



ESTIMATING LSC FUNDING CHANGES BASED ON SHIFTS IN THE POVERTY POPULATION

**Webinar Training
January 24, 2012
(updated February 27, 2012)**

What the Webinar Will Cover

- How grantees can determine their service areas' shares of the U.S. poverty population based on 2010 SAIPE poverty population estimates
- How grantees can estimate their FY2013 and FY 2014 LSC funding levels based on (a) 2010 SAIPE poverty population estimates and (b) FY2012 LSC funding levels
- Assumptions and Limitations of the estimates
- Review of the major Census Bureau data sets with poverty estimates for small areas – the American Community Survey (ACS) and the Small Area Income and Poverty Estimates (SAIPE) – and why SAIPE data are used for the Webinar.
- How to access and download data sets to calculate estimates
- Factors affecting grantees' FY2013 and FY2014 funding levels

Preliminary Information

NEED FOR CENSUS REALLOCATION

- Current law requires distribution of LSC funding on a per capita basis relative to the number of individuals in poverty in each geographic area as determined by the Census Bureau based on the most Decennial Census
- **Note:** Funding distribution is based on poverty population estimates based on 100% of poverty, not the 125% level that is the LSC income eligibility level.

Need for Legislative Changes re: Distribution of LSC Funding Among Geographic Areas

- 2010 Decennial Census contains no poverty estimates
- LSC recommended legislative changes:
 1. Census Bureau determines poverty population
 2. Two-year phase in of redistribution (FY2013 and FY2014)
 3. Future redistributions every three years
- Uncertain what Congress will do. Possibilities:
 1. All changes recommended by LSC
 2. Some of LSC-recommended changes
 3. Other changes
 4. No changes

Fundamental Assumptions & Limitations of Webinar Calculations and ESTIMATES

- Congress enacts LSC recommended changes
- Use Census Bureau Small Area Income and Poverty Estimates (SAIPE) data sets to determine distribution of poverty population
- FY2013 and FY2014 LSC funding levels are same as FY2012 funding level



Other Assumptions & Limitations of Webinar Estimates

Based exclusively on basic field funding for the 50 states and DC.

- Does not include Native American and Migrant Funding
 - Have special funding formulas
 - Majority of LSC grantees do not have Native American or Migrant Grants
- Does not include poverty populations and funding estimates for Puerto Rico, American Samoa, Guam, Micronesia and Virgin Islands service areas
 - No SAIPE data for Puerto Rico (updated ACS data are available)
 - For other service areas outside 50 states and DC, there are no updated poverty estimates. (2010 Decennial Census data for most of those areas, expected to be available later this year, will have poverty estimates.)
- For information re: estimates for Native American and Migrant service areas, and geographic service areas other than 50 states & DC, contact LSC staff (see contact information at end of presentation)

Basic Steps to Estimate Grantees' 2013 and 2014 LSC Funding Levels Based On Shifts in the Poverty Population

- Determine Share of Poverty Population Based on Most Current Data Set – 2010 Small Area Income and Poverty Estimates (SAIPE)
- Identify 2012 Funding Level (based on 2012 Appropriation)
- Calculate 2013 and 2014 Funding Estimates Based on Share of US Poverty Population Based on 2010 SAIPE Data

Grantee Used as Example for Webinar: Atlanta Legal Aid Society, Inc. (ALAS)

- For ease of illustration. (ALAS service area with 5 counties; some service areas with over 175 jurisdictions)
- The following counties comprise the ALAS service area
 1. Clayton
 2. Cobb
 3. DeKalb
 4. Fulton (includes Atlanta)
 5. Gwinnett

Questions on Material Covered So Far?

**Census Bureau Data Sets with
Poverty Population Estimates for
Small Geographic Areas and Why
SAIPE Data Are Used for the
Webinar**

Census Bureau Data Sets with Poverty Estimates for Small Geographic Areas

- Census Bureau Has Two Data Sets with Poverty Population Estimates for Small County and Sub-County Areas (which are contained in many LSC service areas):
 1. Small Area Income and Poverty Estimates (SAIPE)
 2. American Community Survey (ACS)
- LSC does not know what data set(s) the Census Bureau will use for determination of poverty population. At this time, SAIPE may provide best data for determining current distribution of poverty population.
- For description of SAIPE and ACS and access to their data sets:
 1. SAIPE Census Website: <http://www.census.gov/did/www/saipe/>.
 2. ACS Census Website: <http://www.census.gov/acs/www/>.
- For description of all Census Bureau income and poverty data sources: <http://www.census.gov/hhes/www/poverty/about/datasources/description.html>.

Key Differences between SAIPE and ACS

- **Usage and Purpose**

SAIPE

- Prepared under contract for Dept. of Education and other agencies to allocate program funds, e.g., Title I (\$14.5 billion in 2012), Individuals with Disabilities Education Act (IDEA) (\$12.6 billion in 2012).

ACS

- Replaced the decennial Census “long form.” Provides comprehensive information on social, economic, and housing data down to Census Block Group level.

