by including food stamps and the EITC, is broader than the official measure. Official poverty rates would be substantially higher.

As shown in the first row of Table 3, 77 percent of applicants had incomes below the poverty line, and 44 percent had incomes below half the poverty line in the year following W-2 application. Comparing poverty rates by initial W-2 participation status, the lowest poverty rate was among those entering a CMC placement—62 percent had incomes below poverty, and 28 percent had incomes below half the poverty line. Those in a W-2 noncash tier were substantially more likely to be poor (71 percent) but about equally likely to be below half the poverty line (28 percent).

A comparison between dropouts and those placed in a W-2 cash tier other than CMC is instructive. Both groups had similarly low average incomes, but W-2 dropouts were somewhat *less* likely to have income below poverty (80 percent of dropouts, compared to 85 percent of W-2 participants in a

**Table 3**  
**W-2 Placements and Drop-Outs below the 2007 Federal Poverty Line (FPL)**

	Below FPL %	Below 50% FPL %
<b>All (N = 1683)</b>	77.0	43.8
<b>W- 2 Placements (N = 776)</b>	74.1	32.4
By Placement Type		
CMC Placements (N = 293)	61.8	27.7
W-2 Other Cash-Tier ( N = 380)	84.5	37.1
W-2 Non Cash-Tier (N = 103)	70.9	28.2
<b>W-2 Drop Outs ( N = 907)</b>	79.5	53.6
By Juncture		
Orientation (N = 315)	81.3	57.5
Resource Specialist (N = 75)	80.0	50.7
1 <sup>st</sup> FEP Meeting (N = 284)	76.1	52.1
2 <sup>nd</sup> FEP Meeting (N = 196)	81.6	54.1
Other FEP Meeting (N = 37)	78.4	35.1
By Reason		
Declined Services ( N = 102)	69.6	46.1
Denied Services (N = 324)	80.9	53.1
Missed Appointment ( N = 481)	80.7	55.5

non-CMC cash tier), and substantially *more* likely to have incomes below half the poverty line (54 percent of dropouts, compared to 37 percent of W-2 non-CMC cash tier participants). While their average incomes are not exceptionally low relative to W-2 participants, dropouts appear to be substantially more vulnerable to deep poverty. While we do not find a consistent pattern by drop out juncture, the final panel of Table 3 shows that applicants who are denied services or dropout by missing an appointment have relatively high poverty and deep poverty rates, compared to those who decline services.

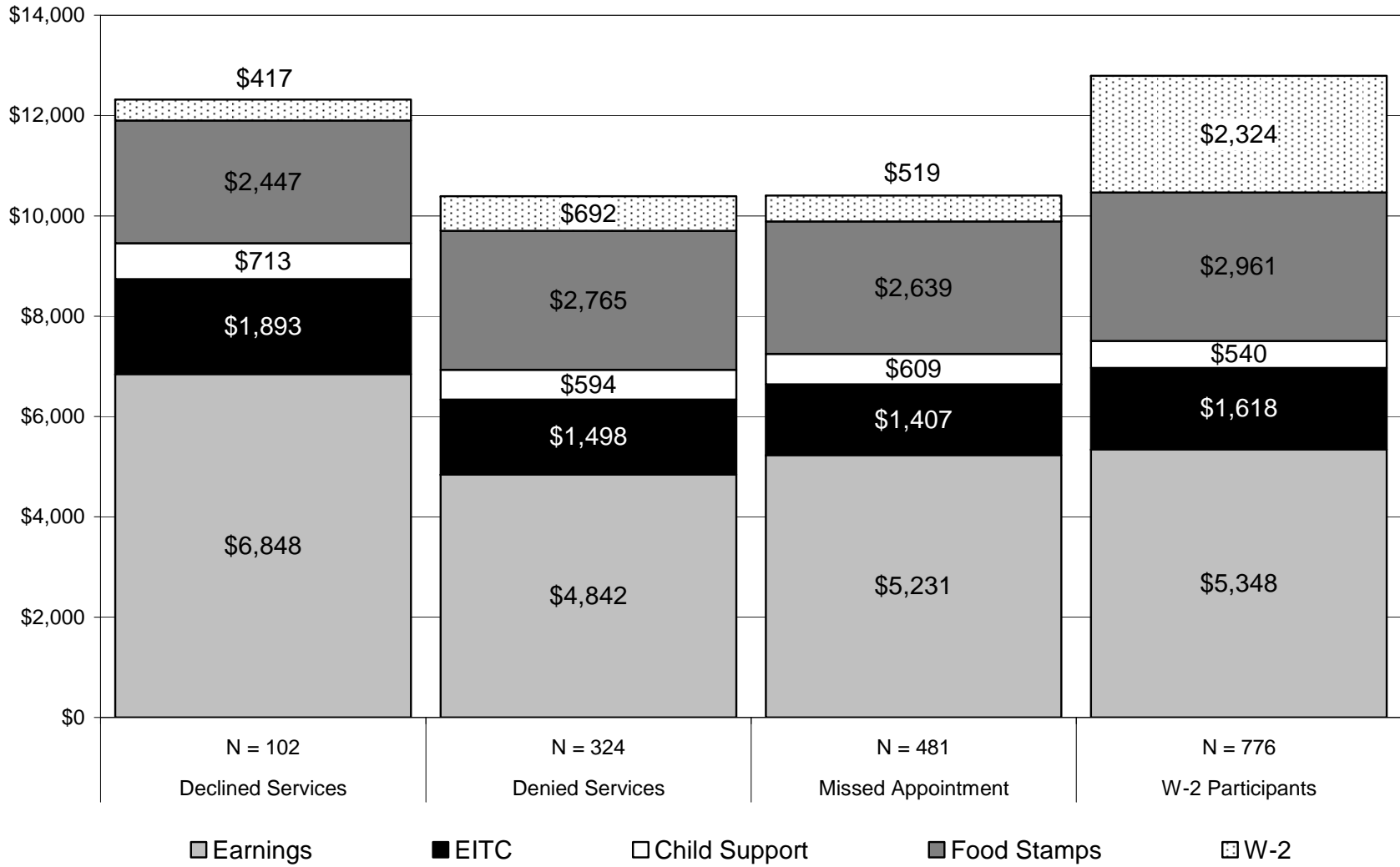
#### Earnings and Income of W-2 Dropouts by Drop-Out Reason and Drop-Out Juncture

As detailed in our previous reports (Ybarra and Kaplan, 2007; Ybarra and Noyes, 2008), the W-2 application process involves a number of steps, and individuals who do not complete the application process drop out at a number of different junctures and for a variety of different reasons. Through analysis of administrative data and detailed case notes, we gathered information on the reason for dropping out; distinguishing applicants who declined services, were denied services, or dropped out by missing an appointment (see Ybarra and Noyes, 2008 for additional details).

