


Middle Cities
EDUCATION ASSOCIATION

Poverty Matters

Raymond S. Telman
March 13, 2013

POVERTY

MICHIGAN



In 2013
23.6%
of Michigan children
(534,584)
lived in poverty.

MICHIGAN

The number of Michigan children living **in poverty** increased **35%** over six years, to nearly one in four.



MICHIGAN

17% of Michigan's children live in



**CONCENTRATED
POVERTY**

MICHIGAN



12% of Michigan's children live in

**EXTREME
POVERTY**

MICHIGAN

For the first time in recent history, a **majority of the schoolchildren** attending the nation's public schools come from low income families. Michigan's rate of low income students is **47%**



POVERTY GUIDELINES

Issued each year by the Department of Health & Human Services, for determining financial eligibility for certain federal programs.

2015 POVERTY GUIDELINES	
Persons in family/household	Poverty guideline
1	\$11,770
2	15,930
3	20,090
4	24,250
5	28,410
6	32,570
7	36,730
8	40,890

STUDENT PERSPECTIVE

- 42% of single-parent families in Michigan live below federal poverty guidelines.
- Between 2008 and 2011, the number of homeless students in Michigan's public schools increased by 315%.
- More than 43,000 Michigan public school students were homeless in 2011-2012.
- One in five children experience "food insecurity."
- The current measure of poverty does not recognize expenses needed to get and hold a job, such as transportation and child care costs.
- The current measure of poverty does not recognize differences in medical costs that vary across groups.
- A child born in poverty hears 30 million fewer words in the first years of life.

POLICY PERSPECTIVE

Among the 50 largest U.S. cities, Detroit had the highest child poverty rates in 2013 with **59%** of children living below federal poverty guidelines.

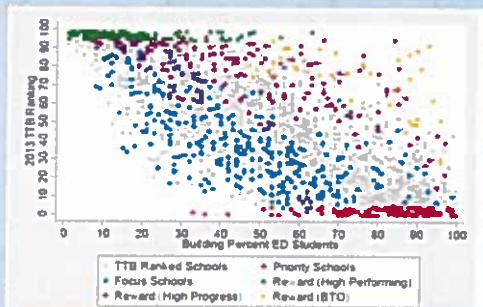


POLICY PERSPECTIVE

Michigan's **FIVE HIGHEST** community poverty rates



POLICY PERSPECTIVE



Public Policy ASSOCIATES INCORPORATED

Addressing Michigan's Opportunity Gap


Michael A. Boulton, Ph.D.
March 13, 2014

THE RESEARCH

- Literature review focused on:
 - Measurement of the opportunity gap
 - States often touted as making progress
 - State funding models to address at-risk students
- Extensive range of sources
- Interviews with three experts in the field

OPPORTUNITY GAP AND POVERTY

- There is a clear link between poverty and student achievement.
- Kids in poverty don't have the same resources as those from more affluent families.
- Schools have the challenge of helping children make up for deprivations.
- High poverty level exists among districts across Michigan.



REFORM EFFORTS

- Targeted attention helps.
 - Massachusetts' long-term approach:
 - High standards
 - Professional development and supports
 - High funding of districts in poverty
 - High-quality charter school development
 - However, Massachusetts still has race/ethnicity disparities among its students' scores in places like Boston.

FUNDING TO ADDRESS THE GAP



- Money does matter, but it has to be directed effectively.
- It takes more resources to educate students who are disadvantaged.
- Equal funding is not equitable.

FUNDING COMPARISONS

- In Michigan, 6%-16% less funding is going to schools most in need, compared to more affluent schools.
- Lessons from other states: **increase funding and target resources** to meet individual needs.



FUNDING COMPARISONS

Among the 38 states that provided poverty-based funding, the amount of additional poverty-based education funding provided per low-income student ranged from 1.9% to 58.7% of the average per-student funding level for all students, with an average of 17.2%.



