



LSC Webinar

Impact of the Census Adjustment on LSC Grantees' 2013 & 2014 Basic Field Funding

May 3, 2013

Overview

- Provisions of the final 2013 LSC appropriation (P.L. 112-74) that govern the distribution of LSC grants among service areas.
- Census adjustment implementation schedule
- How to calculate your program's estimated 2013 and 2014 basic field funding with the sequestration, rescissions, and census adjustments required by P.L. 112-74
- The webinar does **not** provide information about 2013 and 2014 funding for Native American and migrant service areas. LSC anticipates sending information to grantees about 2013 and 2014 funding for Native American and migrant service areas within the next two weeks.

Slide 2

Provisions of the Final 2013 Appropriation that Govern the Census Adjustment

- Basic field funding allocated based on each service area's share of the national poverty population
- Poverty population in each service area determined by the Census Bureau
- Reallocations (census adjustments) based on changes in the geographic distribution of the poverty population will occur on a three-year cycle
 - First census adjustment begins in 2013
 - Next census adjustment will be implemented in 2016
- The first census adjustment will be implemented in 2013 & 2014
 - 50% of the census adjustment will be implemented in 2013
 - Full implementation in 2014

Slide 3

Poverty Numbers Determined by the Census Bureau

- On April 25th, the Census Bureau provided LSC with updated poverty population data for LSC service areas in the 50 states, the District of Columbia, and Puerto Rico. These data are based on the *American Community Survey (ACS) 2011 3-year estimates*.
- Poverty data for the LSC service areas of American Samoa, Guam, and the Virgin Islands come from the U.S. 2010 Decennial Census. Poverty data for the Micronesia service area is calculated from 2010 Decennial Census data and governmental data of the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau.
- *Poverty population numbers for all LSC services areas were sent to all grantees' executive directors in an email from LSC President Jim Sandman on April 29, 2013.*

Slide 4

Census Adjustments Provide for Funding Reallocations Based on Changes in the Geographic Distribution of Poverty Population

- The total LSC poverty population has increased 32.5% since the 2000 Decennial Census. Almost all grantees have experienced an increase in their poverty population.
- However, a program's *share* of the US poverty population = its *share* of LSC basic field funding.
- If a program's *share* of the U.S. poverty population has increased since the 2000 Census, its *share* of total LSC basic field funding will increase. If a program's *share* of the U.S. poverty population has fallen since the 2000 Census, its share of total LSC basic field funding will fall.
- Even if a program's poverty population has increased, its share of the basic field appropriation may fall. *Therefore, a grantee's share of total basic field funding will fall if its poverty population has not increased by at least 32.5%.*

Slide 5

2013 Implementation Schedule

- The 2013 census adjustment of 50 percent will begin with June grant payments and will *not* be applied retroactively.
- The 50 percent adjustment will apply only to the final six 2013 payments (June-October and December).

Slide 6

Impact of the Census Adjustment Grantees' Basic Field Funding for 2014

- The Census adjustment will be fully implemented in 2014, so a grantee's 2014 basic field funding will increase or decrease based on the total change in its share of the total U.S. poverty population.
- Consider the impact of the 2014 Census adjustment on a program with an *increase / decrease* of 12% in its *share* of the U.S. Poverty Population.
 - With a 12% *increase* in the share of the total U.S. poverty population, the program's share of total LSC FY2014 basic field funding will increase by 12%.
 - With a 12% *decrease* in the share of the total U.S. poverty population, the program's share of total LSC FY2014 basic field funding will fall by 12%.

Slide 7

Estimation Methodology

The estimation methodology involves the following basic steps.

