Census Poverty and Income Indicators

I. Definitions

Poverty status is determined by income and family size. In 1989 a family of four -- with 2 adults and 2 children with an income of \$12,575 was considered poor. In 1999, a family of four -- with 2 adults and 2 children with an income of \$16,895 was considered poor. The poverty and income data come from the sample count or long-form questionnaire. Information from the Census is derived either from questions asked of the entire population or from questions asked of only a sample of the population. Questions asked of every person are called the 100-percent or short-form questions. The questions asked of a sample of the population are called the sample or long-form questions.

Poverty rate (percent poor) is calculated as:

<u>Total persons below poverty x 100</u> Population for whom poverty status is determined

Child poverty rate is calculated as:

<u>Children aged 0-17 x 100</u> Child population (0-17) for whom poverty status is determined

NOTE: The total population is NOT the valid denominator. The denominator includes only those for whom poverty status could be determined. The poverty status is NOT determined for institutionalized persons, persons in military group quarters, persons in college dormitories and unrelated individuals under 15 years old.

POVERTY STATUS BY AGE

Number and percent of persons living below poverty is provided for the following age groups:

Population aged 0-4 Population aged 5-17 Population aged 18-64 Population aged 65+

FAMILY TYPE BY POVERTY STATUS

Number of families with children < 18 is provided. A **family** includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. One person in a household is designated as a householder. In most cases, the **householder** is the person or one of the persons, in whose name the house is owned or rented.

Number and percent of families with children < 18 living below poverty by family type is provided. Family types include married, male-headed (no spouse present) and female-headed (no spouse present). Percent families with children < 18 living below poverty is calculated as:

<u>families with children < 18 living below poverty</u> X 100 families with children < 18

Percent married families with children < 18 living below poverty is calculated as:

<u>married families with children < 18 living below poverty</u> X 100 married families with children < 18

Percent male-headed* families with children < 18 living below poverty is calculated as:

<u>male-headed families with children < 18</u> living below poverty X 100 male-headed families with children < 18

Percent female-headed* families with children < 18 living below poverty is calculated as:

fe<u>male-headed families with children < 18 living below poverty</u> X 100 female-headed families with children < 18

* These are families with no spouse present

RATIO OF INCOME TO POVERTY

The number of persons within an income to poverty ratio category is provided. There are 6 categories, which range from under 0.50 to 2.00 and over. In general, a ratio less than 1 means that the income is less than the poverty level. When the ratio equals 1, the income and poverty level are the same, and when the ratio is greater than 1, the income is higher than the poverty level.

For example, person's with income below 50% of poverty indicates their income is half the poverty level. These are the poorest of the poor.

We provide *numbers and percents* for the following income to poverty levels:

Persons with income of less than 50% of poverty Persons with income of less than 125% of poverty Persons with income of less than 150% of poverty Persons with income of less than 185% of poverty Persons with income of less than 200% of poverty Persons with income at or above 200% of poverty

Certain governmental agencies use income and poverty levels to determine eligibility for programs. For example, in Ohio children up to age 19 are eligible to receive Medicaid if their incomes are less than 200% of poverty. Certain types of publicly subsidized child care are available for families making up to 150% of poverty and there are other child care subsidies where families are eligible if their incomes are less than 185% of poverty.

MEDIAN HOUSEHOLD INCOME

Median Household Income is the number where one half of the households have income above it and one half of the households have income below it. For example, in 1989 the median household income in Cuyahoga County was \$28,595. Half of the households had income above this figure and half of the households had income below this figure in the County.

Adjusted median household income is also available for 1989 only. The 1989 median household income is adjusted to 1999 constant dollars by using the CPI-U-RS-U.S. city average. The adjustment allows for easier comparison between 1989 and 1999 median household income.

HOUSEHOLD INCOME BY SELECTED CATEGORIES

The number of households in selected income categories is provided. There are 15 different household income categories. The lowest is less than \$10,000, and the highest is \$150,000 or more.

TYPE OF INCOME

The type of income for households is provided for the following income types. Households may have income from more than one source. Therefore, adding up the number of households in each category will not equal the total number of households. The types of income are listed and defined below.

Wage or Salary Income is all money earned as an employee in the particular calendar year (1989 or 1999). Wage and salary income include armed forces pay, commissions, tips and cash bonuses.