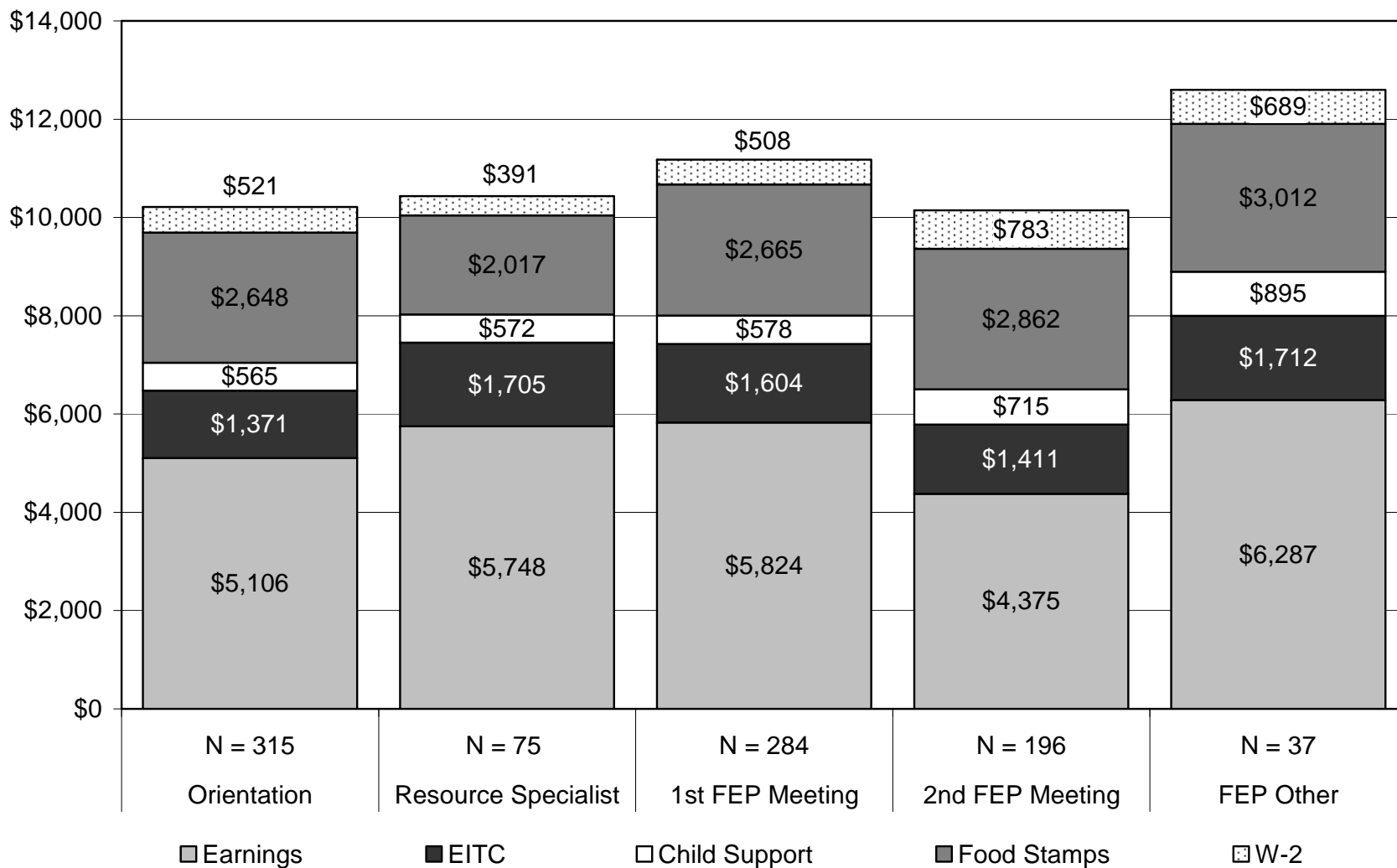
As shown in Figure 4, individuals who declined services had higher subsequent incomes than those who were denied services or who dropped out by failing to appear for an appointment. The difference is largely due to substantially higher earnings. It may be that many applicants who decline services do so because they expect they will be better served by working in the labor market rather than by enrolling in W-2. We also examined the juncture (appointment) at which the applicant dropped out of the application process. Figure 5 shows relatively modest differences in incomes by drop-out juncture, especially if we exclude the relatively few cases (N=37) that dropped out at an “other” or additional FEP meeting.

One issue of particular concern is whether W-2 applicants who drop out quickly return to the program and receive benefits. As shown in Table 2, 22.5 percent of all dropouts receive W-2 cash benefits at some point in the first year after application; 9.7 percent receive cash benefits in the first quarter (first quarter participation not shown). There is little variation in rates of W-2 cash benefit receipt by reason for

**Figure 4**  
**2007 Annual Earnings and Income by Drop-Out Reason**



**Figure 5**  
**2007 Annual Earnings and Income by Drop-Out Juncture**



dropping out (see Appendix E); the proportion receiving W-2 benefits in the first quarter ranges from 9.4 percent for those who missed an appointment to 10.2 percent for those who were denied services. However, W-2 receipt varies more substantially by the juncture at which the applicant dropped out. Those who dropped out at the Resource Specialist meeting were least likely to receive W-2 benefits (see Appendix F) in the subsequent quarter (6.7 percent), followed by those who left at the Orientation or first FEP meeting (9.2 percent). Those who dropped out later in the process, at the second or other FEP meeting, were more likely to receive W-2 benefits in the quarter post-application (12.0 percent).

### Receipt of Medical Assistance and Child Care Subsidies

Our measures of income include not only earnings and child support, but also W-2 cash benefits and food stamps (public benefits). Our income measure excludes two other important benefits that are difficult to include in a measure of income: medical assistance (MA) and child care subsidies.<sup>9</sup> Patterns of receipt of these benefits are shown in Table 4.