- **Methodology**

SAIPE:

- Model-based. Model combines one-year ACS data with data from IRS, Food Stamp (a.k.a. Supplemental Nutrition Assistance Program (SNAP)) participation data and other Census Bureau data sets.
- One-year data. Produced annually.
- Higher margins of error than 5-year ACS for small areas.

ACS:

- Survey-based. Continuous surveys throughout the year; survey nearly 3 million addresses each year.
- Publish 1-year, 3-year and 5-year data sets. 1-year data for areas w/pop \geq 65,000; 3-year for areas with pop \geq 20,000; and five-year data sets for counties/jurisdictions of all sizes.
- Surveys provide data for 12-month period prior to survey date, thus 1-year surveys provide 23 months of data. Data mid-point: for example, data mid-point for 2010 ACS is December 15, 2009.
- 5-year ACS with lower margins of error than SAIPE.
- Provides updated income, poverty and other estimates for the administration of federal programs and the allocation of federal funds to local jurisdictions.

- **Timeliness**

SAIPE two years more timely than 5-year **ACS** – can be critical factor

The Great Recession's Impact on Poverty & the Importance of Timely Data

- **Relative changes** in poverty population from 2000 Census to 2008 ACS and from the 2008 ACS to the 2010 ACS.
- **Data mid-points** of 1-year 2008 ACS and 5-year 2006-2010 ACS are December 15, 2007, first month of official onset of Great Recession. Data mid-point of 2010 ACS is December 15, 2009.
- **Size of poverty population:** From 2000 Census to 2010 ACS, the US poverty population (50 states and D.C.) increased by 12.3 million from 33.9 million to 46.2 million.
 1. 2000-2008 increase was 5.2 million. 2008-2010 increase was 7.1 million.
 2. 58% of 2000-2010 poverty population increase was from 2008 to 2010.
- **Distribution of poverty population:**
 1. 11 states with a decreased share of the US poverty population from 2000-2008 had an increased share from 2008-2010
 2. 10 states with an increased share from 2000-2008 saw a decrease in their share from 2008-2010
 3. Examples of changes in size of states' poverty populations:
 - *California:* poverty population increased by 72,000 from 2000-2008 and 1.0 million from 2008-2010;
 - *Louisiana:* poverty population fell by 107,000 from 2000-2008 and then increased by 81,000 from 2008-2010;
 - *New York:* poverty population fell by 111,000 from 2000-2008 and then increased by 240,000 from 2008-2010

All three states saw decrease in poverty population and funding share from 2000-2010; funding share loss would be greater if 2008 data used for distribution

Difference between SAIPE and ACS: Sub-County Data

- **SAIPE:**
 - Provides selected data for all school districts
 - <http://www.census.gov/did/www/saipe/data/schools/index.html>.
- **ACS:**
 - Census Block Group data:
 - ACS main page: <http://www.census.gov/acs/www/>.
 - Click “Data and Documentation” tab, then click “summary file”
 - Select [“Summary File Retrieval Tool”](#)
 - Load then open (or save) the Excel file. Because of file size, this and following steps can take a minute or more to complete
 - Click icon in step 2
 - Follow instructions (poverty estimates table is #B17001, must use 5-year data set)

For help with sub-county data, contact Trent Alexander, American Community Survey, (301-763-9810), j.trent.alexander@census.gov

Questions on Material Covered So Far?

Data and Calculations to Determine Share of US Poverty Population Based on 2010 SAIPE

Funding Changes Based on Change in Share of Poverty Population

- Poverty population increased 36.3% from 2000 Census to 2010 SAIPE/ACS
- If a program's poverty population increased *less than* 36.3%, its share of the US poverty population, and thus its share of total funding, will fall
- If a program's poverty population increased *more than* 36.3%, its share of the US poverty population, and thus its share of total funding, will increase

Excel Worksheet Contents to Calculate Service Area Poverty Population Changes

- ***Jurisdictions:***
 1. Total U.S. (50 states & DC)
 2. ALAS Service Area counties
 3. ALAS service area total

- ***2010 SAIPE:***
 1. Total U.S. poverty population
 2. ALAS counties and total service area poverty population

- ***Column for calculations***

Table I

ALAS's Share of Total U.S. Poverty Population Based on 2010 SAIPE

Jurisdiction	2010 SAIPE	
	Poverty Population	Share of US Poverty Population
US Total Poverty Population	46,215,956	
ALAS Counties		
Clayton	57,649	0.125%
Cobb	95,398	0.206%
Dekalb	131,946	0.285%
Fulton (includes Atlanta)	159,048	0.344%
Gwinnett	108,754	0.235%
Total ALAS Service Area	552,795	1.196112874956%

Source for all data except total US population: U.S. Census Bureau, Small Area Estimates Branch, Table 1: 2010 Poverty and Median Income Estimates - Counties, Release date: 11.2011, <http://www.census.gov/did/www/saipe/data/statecounty/data/2010.html>.

