



# New Measures of Student Poverty

## Replacing Free and Reduced-Price Lunch Status Based on Household Forms with Direct Certification

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**For decades, student free and reduced-price lunch (FRPL) status has been a proxy measure for student poverty and the basis for allocating resources to schools, defining accountability and other education policy, and conducting research.**

But changes to the National School Lunch Program (NSLP) are making FRPL status less useful as a proxy measure of poverty. First, a growing number of schools are authorized to provide free lunch to all students under the community eligibility provision (CEP), which relies on school- or districtwide participation in other public benefit programs through “direct certification.” Communities with at least 40 percent of directly certified students identify all their students as low income, even students from high-income families. Second, because of community eligibility and other changes to the NSLP, states and school districts can no longer rely on federal resources to collect school lunch forms from students’ families. The result is that schools lack an accurate count of low-income students, even as more students have access to FRPL.

As FRPL status based on household forms declines as a measure of student poverty, states are turning to alternatives (Chingos 2016).<sup>1</sup> This brief offers a primer on public benefit programs used for direct certification of low-income students, mapping their similarities and differences in relation to the NSLP. It describes programs and data links that may be useful for supplementing systems of direct certification to identify all students from economically disadvantaged backgrounds. Better understanding of these programs can help stakeholders in education make sense of new measures of student poverty and use them in line with intended policy and research goals.

## A Brief History of School Lunch

Since 1946, the National School Lunch Program has provided nutritious school meals to low-income children during the school day. The program provided resources for schools to certify eligible students by collecting household income eligibility forms, with the unintended benefit of equipping education policymakers, practitioners, researchers, and philanthropists with a uniform, national measure of student poverty. This measure was never perfect, but it was good—and used widely (Domina et al., 2018; Harwell and LeBeau 2010; Michelmore and Dynarski 2017).

Since 2010, policy changes enacted by Congress have expanded the use of the community eligibility provision. The CEP gives FRPL status to all students in schools and districts with at least 40 percent of students (i.e., the identified student percentage) found eligible by virtue of participating in other public benefit programs. The identified student percentage is computed directly by linking school enrollment data with public benefit databases. For example, a student participating in the Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps, which mirrors the free-lunch eligibility threshold at 130 percent of the federal poverty level) may be directly certified for FRPL status without collecting additional data from the student's family. Systems of direct certification were allowed under the Child Nutrition and WIC Reauthorization Act of 1989 and required under its reauthorization in 2004 to verify information collected through free-lunch forms.<sup>2</sup> States built out these systems under the Healthy, Hunger-Free Kids Act of 2010, the legislation that established the CEP and made it available nationwide starting in the 2014–15 school year.

In 2016–17, 20,721 schools in 3,528 school districts serving more than 9.7 million children participated in the CEP (Hewins, Rosso, and Maurice 2017), and nearly all students received FRPL status through direct certification. The CEP and other provisions have reduced or eliminated the collection of paper lunch forms.<sup>3</sup> These changes relieve school administrators and parents and bring needed nutrition to millions of students, but they also herald the end of FRPL status as a uniform, student-level measure of economic disadvantage.

Many states are replacing measures of student poverty in their school district funding formulas and accountability systems, and replacement options vary (CBPP and FRAC 2017). Some states use the most recent available information from paper lunch forms, but this information grows more outdated each year. Other states collect alternative lunch forms, annually or less frequently, though they do so at their own expense and without incentives for completion among the growing number of families in CEP districts and schools. Other states use direct certification to create individual-level measures of student poverty based on participation in an approved list of public benefit programs. Some use a multiplier of 1.6 to adjust school-level counts of low-income children,<sup>4</sup> but this approach cannot help schools or districts understand which additional students are low income.