The first panel shows that MA receipt is nearly universal among those who apply for W-2 benefits. Of those who complete the process and enroll in W-2, 98.6 percent were covered by MA at some point in the year, with an average of 10.9 months of coverage for those ever covered. Most W-2 dropouts also are covered by MA; 90.6 percent are covered at some point in the year, with an average of 10.3 months of coverage for those ever covered. It is noteworthy that 93 percent of those who declined W-2 services and 94 percent of those denied W-2 services nonetheless received MA.

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<sup>9</sup>The difficulty of assigning a cash value to medical assistance is a longstanding issue for income and poverty measurement (see, for example, Citro and Michael, 1995). Because child care subsidies offset child care expenses, we do not include them in this analysis as a source of income. While child care subsidies do not directly increase disposable income, in many cases they will increase resources available to the family. Child care subsidies will increase resources dollar-for-dollar if the subsidy recipient was previously paying the same costs out of pocket. Child care subsidies may increase time or other resources, but will have no direct effect on available cash income if the subsidy recipient did not use child care prior to receiving the subsidy. Assessing the contribution of child care to family wellbeing is also complicated by the multiple goals potentially served by child care. In particular, child care subsidies may support families by (1) increasing disposable income by offsetting out of pocket expenses; (2) increasing employment and earnings by making dependable child care more accessible; (3) improving child wellbeing by making higher quality child care more accessible.



**Table 4**  
**2007 M/A and Child Care Subsidy Receipt by W-2 Placements and Drop-Outs**

	W-2 Placements				W-2 Drop-Outs			
	Overall N = 776	CMC Placement N = 293	W-2 Other Cash-Tier N = 380	W-2 Non-Cash Tier N = 103	Overall N = 907	Declined Services N = 102	Denied Services N = 324	Missed Appointment N = 481
<i>M/A</i>								
% with any	98.6	97.3	99.7	98.1	90.6	93.1	94.1	87.7
Mean months among > 0	10.9	10.8	11.0	10.9	10.3	10.0	10.4	10.3
% 12 months among > 0	72.2	70.9	74.9	65.3	60.5	56.8	61.3	60.7
<i>Child Care Subsidy</i>								
% with any	54.4	62.1	47.4	58.3	34.1	39.2	36.1	31.6
Mean months among > 0	6.8	7.2	6.3	7.2	6.6	7.2	6.3	6.7
% 12 months among > 0	13.3	15.9	8.3	20.0	15.2	20.0	14.5	14.5

While almost all applicants enroll in MA, a significant portion do not have coverage for the full year—only 65.3 percent of those in a noncash tier and 74.9 percent of those in a cash tier are covered in all 12 months following the quarter of application, with full coverage rates slightly lower among dropouts. Most of those who do not have coverage for all 12 months lost coverage in the final quarter, which for most applicants coincided with the timing of eligibility redetermination.<sup>10</sup>

There is proportionally greater variance in receipt of child care subsidies. CMC participants are most likely to receive child care subsidies; 62.1 percent received some subsidy, averaging 7.2 months among those with any receipt. The lowest rates of child care subsidy use among W-2 participants was for those in other cash tiers; 47.4 percent received some subsidy, averaging 6.3 months among those with any receipt. Child care subsidy use was generally lower, and more uneven among W-2 dropouts. About a third of all dropouts received some child care subsidy, but among those with some receipt, 15.2 percent received subsidies for all 12 months.

In the case of medical assistance and child care subsidies, the lower rate of receipt among dropouts may reflect reduced access, as those who do not complete the application process might be expected to have less information about the programs. In the case of child care subsidies, lower participation may also reflect lower needs, given that a smaller proportion of this group were working or engaged in W-2 activities that might require child care. We calculated quarterly child care subsidy receipt rates for applicants who had any non-CMC W-2 placement (which might require child care) or employment in that quarter (figures not shown). Among those with an initial W-2 placement, 39 percent to 46 percent of those with a non-CMC W-2 placement or earnings in a quarter received some child care subsidy over the subsequent four quarters. Among dropouts, child care subsidy participation was lower; 33 percent to 35 percent of those with a non-CMC W-2 placement or earnings in the quarter received some child care subsidy over the subsequent four quarters. In quarters with no employment or non-CMC

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<sup>10</sup>In ongoing analysis we are investigating the timing of food stamp, child care, and MA exits.

cash placement, the rates of child care subsidy were 14 percent to 20 percent for initial W-2 participants and 6 percent to 7 percent for dropouts.

### Multivariate Descriptive Analysis of Applicants' Incomes

As noted in the introduction, we are not able to measure the effect of dropping out or participating in W-2 because unobserved differences make it impossible to draw causal conclusions. For example, individuals applying at different agencies may bring different characteristics or may face different labor market opportunities for reasons unrelated to the agency itself, and unobserved in our data. Similarly, individuals who subsequently drop out or enter a cash or noncash tier of W-2 are also likely to differ in ways not fully captured by our measures. Nonetheless, a descriptive multivariate analysis, which allows us to examine differences in earnings by participation status with other measured characteristics constant, is useful in confirming (or not) the bivariate relationships shown in the tables above.

Table 5 shows Ordinary Least Squares estimates of the relationship between post-application earnings and a range of individual characteristics and experiences with the W-2 program. Included in the analysis are initial W-2 placement (for participants) or drop-out reason (for dropouts), earnings and W-2 participation status in the 12 months prior to application, race/ethnicity, education, age, marital status, number and age of children, agency of application, and whether the applicant submitted multiple applications. Consistent with the simple descriptive results discussed above, we find that those who were placed in a non-CMC W-2 cash tier had the lowest earnings, followed by dropouts who were denied benefits or missed an appointment. Those who declined benefits, or entered a CMC or noncash W-2 placement had the highest earnings

## SUMMARY AND CONCLUSIONS

This report considers the earnings, program participation, and incomes of women who applied for W-2 benefits in the fall of 2006 at four agencies—in Dane County and in three Milwaukee regions. Building on previous analysis of the application process (Ybarra and Kaplan, 2007; Ybarra and Noyes,

