

# Poverty Measures: A Q&A On Free and Reduced Price Lunch (FRPL) and Census Poverty Measures

*This document answers common questions asked about poverty measures for K-12 students in Washington State. It was jointly prepared by OSPI's Child Nutrition, Student Information, Title I, Part A/Learning Assistance Program, and School Apportionment and Financial Services offices.*

## FRPL versus Census Poverty Data: What's the difference?

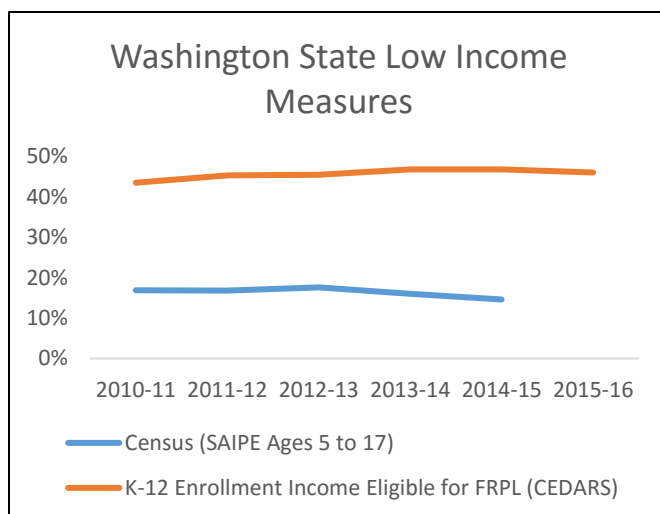
**There are two types of FRPL data provided to the state:**

1. For United States Department of Agriculture (USDA) purposes, districts submit building level data through Child Nutrition as part of their requirements under USDA for child nutrition meal reimbursements.
2. For State and US Department of Education Reporting, districts submit data through CEDARS to identify students eligible for FRPL.

### What is the Census Small Area Income Poverty Estimate (SAIPE)?

SAIPE is an estimate generated annually from the American Community Survey (ACS), a sampling of families from across the United States. Nearly 48,000 households in Washington are surveyed. The information from the ACS feeds the Census SAIPE model, and the model estimates poverty for smaller areas, including counties and school districts. There is no way to challenge or adjust a state or school district's poverty estimate under SAIPE.

SAIPE provides an estimate for the total population age 5 to 17 living in poverty. It does not reflect the actual enrollment of a school district. Each SAIPE data set published by the Census Bureau includes confidence intervals. Appendix A provides the 90% confidence intervals of this data.<sup>1</sup>



### How Does the Census Data and the FRPL Data Compare for Washington State and Districts?

Census SAIPE data is an estimate of the overall population ages 5 to 17 living below the poverty line. For 2015, the Census Bureau estimates 14.6% of the state's 5 to 17 year olds live at or underneath 100 percent of the poverty line. This estimate is of all students, regardless of whether they are enrolled in the district.

K-12 data reflects the enrollment of students who have been identified as eligible for FRPL. For the 2015-16 school year, this is 46 percent of students. Appendix B provides a comparison of the percentages for school districts using Census or FRPL.

Example: Income Eligibility levels for a family of four 2016-17 School Year	
Percent of the Poverty Line	16-17 Income for a Family of Four
100%	\$24,300
130%	\$31,590
185%	\$44,955

## Eligibility and Identification

### How Do the Income Measures for Census SAIPE Data Compare to FRPL Eligibility?

Census SAIPE data estimates the number of children ages 5 to 17 living below the poverty line. USDA sets eligibility for

<sup>1</sup> <https://www.census.gov/did/www/saipe/methods/schooldistrictuncertainty.html>

free lunch at 130 percent of the poverty line. USDA sets eligibility for reduced price lunch at 185 percent of the poverty line.