- Grantees' 2013 basic field funding based on the final appropriation, *without* the Census adjustment.
- Updated poverty population for grantees' service areas.
- Estimating grantees' total 2014 basic field funding level with the full census adjustment.
- Estimating grantees' total 2013 basic field funding level with the 50% phase-in of the census adjustment.
- Estimating the amounts of grantees' monthly basic field grant payments for the rest of 2013 with the 50% phase-in of the census adjustment.
- *A prepopulated Excel file provided by LSC has embedded formulas that will **automatically** calculate nearly all elements of the estimation methodology.*

Slide 8

The Estimation Methodology's Baseline Data & Key Assumptions

- Total 2013 LSC basic field funding based on the provisions of the final continuing resolution, after sequestration and rescissions = \$296,850,905
- 2014 LSC basic field funding assumed to be the same amount as the 2013 appropriation. This figure is used because the 2014 LSC appropriation has not yet been determined.
- The total updated U.S. poverty population = 47,758,395
- For the purposes of these calculations, “basic field” funding **excludes** LSC grant payments for migrant and Native American service areas. (LSC anticipates sending information to grantees about 2013 and 2014 funding for Native American and migrant service areas within the next two weeks.)

Slide 9

LSC Prepopulated Excel File to Calculate Estimated 2013 and 2014 Basic Field Funding

- The prepopulated Excel file provided by LSC performs the calculations to estimate your program's 2013 and 2014 basic field funding with the Census adjustment.
- A copy of the prepopulated Excel file was sent to all grantees' executive directors in the April 29, 2013, email from LSC President Jim Sandman.
- To calculate your program's total 2013 and 2014 basic field funding, you will need to insert only two numbers into the Excel spreadsheet:
 - Your program's February 2013 basic field grant payment (i.e., not including migrant and Native American funding).
 - Your program's updated poverty population. These were provided in an April 29, 2013, email from LSC President James J. Sandman to executive directors of all LSC grantees.

Slide 10

Using the Prepopulated Excel File to Estimate Your Program's Total Basic Field Funding for 2013 & 2014

- Open the worksheet and insert in **Cell C5** the amount of your program's February 2013 Basic Field grant payment (excluding Migrant and Native American funding).

Pre-populated formulas will then *automatically* calculate FY2013 basic field funding based on the provisions of 112-74, *without* the Census Adjustment. This will appear in Cell C8. All other calculations are based on this number.

- Insert in **Cell C10** the poverty population of your program's service area.

Pre-populated formulas will then *automatically* calculate:

- Your program's share of the U.S. poverty population and its share of total LSC basic field funding (Cell C12)
- Your program's *total 2014 basic field funding* with the **full** Census adjustment (Cell C16)
- Your program's *total (annual) 2013 basic field funding, including* the FY2013 Census Adjustment (Cell C20)

Slide 11

Using the Prepopulated Excel File to Estimate Your Program's Basic Field Funding for the Rest of 2013

- *Add four rows to the end of the spreadsheet. You will need to insert or calculate the following information:*

First row: Insert total amounts of **basic field grant payments** received year-to-date (not including migrant and Native American payments)

Second row: Insert the estimated annual amount of census-adjusted 2013 funding: from Cell C20

Third row: calculate difference between year-to-date payments and estimated annualized final 2013 grant amount by subtracting the amount in 1st row from the amount in the 2nd row

Last row: Divide the amount of the calculation in the 3rd row by six = the amount of each of your final basic field grant payments for the June-October and December 2013 grant payments.

Slide 12

Factors that Affect the Accuracy of the Funding Estimates

The methodology outlined in this Webinar can provide only *estimates* of the impact the census-based adjustments will have on grantees' funding levels. Several factors could create variances between grantees' actual funding levels and the estimates developed using the methodology outlined in this Webinar. The most important of these are:

- The LSC 2014 appropriation used in the methodology may differ from the actual 2014 LSC appropriation. If the 2014 funding level differs from the 2013 level, so too will the estimates produced using this methodology.
- This estimate has been completed without the numbers for migrant and Native American populations. This may cause the final basic field numbers to vary from the estimate, but for most grantees this variance should not be greater than 1%; the variances in California, Florida and Texas may be somewhat higher.

For Further Information

For information about P.L. 112-74 and other legislation governing LSC appropriation levels and the Census adjustment:

Carol Bergman

Director

LSC Office of Government Relations and Public Affairs

bergmanc@lsc.gov; 202-295-1611

For information about the updated poverty data provided by the Census Bureau and the funding estimation methodologies:

Bristow Hardin

Program Analyst

LSC Office of Program Performance

hardinb@lsc.gov; 202-295-1553