**Table 5**  
**OLS Regression of Post-Tax Earnings 2007 (in Dollars)<sup>a</sup>**

Variable	Parameter Estimate	Standard Error	Pr >  t
Intercept	-5971.03	2601.55	0.0218
<b>Ending Events of Application (reference category: CSJ and W2)</b>			
No- Show	1554.38	483.72	0.0013
Decline	2618.93	787.16	0.0009
Denied	1393.19	527.22	0.0083
CMC	2631.48	607.33	<.0001
Non-cash	2652.01	776.59	0.0007
<b>Annual Earnings of Applicants July 2005–June 2006 (reference category: zero)</b>			
1–2,499	1753.92	456.56	0.0001
2,500–7,499	4558.98	495.35	<.0001
7,500–15,000	9003.58	555.73	<.0001
Over 15,000	14144.00	622.69	<.0001
<b>W-2 Receipt July 2005-June 2006 (reference category: zero month)</b>			
0–6 months	-104.25	464.51	0.8224
Over 6 months	-272.62	440.56	0.5361
<b>Race (reference category: Black)</b>			
White	-445.66	671.08	0.5067
Hispanic	-718.55	979.40	0.4633
Others	603.03	629.31	0.3381
<b>Education Level (reference category: missing or less than high school)</b>			
At least high school	1194.56	382.00	0.0018
<b>Agency (reference category: Dane)</b>			
YW1	324.80	642.65	0.6133
UM4	933.76	600.23	0.12
MAX5	1158.13	582.92	0.0471
<b>Marital Status (reference category: having been married)</b>			
Never Married Single	48.35	595.85	0.9353
<b>First Pregnancy (reference category: having at least one born child regardless of pregnancy)</b>			
Pregnant and no born child	348.00	2085.97	0.8675
<b>Age of the Youngest Child (reference category: not pregnant and the youngest child's age 2–5)</b>			
Pregnant	-109.82	659.28	0.8677
Not pregnant, the youngest child's age less than 2	779.60	470.30	0.0976
Not pregnant, the youngest child's age over 5	-74.43	578.30	0.8976
<b>Number of Children (reference category: '0 but pregnant' or 1)</b>			
2 or More	599.79	382.38	0.1169
<b>Age</b>	415.40	167.07	0.013
<b>Age Squared</b>	-7.01	2.62	0.0076
<b>Number of Application during Baseline: Sep. 06–Dec. 06 (reference category: one application)</b>			
Multiple Applications	-166.10	375.54	0.6583

<sup>a</sup> # of observations=1683

2008) we examine measures of economic well-being derived from administrative records and compare earnings and income for women who participated in W-2, and who dropped out of the application process.

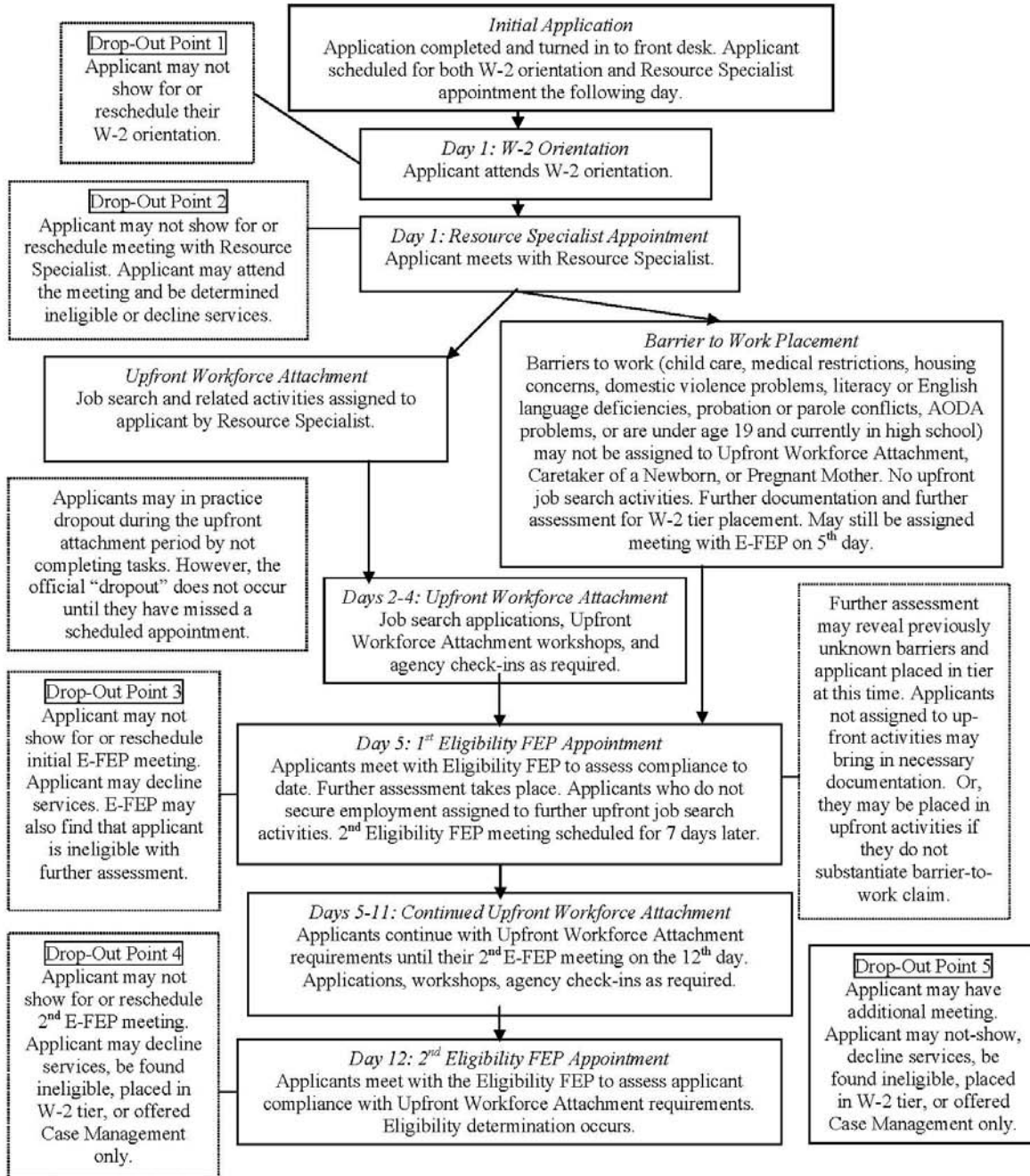
Data limitations require that our estimates be interpreted with caution. The administrative data on which we rely include only earnings recorded in the Wisconsin Unemployment Insurance system, estimated EITC associated with those earnings, and food stamps, W-2 benefits, and child support provided in Wisconsin. On average, earnings are the most important source of family income, with food stamps and the EITC also major supports. W-2 cash benefits, and to a lesser extent child support, are also important for families who receive them, but fewer families receive either source of income. Comparing income levels across groups, those who enter the CMC tier or a noncash W-2 placement have the highest incomes and lowest poverty rates in the following year. Those who enter a non-CMC cash tier, or who drop out of the application process have lower incomes and higher poverty rates.