### How is Individual Student Eligibility for FRPL Used for State and Federal Reporting?

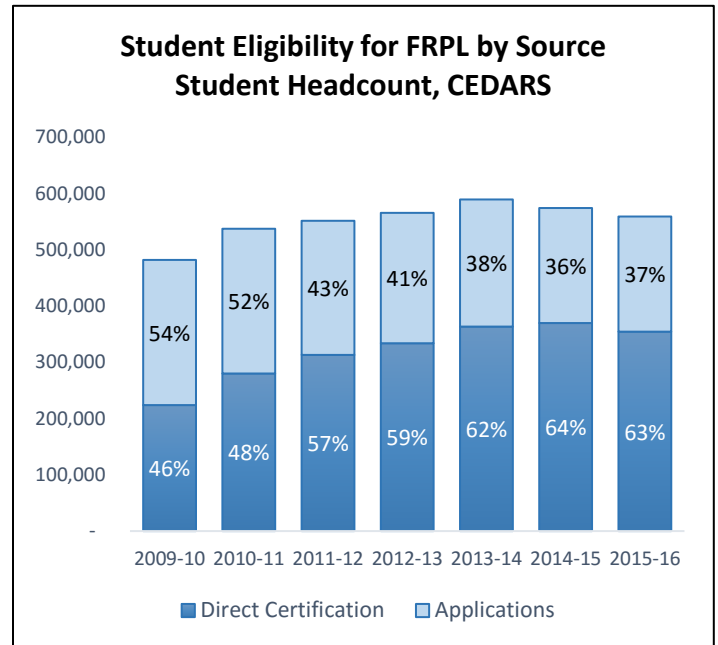
The Elementary and Secondary Education Act (ESEA) requires the states to annually publish on the Report Card student achievement data by school, district, and state. The report must include performance by student groups, including low-income. ESEA also requires states' accountability systems to measure performance by student subgroup. Low-income is one of the categories.<sup>2</sup>

State law requires OSPI reports to disaggregate data by a variety of student groupings, including low-income.<sup>3</sup>

### How are Students Identified as Eligible for Free and Reduced Price Lunch in CEDARS?

Students are identified as FRPL eligible through:

- (1) **Direct certification** with a data match from a state or federal program; or
- (2) **Free and Reduced Price Meal application.**



Over the past 7 years, the percentage of students identified through direct certification has grown. Currently, 63 percent of students are reported as eligible for FRPL CEDARS via direct certification. These programs include Basic Food, Temporary Assistance For Needy Families (TANF), Head Start/ECEAP, Migrant, Homeless, and Foster Care. Appendix B has direct certification rates by district.

The increase in direct certification has occurred at the same time the K-12 budget funded enhancements based on school poverty rates (phase-in of Full Day Kindergarten, K-3 class size reduction, and an expansion in the Learning Assistance Program).

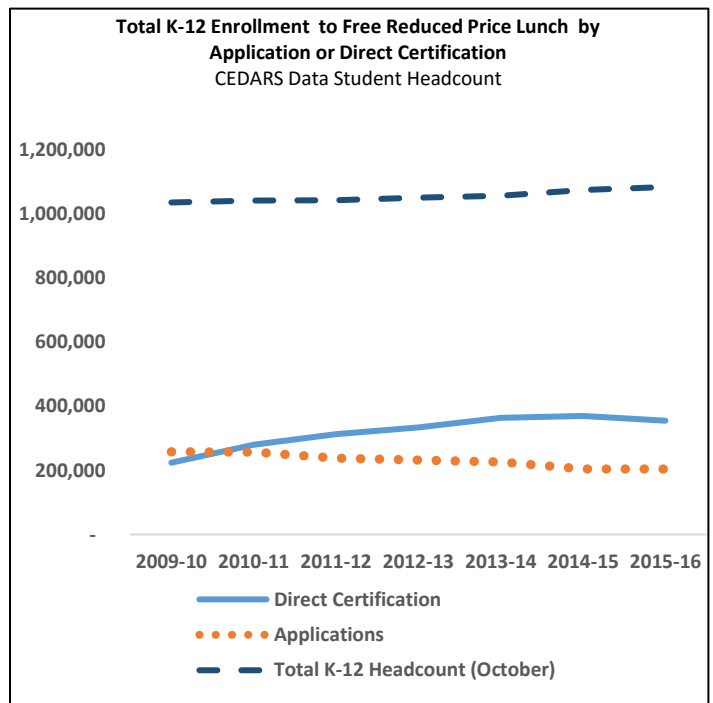
### How Long May a Student Receive Free and Reduced Price Lunch?

USDA policy is that once a child is certified by the school district for meal benefits, the child is to receive services for the entire school year, plus can be carried forward up to 30 operating days into the next school year. Starting with October 1 of each school year, districts update their CEDARS data. There is an exception for the verification process, explained below.