POVERTY MATTERS

Poverty exerts a multifaceted influence on child development from birth onward. Furthermore, when poverty is concentrated among individual schools and school districts, it often affects the resources and conditions within schools. When a high proportion of the students face challenges associated with poverty, including frequent absences, unmet basic needs, and learning and attention deficits, it creates "a climate that disrupts class management, student learning, and teacher morale, and lowers the odds that teachers with other options will choose to work or stay in such schools."

POVERTY MATTERS

"The kids who come to school with less get less from school... Achievement follows from opportunities to learn."

- Steve Cohen
(Consultant, National Education Policy Center)



CONSIDERATION

- 1. CLOSE THE OPPORTUNITY GAP**
- 2. FULLY FUND AT-RISK**
- 3. POVERTY (ALWAYS) MATTERS**

MICHIGAN



No longer can we consider the problems and needs of low income students simply a matter of fairness... Their success or failure in the public schools will determine the entire body of human capital and educational potential that the nation will possess in the future. Without improving the educational support that the nation provides its low income students – students with the largest needs and usually with the least support – the trends of the last decade will be prologue for a nation not at risk, but a nation in decline ..

Poverty

<http://www.npc.umich.edu/>

National Poverty Center (UMich)

<http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

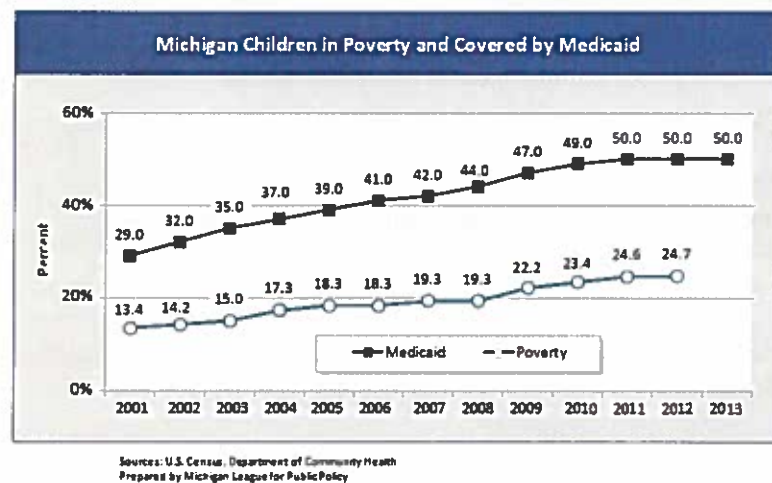
In 2013, 23.6% of Michigan children (534,584) under the age of 18 lived in poverty (defined as 100% of Federal Poverty Level (FPL)).

http://www.aecf.org/blog/thirty-five-largest-us-cities-saw-increase-in-child-poverty-rate-between/?gclid=CjwKEAajw8e2sBRCYte6U3suRjFESJAB4gn_gCt_prNG1WD2W2n28ImAoo0UDZXiKrBMF6DvtJNT9MxoCP5Dw_wcB

Among the 50 largest U.S. cities, Detroit had the highest child poverty rates in 2013 with 59% of children living below FPL.

<http://www.mlpp.org/tag/poverty/page/3>

Half of Michigan children are covered by Medicaid.



<http://www.mlpp.org/mapping-the-facts#more-18317>

Michigan has the 15th-highest poverty rate in the nation.

<http://www.freep.com/story/opinion/contributors/raw-data/2014/09/21/raw-data-child-poverty/15912159/>

Community Percentage of children living below the poverty level margin of error (+/-)

Flint	66.5	8.4
Detroit	58.6	2.8
Lansing	45.5	9.5
Dearborn	43.3	8
Kalamazoo	40	10.3

<http://www.detroitnews.com/story/news/local/wayne-county/2015/02/18/detroit-childhood-poverty-ranking-kids-count-report/23657355/>

The number of Michigan children living in poverty increased 35% over six years, to nearly one in four.