The measures of later program participation and earnings reviewed here provide suggestive information regarding the functioning of the W-2 application process. One concern is that applicants may fail to complete the application process only to return to the program quite quickly. If the extended application process serves primarily to delay assistance, rather than redirect applicants to employment or other sources of support, it may put families at increased risk and waste administrative resources without ultimately reducing program participation. We find that about half of all applicants do not complete the application process, and of these, only about one in five return and receive any cash W-2 benefits in the subsequent year. This suggests that most of those who drop out are successfully diverted.

Another concern, more difficult to evaluate, is that some applicants who drop out, and their children, might have had improved outcomes had they received W-2 services. As noted above, our analysis cannot measure the effect of W-2 program participation or nonparticipation. Applicants arrive at W-2 agencies facing a number of challenges—low levels of education (two-thirds have less than a high school degree); significant child care responsibilities (75 percent have at least one child under age 6); and potentially limited support from fathers (90 percent have never married). Regardless of the services

provided, it is not surprising that so many continue to struggle economically. Nonetheless, our findings confirm very high levels of deep poverty—especially among applicants who drop out after missing an appointment or being denied services. Our results suggest that while most of those who drop out are not immediately cycling back to receive W-2 cash benefits, neither are they successfully finding alternative sources of support for their families.

**APPENDIX A**



## **Appendix B**

### **Earnings and Income Data Measurement**

- 1) All income sources extracted from administrative data for Q1 2007. Measured quarterly:
  - a. W-2 cash receipt amount
  - b. Food stamp receipt amount, measured at family (not household) level.
  - c. Child support received by applicant.
  - d. Child care subsidy amount. Negative amounts are included in quarterly and annual averages.
  - e. Medical assistance (MA) and/or Badger Care. Measured as received or not received.
- 2) Earnings: Extracted from Unemployment Insurance data.
- 3) Income: Measured as the annual, quarterly, or monthly sum of W-2 cash receipt, food stamp receipt, child support, and earnings (including EITC estimate) for 2007.
- 4) Estimating EITC for quarterly earnings: Employed the TAXISM tax calculator from NBER to estimate EITC credits for all those with earnings greater than zero. (<http://www.nber.org/~taxsim/>; taxim8 of STATA used).
  - a. The 2007 tax calculation: The TAXSIM covers 1960–2013 (federal) and 1977–2006 (state). Thus, for the 2007 tax calculation, we imputed 2006 tax rules.
  - b. To calculate the EITC requires information unavailable in our data (for example, current marital status, pensions, rent paid, out-of-pocket child care cost, second wage earners). We set variables to their expected values. For example, we assume marital status is ‘single’ and that applicants’ biological children are their only dependents. Additionally, the following variables were coded as zero for all applicants: second earner’s wages, pension income, child care, unemployment compensation benefits, mortgage interest paid, short- and long-term capital gains or losses, property tax, rent paid, other itemized deductions. In particular, it is worth noting that we excluded the Homestead credit from the calculation of state tax liabilities by setting the value of rent paid for all applicants to zero.



**APPENDIX C**  
**Dropping Out of the W-2 Application Process**

The W-2 application process is a 12-day procedure (see Appendix A) in which applicants may engage in a series of four mandatory appointments and a possible fifth agency appointment as part of the process. Table 1, as adapted from Ybarra and Noyes (Table 1), reflects these five agency appointments, or drop-out junctures, at which an applicant may drop out of the process: W-2 orientation, Resource Specialist meeting, 1<sup>st</sup> FEP intake meeting, 2<sup>nd</sup> FEP eligibility determination meeting, and an additional “other” FEP meeting. For a detailed description of what occurs at agency meetings and reasons an applicant may drop out, see Ybarra and Kaplan, 2008, and Ybarra and Noyes, 2008. For this report, we differ from our two previous reports in defining the reason a dropout occurred in two ways: 1) we excluded those who were determined ineligible for services from our sample; and 2) we merged those who showed up for a scheduled agency appointment but did not return for services and did not have any other administrative case notes, referred to as “attends appointment, no placement or subsequent appointment occurs” in Ybarra and Noyes, 2008, with those who missed an agency appointment referred to as a “no-show” in Table 1. The next section briefly defines agency appointments (drop-out junctures) and the reason the dropout occurred.

**Appendix C Table 1**

Reason for Dropout	Potential Drop-out Juncture				
	Orientation	Resource Specialist	1 <sup>st</sup> Eligibility FEP	2 <sup>nd</sup> Eligibility FEP	Other FEP
No- show (schedules but does not attend or reschedule appointment)	✓	✓	✓	✓	✓
Declined services		✓	✓	✓	✓
Denied services			✓	✓	✓

\*A check indicates that a dropout could occur at that juncture for the intersecting reason.

## W-2 ORIENTATION (DROP-OUT POINT 1)

Orientations were coded as “attended” if case notes explicitly stated the applicant had attended the orientation. In cases where case notes were not available, they were coded as “attending” orientation if a 1<sup>st</sup> FEP appointment was scheduled after the orientation, since FEP appointments are only scheduled for applicants who have attended a W-2 orientation and a Resource Specialist appointment.

Orientations were coded as “unattended” by applicants when case notes explicitly stated the applicant did not attend. When a case had a scheduled orientation but did not have case notes indicating they had attended the W-2 orientation, and no other appointment data occurred in the 60-day window, they were coded as having “dropped out” after the orientation.