## Data Verification for Child Nutrition

### What is the Verification Process? Is this an Error Rate?

It is important to note, that out of the 471,798 students eligible for free and reduced price lunch in October, 2016, over 60% were directly certified, which means their eligibility has been verified by another state or local agency.



<sup>2</sup> ESEA, as amended by the Every Student Succeeds Act. Sections: 1111(b)(2)(B)(xi)(I)(xi); 1111(c); 1111(h). These requirements were also part of No Child Left Behind.

<sup>3</sup> RCW 28A.300.042

The “error rate” is a verification rate. Each year, there is a six-week window between October 1 and November 15 when school districts sample their child nutrition meal applications through the USDA Verification Process. School districts sample applications based on the USDA requirements.

The USDA focuses sampling efforts on applications most likely to be on the margins for eligibility. The sampling of applications focuses on those within \$100/month of the income eligibility guidelines for either free or reduced price meals. When looking at the changes found in this process, keep in mind that this sampled group is likely to be on the margins for eligibility and that family incomes can shift paycheck to paycheck.

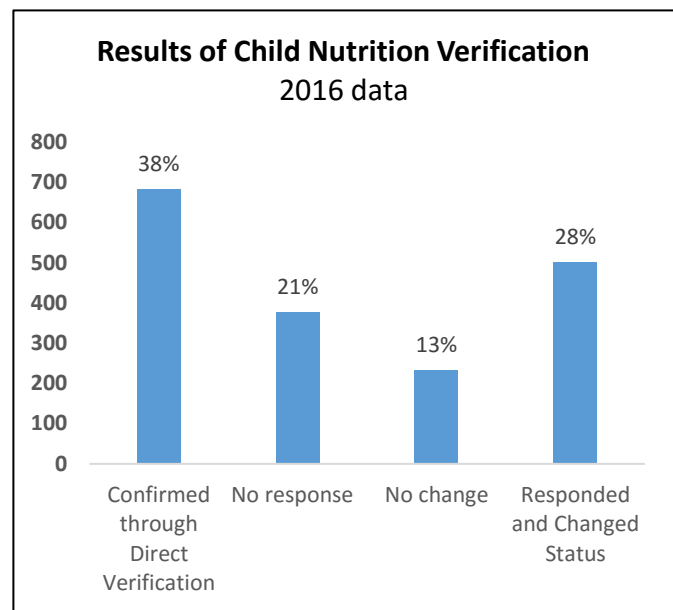
After the verification process, the school district updates child nutrition data to reflect the student’s correct eligibility status. Some children move to not eligible; some children are adjusted from free to paid; while others are adjusted from reduced price to free.

Of the 1,709 applications sampled in Fall of 2016,

- 38% were confirmed with a data match to DSHS Medicaid data.
- 13% were verified through supporting documentation, including pay stubs.
- 28% responded and had their status changed.
- 21% did not respond. Those applications were moved to pay status.

#### **How are the verification results applied to CEDARS?**

School districts update the CEDARS data for any students linked to an application that was verified where the eligibility status changed.



## **Title I and LAP Funding Allocation**

### **How is Title I, Part A Funding Allocated to Districts and Schools in Washington State?**

- State and District Amounts are Determined with Census SAIPE Data
- School Amounts Determined by Eligibility for Free and Reduced Price Lunch

The U.S. Department of Education distributes Title I, Part A program funding to states and school districts based on their relative poverty compared to other states (for the Washington’s overall allocation) and relative poverty compared to other school districts (for each district’s allocation). The Census Bureau’s SAIPE data is used for the poverty measures at the state and district level. The Census Bureau’s data is lagged by two years. So 2015 data will be used for the 2017-18 school year Title I, Part A allocations.

School districts then distribute the funding to schools, and must ensure that the schools with the highest poverty receive the most amount per student. Census data is not available at the school level. Districts use eligibility for Free and Reduced Price Lunch to allocate funding to schools.

### **How are Learning Assistance Program (LAP) Funds Allocated to Districts in Washington State?**

The state allocates LAP funds through the K-12 funding formula. The district’s prior year percentage of students eligible for Free and Reduced Price Lunch is multiplied by the district’s prior year enrollment. That number is then used to generate a funding allocation based on a formula in statute and the appropriations act.

School districts may determine where to place their LAP funds, although under statute, they must first focus the LAP program first on K-4 reading.