<http://datacenter.kidscount.org/data#MI/2/0>

Twelve percent of Michigan's children live in extreme poverty (defined as less than 50% of the FPL.)

<http://datacenter.kidscount.org/data/tables/6795-children-living-in-areas-of-concentrated-poverty?loc=24&loct=2#detailed/2/24/false/1376,1201,1074,880,11/any/13891,13892>

17% of children live in areas of concentrated poverty (areas with poverty rates of 30% or more.)

<http://www.hungerfreesummer.org/child-hunger-michigan>

More than 43,000 Michigan public school students were homeless in 2011-2012.

<http://www.freep.com/article/20111218/NEWS06/112180464/Michigan-s-homeless-students>

Between 2008 and 2011, the number of homeless students in Michigan's public schools increased by 315%.

<http://map.feedingamerica.org/county/2013/child/michigan>

One in five children experience "food insecurity." (Food insecurity refers to [USDA's measure](#) of lack of access, at times, to enough food for an active, healthy life for all household members and limited or uncertain availability of nutritionally adequate foods.)

<http://www.spotlightonpoverty.org/map-detail.aspx?state=Michigan>

42% of single-parent families with related children live below FPL.

<http://www.mlpp.org/wp-content/uploads/2015/03/CuttingOffAssistance-Families.pdf>

From 2006 to 2012, the rate of children living in poverty in Michigan grew by 35%.

https://www.ets.org/s/research/pdf/poverty_and_education_report.pdf

Among the world's 35 richest countries, the United States holds the distinction of ranking second highest in child poverty.

http://www.nj.com/opinion/index.ssf/2015/07/bridging_the_opportunity_gap_collectively_opinion.html

[http://blogs.edweek.org/edweek/Bridging-](http://blogs.edweek.org/edweek/Bridging-Differences/2013/05/Petrilli_to_Meier_on_opportunity_gap.html)

[Differences/2013/05/Petrilli to Meier on opportunity gap.html](http://blogs.edweek.org/edweek/Bridging-Differences/2013/05/Petrilli_to_Meier_on_opportunity_gap.html)

<http://www.ed.gov/news/speeches/closing-opportunity-gap>

"How do unequal opportunities help close the achievement gap? They don't—instead they perpetuate the gap. Closing the opportunity gap will require that school resources, talent, and spending be targeted to the kids who need help the most." (Remarks of U.S. Secretary of Education Arne Duncan at the Brown v. Board of Education National Historic Site, Topeka, Kansas September 18, 2012)

1. In 2013, 23.6% of Michigan children (534,584) lived in poverty (defined as 100% of Federal Poverty Level (FPL).
2. Michigan has the 15th-highest poverty rate in the nation.
3. The number of Michigan children living in poverty increased 35% over six years, to nearly one in four.
4. 42% of single-parent families in Michigan live below FPL.

5. Among the 50 largest U.S. cities, Detroit had the highest child poverty rates in 2013 with 59% of children living below FPL.
6. Michigan's five highest community poverty rates include Flint, 66.5%; Detroit, 58.9%; Lansing, 45.5%; Dearborn, 43.3%; and Kalamazoo, 40%.
7. Half of Michigan children are covered by Medicaid.
8. 12% of Michigan's children live in extreme poverty (defined as less than 50 percent of the FPL) and 17% of children live in areas of concentrated poverty (areas with poverty rates of 30% or more.)
9. More than 43,000 Michigan public school students were homeless in 2011-2012.
10. Between 2008 and 2011, the number of homeless students in Michigan's public schools increased by 315%.
11. One in five children experience "food insecurity." (Food insecurity refers to [USDA's measure](#) of lack of access, at times, to enough food for an active, healthy life for all household members and limited or uncertain availability of nutritionally adequate foods.)
12. From 2006 to 2012, the rate of children living in poverty in Michigan grew by 35%.
13. Among the world's 35 richest countries, the United States ranks second highest in child poverty.