## RESOURCE SPECIALIST APPOINTMENT (DROP-OUT POINT 2)

If attendance at a Resource Specialist meeting was not explicit in case notes, cases were coded as attending a Resource Specialist meeting if: a) the applicant had an application for W-2 services, a recorded attendance at a W-2 orientation, and were assigned to a 1<sup>st</sup> FEP meeting, irrespective of their subsequent attendance to the scheduled FEP meeting; or b) if the applicant was assigned to WorkFirst activities (see conditions below). The Resource Specialist meeting was coded as “attended” in these cases because the RS is responsible for scheduling the 1<sup>st</sup> FEP meeting appointment and assigning WorkFirst activities to applicants.

## 1<sup>ST</sup> FEP APPOINTMENT (DROP-OUT POINT 3)

First FEP meetings were coded as “attended” when accompanying worker case notes explicitly stated the applicant attended the appointment. In cases where accompanying case notes were unavailable, 1<sup>st</sup> FEP appointments were coded as “attended” if a) placement data indicated a W-2 tier placement occurred, or b) a 2<sup>nd</sup> FEP meeting was scheduled after the 1<sup>st</sup> FEP meeting indicating the applicant had attended and received an 2<sup>nd</sup> FEP meeting to determine eligibility.

First FEP appointments were coded as “unattended” when case notes explicitly stated the applicant did not attend the scheduled appointment. First FEP meetings without accompanying case notes were coded as “unattended” if a) there were no other FEP appointments scheduled after the missed appointment, and b) placement data did not indicate a W-2 tier placement had been assigned.

#### 2<sup>ND</sup> FEP APPOINTMENT (DROP-OUT POINT 4)

Second FEP appointments were coded as “unattended” when case notes explicitly stated the applicant did not attend the scheduled appointment. Second FEP meetings without accompanying case notes were coded as “unattended” if a) there were no other FEP appointments scheduled after the missed appointment, and b) placement data did not indicate a W-2 tier placement had been assigned.

#### “OTHER” FEP APPOINTMENTS (DROP-OUT POINT 5)

Some cases had FEP appointments that could not be classified as a 1<sup>st</sup> FEP or 2<sup>nd</sup> FEP meeting. These meetings were tagged as “Other FEP” meetings. Other FEP meetings were coded as “attended” when accompanying worker case notes explicitly stated the applicant attended the appointment. In cases where accompanying case notes were unavailable, Other FEP appointments were coded as “attended” if placement data indicated a W-2 tier placement occurred.

Other FEP appointments were coded as “unattended” when case notes explicitly stated the applicant did not attend the scheduled appointment. Other FEP meetings without accompanying case notes were coded as “unattended” if a) there were no other FEP appointments scheduled after the missed appointment, and b) placement data did not indicate a W-2 tier placement had been assigned.

#### W-2 PLACEMENTS

Placement decisions were typically made at the 2<sup>nd</sup> FEP meeting. In some instances, however, placement decisions may have been made at the RS meeting (usually a CMC) or at a 1<sup>st</sup> FEP meeting (usually a CMC or a W2-T when appropriate documentation was provided). CSJ, W-2T, CMC, and

noncash tier placements were recorded from CARES administrative data on W-2 placements for the sample.

### Drop-Out Reasons

We primarily relied on worker case notes in applicant case histories to determine the reason the dropout occurred for each case. The following drop-out reasons were employed:

#### *Declined Services*

Those who “declined services” formally declined W-2 services during the application process. Only case histories in which worker case notes explicitly stated the “applicant declined W-2 services” had their drop-out reason recorded as such.

#### *Denied Services*

Applicants who “denied services” were those with a formal denial of W-2 services recorded in case histories; case histories were recorded as “denied services” only when worker case notes explicitly indicated a denial of services had occurred. A denial of W-2 services may occur for the following reasons: 1) an applicant missed an appointment; or 2) an applicant did not comply with assigned work-first activities; or 3) an applicant had an unresolved sanction in another program such as Food Share or a CSE sanction at the end of the application window; or 4) reasons not described in explanations one through three. Irrespective of the reason the denial occurred, all such case histories must have contained worker case notes indicating the worker had formally denied services.

#### *Dropping Out by Missing an Appointment “No-Show”*

Drop-out juncture agency appointments were recorded as “no-show” when worker case notes explicitly stated the applicant did not attend the scheduled appointment. Additionally, drop-out juncture meetings without accompanying case notes were recorded as “unattended” if a) there were no other

agency appointments scheduled after the appointment; and b) placement data did not indicate a W-2 tier placement had occurred.

Conversely, we defined “attended” appointments as those in which attendance at the scheduled agency meeting was explicitly stated in worker case notes. In cases without explicitly stated appointment attendance, we recorded agency meetings as attended when: a) a subsequent scheduled agency appointment appeared in the case history and/or b) a W-2 placement appeared in CARES data along with the scheduled agency appointment.

## **APPENDIX D**

### **Changes in the W-2 Applicant Study Sample**

The original sample employed in Ybarra and Noyes (2008) included 1,913 individuals who applied for services at Dane, MAXIMUS, UMOS, or the YWCA from September to October of 2006. For purposes of analysis, Ybarra and Noyes excluded two case types: 1) cases that were “pending” (N=93) defined as when participation or nonparticipation was not resolved in the 60-day observation window. These cases did not drop out, receive a placement, become ineligible, decline, or have services denied. Rather, they were cases in which (1) the applicant had experienced multiple applications for W-2 services in the 60-day observation period resulting in such cases still being active in the application process by the time the 60-day coding window expired; and 2) cases that were “uncodable” (N=14) defined as those which lacked sufficient administrative-appointment and/or worker-case-note information to determine the outcome of their case. The final Ybarra and Noyes sample included 1,806 individuals after excluding 107 cases that were determined to be either “pending” or “uncodable.”

During the course of analysis for this report we found 95 individuals who dropped out of the application process and received W-2 cash assistance in the first post-application quarter (quarter one 2007). In an effort to understand reasons for relatively quick receipt of W-2 cash assistance after an incomplete W-2 application, we manually reviewed all 95 cases in which an applicant dropped out and received cash assistance in the first post-application quarter. During our review we found five cases--all defined as W-2 dropouts in Ybarra and Noyes, 2008--in which a coding error had occurred that resulted in exclusion from the current sample. Of the five cases identified, four were excluded from the current sample as they were found to be “pending cases” and recorded as such. An additional case was determined to be “uncodable.” All five were excluded resulting in a sample of N=1,801. In addition to the five excluded cases, two other cases recorded as “dropouts” in Ybarra and Noyes were determined to be W-2T participants after manual review and recorded as such for current analysis. Table 1 below reflects the changes made to the current sample.