Source for US Total Poverty Population: Bishaw, **Poverty: 2009 and 2010**, *American Community Survey Briefs*, American Community Survey, U.S. Census Bureau, October 2011. Table 1. "Number and Percentage of People in Poverty in the Past 12 Months by State and Puerto Rico: 2009 and 2010." Includes only poverty populations of the 50 states and the District of Columbia

Determining Grantee's Share of US Poverty Population Based on 2010 SAIPE

Step 1: Download Data to Excel Spreadsheet

- Create Excel worksheet for data to calculate poverty population changes (Table I)
- Access 2010 SAIPE data on Census Bureau Website at:
<http://www.census.gov/did/www/saipe/data/statecounty/data/2010.html>.
- Navigate to needed data:
 1. State and County Estimates for 2010
 2. Open Excel spreadsheet: "[est10ALL.xls](#) – US and all states and counties"
- Locate and download/cut paste data for service area counties

Determining Grantee's Share of U.S. Poverty Population Based on 2010 SAIPE

Step 2: Calculate Changes

- ***Total service area poverty population =***
sum of poverty populations of all counties in service area
- ***Service area poverty population share of U.S. poverty population =***
total service area poverty population ÷ total U.S. poverty population

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**Sum of poverty
populations of all counties
in ALAS service area**

**Sum of ALAS poverty
population / total US poverty
population**

Questions on Material Covered Thus Far?

Data and Calculations to Estimate Grantees' FY2013 and FY2014 LSC Funding Levels

Excel Worksheet Contents to Calculate Estimated LSC FY2013 and FY2014 Funding Based on 2010 SAIPE

- ***Jurisdictions***

1. Total U.S. (50 states & DC)
2. ALAS service area total

- ***Actual LSC 2012 Funding***

1. Total U.S. = \$285,201,451 (does not include Native American, Migrant, American Samoa, Guam, Micronesia, Puerto Rico and Virgin Islands)
2. ALAS = \$2,439,287

- ***ALAS 2010 Share of US Poverty Population*** (from Table 1) = 1.196%

- ***Columns for calculations***

1. 2013 funding based on 50% phase-in of 2010 poverty population share
2. 2014 funding based on full adjustment for 2010 poverty population share

Table II

Projected FY2013 and FY2014 ALAS LSC Funding Based on SAIPE Poverty Population

Jurisdiction	Actual 2012 Funding	2010 SAIPE: Share of US Poverty Population	2012 Adjusted Funding Based on SAIPE Poverty Population Changes	
			Projected 2013 Funding (2012 Funding with Initial (50%) Phase In)	Projected 2014 Funding (2012 Funding w/Full Census Adjustment)
US Total	\$285,201,451			
ALAS Service Area	\$2,439,287	1.196112874956%	\$2,925,309	\$3,411,331

Funding data source: Legal Services Corporation, Office of Information Management

US Total Funding based exclusively on basic field funding, does not include Native American and Migrant Funding. Also, does not include poverty populations or funding for American Samoa, Guam, Micronesia, Puerto Rico and the Virgin Islands.

Calculating 2013 and 2014 Funding Levels Based on 2010 SAIPE Poverty Population Estimates

- *Equation elements:*
 1. A = total US LSC basic field 2012 actual funding (with adjustments noted above)
 2. B = ALAS actual 2012 funding
 3. C = ALAS share of 2010 poverty population
 4. D = Estimated 2014 Funding (2012 funding level with full Census Adjustment Phase-In)
 5. E = Estimated 2013 Funding (2012 funding level with 50% of Census Adjustment)
- *Estimated 2014 Funding = $A * C = D$*
- *Estimated 2013 funding = $(D - B)/2 + B = E$*

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A = total US LSC basic field 2012 actual funding

B = ALAS share of 2012 2012 LSC field funding

C = ALAS share of 2010 poverty population (from Table I)

E = Estimated 2013 funding = $(D - B)/2 + B$

D = Estimated 2014 Funding = $A * C$

Factors Determining Ultimate Census-Based Funding Redistributions

- Whether LSC-recommended changes are enacted by Congress. LSC recommends:
 1. Census Bureau determines the poverty population
 2. Census-based adjustments implemented in two phases – 50% in 2013, 100% in 2014
 3. 3-year redistribution cycle (will not affect 2013 and 2014 distributions)
- Cannot predict what Congressional action will be. Possibilities: All changes recommended by LSC; Some of LSC-recommended changes; Other changes; No changes
- Cannot predict when Congress will act. LSC recommendation part of FY2013 Appropriation request. FY2013 may not be enacted until fall 2012, winter 2014 or perhaps Continuing Resolution for all of FY2013.
- Until change(s) are enacted, distribution based on current law (i.e., 2000 Census)
- Determination of poverty population by Census Bureau: do not know what data set(s) the Bureau will use
- Actual 2013 and 2014 LSC Appropriation amounts

Questions on Material Covered in Webinar?

Follow-Up

- Webinar archived and posted on LSC website at:
- For further information contact:
 - Bristow Hardin, LSC Office of Program Performance, 202-295-1553, hardinb@lsc.gov.