Self-Employment Income is income from both farm and nonfarm selfemployment. The self-employment income is the net income after expenses are subtracted from gross receipts.

Social Security Income includes income from social security pensions and permanent disability insurance payments made by the Social Security Administration.

Public Assistance Income includes general assistance and Temporary Assistance for Needy Families (TANF). In 1990, it also includes Supplemental Security Income (SSI). In 2000, **Supplemental Security** Income is shown separately. SSI is administered by the Social Security Administration to provide income assistance to needy aged, blind, or disabled persons. Note: Due to differences in reporting for public assistance and supplemental security income in 1990 and 2000, these data cannot be compared.

Other Types of Income include retirement income (excluding Social Security income), income from interest or dividends, and all other income. Examples of all other income include alimony and child support, Veterans'

Administration (VA) payments and other periodic income (other than earnings).

II. Precautions and Information regarding use of data

The Census occurs every ten years on the decade. However, the actual data are not available for 2-3 years following the Census. NEO CANDO contains selected tables from the 1990 and 2000 Census. All 1990 and 2000 Census data tables are available at <u>American FactFinder</u>.

Information from the Census is derived either from questions asked of the entire population or from questions asked of only a sample of the population. Questions asked of every person are called the 100-percent or short-form questions. The short-form questions include basic demographic and housing information. The questions asked of a sample of the population are called sample or long-form questions. Approximately 1 in 6 households received the long-form questionnaire. The long-form questions, in addition to the demographic and housing information, include data about income, employment status and educational attainment. <u>Click here</u> to view copies of the 1990 and 2000 Census questionnaires.

The Census questionnaire is either mailed to households or delivered by census enumerators (mainly in rural areas). The Census Bureau follows up, either by phone or in person, with those who have not responded to the questionnaire.

The Census Bureau releases a number of files containing different geographic levels and/or different variables. The data in NEO CANDO from the 1990 Census are extracted from <u>Summary Tape File 3A (STF3A)</u> and <u>Summary Tape File 1A (STF1A)</u>. The STF3A is a sample file (derived from the long-form questionnaire), which is weighted to represent the entire population, and the STF1A contains the 100-percent count data (short-form questionnaire). The 2000 Census data in NEO CANDO are extracted from <u>Summary File 3 (SF3)</u> (sample data) and <u>Summary File 1 (SF1)</u> (100-percent count data). The 100% counts may differ from the sample counts for the same variable particularly at the census tract level.

The 1990 data in NEO CANDO have been put into the 2000 census tract boundaries to allow for comparisons between the 1990 and 2000 Censuses. Some census tract boundaries and numbers change from Census year to Census year. In order to accurately compare the data over time, the data must be in the same geographic boundaries. For those census tracts that have changed between the 2 Census years, we used GIS techniques to determine the proportion of the 1990 tract population that lived in the corresponding 2000 tract.

All income related questions in the Census are based on a person's income in the year prior to the Census year: 1989 for the 1990 Census and 1999 for the 2000 Census. For a description of the Census Bureau's method for determining poverty status <u>click here</u>.

The income levels at which a person or family is considered poor (poverty thresholds) change annually. For more recent poverty thresholds <u>click here</u>.

The Census Bureau does not release poverty estimates at the census tract or municipality (city/place) level between census years. However, intercensal state and county estimates are available for some years.

III. Data source and suggested citation

Source of Census Data: U.S. Bureau of the Census

Update Schedule: Every 10 years -- data are generally available within 2 years of the actual Census

Years Available: 1990 and 2000

Geographic Coverage: 8 County Cleveland-Akron Consolidated Metropolitan Statistical Area (CMSA), which includes Ashtabula, Cuyahoga, Geauga, Lake, Lorain, Medina, Portage and Summit Counties, and the following counties: Ashland, Columbiana, Erie, Huron, Mahoning, Richland, Stark, Trumbull and Wayne Counties

Suggested Citation: NEO CANDO system, Center on Urban Poverty and Community Development, MSASS, Case Western Reserve University (http://neocando.case.edu).

IV. Links to related web sites

Gateway to 2000 Census

Poverty statistics -- Census Bureau

Income statistics -- Census Bureau

Census Bureau's Small Area Income and Poverty Estimates