**Appendix D Table 1**  
**Changes in the W-2 Applicant Study Sample**

	<b>Ybarra and Noyes, 2008</b>		
	All N = 1806	W-2 Drop-Outs N = 998	W-2 Placements N = 808
<i>Excluded Cases</i>			
Uncodable	-1	-1	—
Pending	-4	-4	—
<i>Status Change</i>			
W-2 Drop-Out to W-2 Placement	—	-2	+2
<b>Cancian and Ybarra, 2008</b>			
All	N = 1801	N = 991	N = 810

In addition to the five cases excluded for coding errors, we also excluded two-parent households, male participants, and applicants determined ineligible for services, resulting in 123 cases further excluded from 1,801 individuals for a final sample of N=1,683.

## Appendix E

## 2007 Quarterly and Annual Earnings, Income, and Income Supports by Drop-Out Reason

	Quarter 1		Quarter 2			Quarter 3			Quarter 4			2007 Overall			
	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All
<b>Declined Services</b>															
(N = 102)															
<i>Supports</i>															
M/A <sup>11</sup>	83.3	—	—	83.3	—	—	83.3	—	—	80.4	—	—	93.1	—	—
CC	26.4	3239	857	30.4	2904	882	28.4	3455	982	26.5	2385	631	39.2	8551	3354
<i>Sources</i>															
W-2	9.8	1205	118	12.6	735	94	11.8	854	100	9.8	1072	105	20.6	2027	417
CS	25.5	735	187	29.4	679	200	26.5	594	157	25.5	659	168	35.3	2109	713
Food Stamps	89.2	803	716	71.6	809	579	75.5	779	588	74.5	757	564	92.2	2656	2447
Earnings	60.8	2627	1597	54.9	3295	1809	59.8	2738	1638	57.8	3119	1804	77.5	8841	6848
EITC	57.8	830	467	52.0	991	506	56.9	786	434	54.9	912	486	74.5	2608	1893
Total Income	96.1	3212	3085	93.1	3422	3187	92.2	3166	2917	89.2	3505	3127	98.0	12564	12318
<b>Denied Services</b>															
(N = 324)															
<i>Supports</i>															
M/A	87.7	—	—	87.3	—	—	85.5	—	—	82.1	—	—	94.1	—	—
CC	21.6	3005	649	22.8	2801	640	24.4	3081	751	25.9	2811	729	36.1	7668	2769
<i>Sources</i>															
W-2	10.2	957	97	15.7	1161	183	17.0	1274	216	16.7	1175	196	23.4	2951	692
CS	31.8	536	170	31.5	463	146	31.2	521	163	30.2	382	116	42.9	1386	594
Food Stamps	85.2	891	759	80.2	821	659	80.2	843	677	79.9	839	670	93.5	2957	2765
Earnings	46.0	2244	1032	49.1	2369	1163	49.7	2490	1237	52.5	2688	1411	68.8	7036	4842
EITC	44.8	725	322	47.8	757	359	48.5	783	376	51.2	868	441	67.6	2235	1498
Total Income	94.8	2512	2381	91.4	2746	2509	91.7	2912	2669	91.7	2834	3092	98.1	10589	10392
<b>Missed Appointment</b>															
(N = 481)															
M/A	81.1	—	—	81.5	—	—	79.8	—	—	76.8	—	—	87.7	—	—
CC	19.5	2905	568	20.6	2533	521	21.6	2881	623	22.7	2644	599	31.6	7314	2769
<i>Sources</i>															
W-2	9.4	914	85	11.6	987	115	14.8	1118	165	13.5	1137	154	22.2	2334	519
CS	28.5	608	173	26.9	573	154	26.6	504	134	27.4	540	148	37.6	1618	609
Food Stamps	81.7	872	713	80.0	826	661	77.5	831	645	73.4	845	620	89.0	2965	2662
Earnings	46.4	2334	1082	47.8	2707	1294	47.6	2661	1267	49.5	3209	1588	68.0	7694	5231
EITC	44.5	710	307	45.9	781	348	45.7	719	317	47.6	947	435	66.1	2201	1407
Total Income	92.3	2557	2361	89.8	2864	2573	90.0	2807	2527	88.8	3316	2944	96.3	10809	10404

(Appendix continues)



## Appendix E, continued

	2007 Quarterly and Annual Earnings, Income, and Income Supports by Drop-Out Reason														
	Quarter 1			Quarter 2			Quarter 3			Quarter 4			2007 Overall		
	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All
<b><i>Drop Outs Over All</i></b>															
<i>Supports</i>															
M/A	83.7	—	—	83.8	—	—	82.2	—	—	79.1	—	—	90.6	—	—
CC	21.1	2989	629	22.5	2687	604	23.4	3034	709	24.3	2676	649	34.1	7608	2592
<i>Sources</i>															
W-2	9.7	963	93	13.2	1034	137	15.2	1157	176	14.2	980	163	22.5	2532	570
CS	29.3	592	174	28.8	542	156	28.2	520	147	28.6	492	139	39.3	1568	615
Food Stamps	83.8	871	730	79.2	823	651	78.3	830	650	75.9	833	632	91.0	2927	2662
Earnings	47.9	2345	1122	49.1	2660	1305	49.7	2610	1298	51.5	3008	1549	69.3	7605	5274
EITC	46.1	732	330	47.3	798	370	48.0	751	351	49.7	914	443	67.6	2264	1494
Total Income	99.4	2617	2449	98.1	2886	2619	97.6	2886	2622	96.3	3256	2925	97.1	10929	10615