At risk

<http://www.usca.edu/essays/vol172006/mckinney.pdf>

According to Costello and the North Central Regional Educational Laboratory (1996): Students are placed 'at-risk' when they experience a significant mismatch between their circumstances and needs, and the capacity or willingness of the school to accept, accommodate, and respond to them in a manner that supports and enables their maximum social, emotional, and intellectual growth and development (p.2).

Needs-based funding / Weighted funding

https://www.ets.org/s/research/pdf/poverty_and_education_report.pdf

The Research Supplemental Poverty Measure

Concerns about the adequacy of the official poverty measure have resulted in some Congressional action and efforts by the National Academy of Sciences (NAS) to develop a more accurate poverty measure. These concerns include:

- The current measure does not reflect government policies that alter families' resources, such as payroll taxes and food stamps.
- The current measure does not recognize expenses needed to get and hold a job, such as transportation and child care costs.
- The current measure does not recognize differences in medical costs that vary across groups.
- The current measure does not recognize changes in family situations, such as payments for child support and increasing cohabitation among unmarried couples.
- The current measure does not adjust for geographic differences in the cost of living.

To respond to these concerns, an NAS panel recommended changing how both the poverty thresholds and the family resources are defined. The goal was to produce a poverty measure that accounts for government spending directed at low-income families (e.g., food stamps and the Earned Income Tax

Credit).

Poor students enter kindergarten with an enormous vocabulary deficit; a child born in poverty hears 30 million fewer words in the first years of life. (*Stanford University*)

1. **Allocate More Funding to Needy Students**

Building a Brighter Future: Recommendations for How to Improve Michigan's Education System, May 2015 (Public Sector Consultants)

Weighted funding formulas are common. Thirty states weight their formulas for low-income students, 25 weight their formulas for students with a disability, and 27 weight the formulas for students learning English as a second language (Education Law Center 2013). A number of states also weight for district poverty and district cost of living.

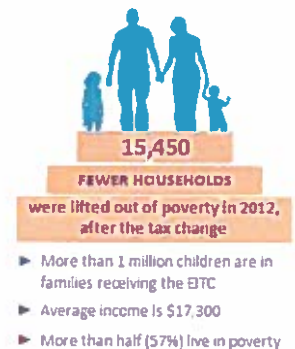
2. **Maintain/Restore the Michigan Earned Income Tax Credit and the Child Tax Credit**
(Michigan League for Public Policy)

The federal Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC) kept 120,000 Michigan children out of poverty each year between 2009 and 2011.

Michigan EITC: Before and After	
2011	2012
793,000 households	772,000 households
\$353 million	\$106 million
\$446 average refund	\$138 average refund
22,240 families lifted out of poverty by the Michigan EITC	6,790 families lifted out of poverty by the Michigan EITC

Source: Michigan Department of Treasury

The EITC targets low-income working families



3. “How do unequal opportunities help close the achievement gap? They don’t—instead they perpetuate the gap. Closing the opportunity gap will require that school resources, talent, and spending be targeted to the kids who need help the most.”

(Remarks of U.S. Secretary of Education Arne Duncan at the Brown v. Board of Education National Historic Site, Topeka, Kansas September 18, 2012)

4. **Improve the definition of poverty.** The Census measure takes into account the costs associated with family size and family structure, but it sets one common poverty threshold for all states and regions without consideration for geographic differences in the cost of living. In other words, it implicitly assumes that the same amount of money provides the same amount of resources, regardless of location.

Data

<https://www.healthcare.gov/medicaid-chip/eligibility/>

Michigan is expanding its Medicaid program to cover all households with incomes up to 138% of the federal poverty level. That works out to \$16,243 a year for 1 person or \$33,465 for a family of 4.

Southern Education Foundation <http://www.southerneducation.org/>