## Appendix F

## 2007 Annual and Quarterly Earnings, Income, and Income Supports by Drop Out Juncture

	Quarter 1		Quarter 2			Quarter 3			Quarter 4			2007 Overall			
	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All
<b>Orientation</b>															
(N = 315)															
<i>Supports</i>															
M/A	81.9	—	—	83.5	—	—	79.7	—	—	76.8	—	—	88.9	—	—
CC	17.5	3208	560	20.0	2761	552	21.6	3155	681	22.9	2638	603	30.2	7946	2396
<i>Sources</i>															
W-2	9.2	922	85	11.4	1056	121	15.2	1124	171	13.7	1057	144	21.6	2414	521
CS	26.3	602	159	24.8	568	141	25.4	485	123	25.7	556	143	36.5	1549	565
Food Stamps	82.5	872	720	79.7	828	660	75.6	843	637	74.0	853	631	89.2	2969	2648
Earnings	45.4	2329	1057	48.3	2621	1265	46.7	2606	1216	49.5	3166	1568	66.3	7695	5106
EITC	43.2	712	296	46.0	785	349	44.4	710	299	47.3	951	426	64.1	2237	1371
Total Income	92.1	2516	2317	89.5	2831	2535	88.9	2753	2447	88.3	3301	2913	96.2	10616	10211
<b>Resource Specialist</b>															
(N = 75)															
<i>Supports</i>															
M/A	76.0	—	—	73.3	—	—	70.7	—	—	73.3	—	—	84.0	—	—
CC	21.3	3289	702	22.7	3133	710	22.7	3346	758	22.7	2850	646	36.0	7823	2816
<i>Sources</i>															
W-2	6.7	1193	80	10.7	886	94	13.3	1085	145	6.7	1080	72	18.7	2093	391
CS	28.0	607	170	26.7	531	142	28.0	455	127	29.3	453	133	36.0	1588	572
Food Stamps	82.7	725	599	74.7	667	498	69.3	665	461	68.0	673	458	89.3	2257	2017
Earnings	48.0	2734	1312	46.7	3061	1428	48.0	2919	1401	52.0	3089	1606	76.0	7563	5748
EITC	46.7	914	419	45.3	942	419	46.7	828	378	50.7	977	487	74.7	2323	1705
Total Income	92.0	2805	2581	88.0	2934	2582	86.7	2899	2513	86.7	3180	2756	97.3	10717	10432
<b>1<sup>st</sup> FEP Meeting</b>															
(N = 284)															
M/A	82.7	—	—	83.5	—	—	86.6	—	—	82.0	—	—	91.5	—	—
CC	27.1	3234	877	25.4	2975	754	26.1	3193	832	26.4	2751	727	37.7	8466	3190
<i>Sources</i>															
W-2	9.2	857	78	11.7	1026	119	13.7	1073	147	14.8	1099	163	21.5	2363	508
CS	25.7	581	149	27.5	523	144	26.1	624	163	25.7	475	122	36.6	1577	578
Food Stamps	83.5	859	717	78.9	811	639	82.0	811	665	77.5	832	644	91.9	2900	2665
Earnings	51.4	2544	1308	51.4	2807	1443	53.2	2726	1449	53.5	3034	1624	70.0	8311	5824
EITC	49.6	758	368	49.6	811	395	51.4	779	392	51.8	884	449	68.3	2397	1604
Total Income	95.1	2756	2620	91.5	2993	2740	92.6	3041	2816	91.2	3292	3002	97.5	11461	11179

(Appendix continues)

## Appendix F, continued

	2007 Annual and Quarterly Earnings, Income, and Income Supports by Drop Out Juncture														
	Quarter 1			Quarter 2			Quarter 3			Quarter 4			2007 Overall		
	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All	% > \$0	Mean > \$0	Mean All
<b>2<sup>nd</sup> FEP Meeting</b>															
(N = 196)															
<i>Supports</i>															
M/A	90.8	—	—	88.3	—	—	84.7	—	—	81.1	—	—	94.9	—	—
CC	17.3	2113	366	21.4	1989	426	21.4	2361	518	23.5	2464	578	34.7	5444	1889
<i>Sources</i>															
W-2	10.7	1152	124	17.9	1066	190	17.9	1372	245	17.9	1254	224	26.0	3009	783
CS	39.3	580	228	36.7	503	185	35.2	431	152	35.2	427	150	49.0	1459	715
Food Stamps	86.2	943	813	80.1	869	696	79.1	879	695	79.1	832	658	92.9	3082	2862
Earnings	44.9	2015	905	45.4	2350	1067	48.0	2333	1119	51.0	2517	1284	68.4	6399	4375
EITC	43.4	707	306	43.9	773	338	46.4	757	350	49.5	843	416	66.8	2117	1411
Total Income	94.4	2516	2375	91.8	2696	2476	92.3	2773	2561	90.8	3009	2733	98.0	10356	10145
<b>Other FEP Meeting</b>															
(N = 37)															
<i>Supports</i>															
M/A	83.8	—	—	86.5	—	—	81.1	—	—	75.7	—	—	89.2	—	—
CC	24.3	2328	566	27.0	2318	627	27.0	3396	918	27.0	3071	830	34.2	9067	2941
<i>Sources</i>															
W-2	18.9	784	148	21.6	973	210	16.2	839	136	10.8	1795	194	27.0	2549	689
CS	32.4	652	212	35.1	731	257	32.4	751	244	29.7	615	183	37.8	2365	895
Food Stamps	86.5	854	739	81.1	911	739	86.5	907	784	78.4	996	749	91.9	3277	3012
Earnings	56.8	1786	1014	62.2	2582	1605	62.2	2531	1573	54.1	3877	2096	81.1	7755	6287
EITC	56.8	491	279	62.2	681	424	62.2	689	428	54.1	1076	582	81.1	2111	1712
Total Income	94.6	2528	2392	94.6	3419	3235	94.6	3346	3165	94.6	4021	3804	97.3	12944	12959
<b>Drop-Outs Overall</b>															
(N = 907)															
<i>Supports</i>															
M/A	83.7	—	—	83.8	—	—	82.2	—	—	79.1	—	—	90.6	—	—
CC	21.1	2989	629	22.5	2687	604	23.4	3034	709	24.3	2676	649	34.1	7608	2592
<i>Sources</i>															
W-2	9.7	963	93	13.2	1034	137	15.2	1157	176	14.2	980	163	22.5	2532	570
CS	29.3	592	174	28.8	542	156	28.2	520	147	28.6	492	139	39.3	1568	615
Food Stamps	83.8	871	730	79.2	823	651	78.3	830	650	75.9	833	632	91.0	2927	2662
Earnings	47.9	2345	1122	49.1	2660	1305	49.7	2610	1298	51.5	3008	1549	69.3	7605	5274
EITC	46.1	732	330	47.3	798	370	48.0	751	351	49.7	914	443	67.6	2264	1494
Total Income	99.4	2617	2449	98.1	2886	2619	97.6	2886	2622	96.3	3256	2925	97.1	10929	10615

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