# Understanding Direct Certification

Direct certification is the most promising replacement option, and it provides a strong basis for the CEP, but it needs supplements to work as a valid, individual-level measure of student poverty. All states link to participant databases maintained for SNAP and may also use enrollment in Temporary Assistance to Needy Families (TANF) and the Food Distribution Program on Indian Reservations to directly certify students. A few states have also participated in Medicaid pilots designed to recover more information on household income and identify students who may have formerly qualified for reduced-price lunch (but do not participate in SNAP, TANF, or the Food Distribution Program on Indian Reservations). And some states include foster care participation, homelessness, and other programs in their direct certification systems.

The public benefit programs involved in direct certification differ from the NSLP in ways critical for developing an accurate count of low-income students. The table below summarizes each program's federal eligibility standards and flags state and local variations in program administration and time limits for children of families with children (apart from aging out).

The range of eligibility thresholds shows how new measures of economic disadvantage based on direct certification are likely to identify different students than those qualifying for FRPL. For example, students who had trouble completing school lunch forms may now be identified based on their inclusion in SNAP databases. Conversely, students previously eligible for reduced-priced lunch (whose families earn between 130 and 185 percent of the federal poverty level), living in states with more restrictive public benefit programs,<sup>5</sup> whose families have timed out of public assistance, or in immigrant families (including families in which all members have legal status) may be missing from direct certification counts.

Eligibility requirements differ across programs, and application and eligibility determination procedures vary in ways that further affect the count of participants. For example, SNAP applications look different in every state; can be submitted in person at local offices, by fax or email, or online (in most states); may require official documentation of birth, residency, and income; and conclude with an interview.<sup>6</sup> Applications for school meals vary, too, but they have typically been included in registration packets (or otherwise made widely available), submitted directly to school staff (who can support their completion), and based on self-reported statements of income rather than official documentation.<sup>7</sup> FRPL determination avoids many of the practical barriers that come with enrolling in other public benefit programs. As a result, direct certification may undercount low-income students whose families have low levels of literacy or limited English proficiency, those with transportation challenges or inflexible work schedules, those unable to document income, and students who might have qualified through old free-lunch forms.

TABLE 1

**Eligibility, Variation, and Time Limits for the National School Lunch Program and Public Benefit Programs Used in Direct Certification**

*Differences in features affecting the count of low-income students*

	Federal eligibility	State and local variation	Time limits for children or families with children
<b>Traditional measure of student poverty (before CEP)</b>			
National School Lunch Program	130% FPL for free lunch; 185% FPL for reduced-price lunch	No	No
<b>Measures commonly used in direct certification</b>			
Supplemental Nutrition Assistance Program	130% FPL	Yes	No
Temporary Assistance for Needy Families (TANF)	“Needy” families with a dependent child	Yes	Yes
Food Distribution Program on Indian Reservations	Low-income households on a reservation or in select areas near a reservation or in Oklahoma and containing at least one member of a federally recognized tribe	Yes	No
<b>Additional measures used in select direct certification systems</b>			
Medicaid and Children’s Health Insurance Program	At least 133% FPL	Yes	No
Foster care	Judicial determinations of child welfare, voluntary placements, and related criteria	Yes	No
Homelessness	“Individuals who lack a fixed, regular, and adequate nighttime residence” (McKinney-Vento definition)	No	No
Head Start	100% FPL and children from homeless families and families receiving TANF or other public assistance, foster children, and other qualifying families	Yes	No

**Sources:** “National School Lunch Program,” US Department of Agriculture (USDA), Food and Nutrition Service (FNS), last updated October 15, 2018, <https://www.fns.usda.gov/nslp/national-school-lunch-program-nslp>; “Am I Eligible for SNAP?” USDA, FNS, last updated October 1, 2018, <https://www.fns.usda.gov/snap/eligibility#What%20are%20the%20SNAP%20income%20limits?>; Megan Thompson, Sarah Minton, Christine Heffernan, and Linda Giannarelli, “State TANF Policies: A Graphical Overview of State TANF Policies as of July 2016” (Washington, DC: Urban Institute, 2018); FNS, “Food Distribution Program on Indian Reservations” (Washington, DC, USDA, FNS, 2018); “Medicaid: Eligibility,” Medicaid.gov, accessed November 5, 2018, <https://www.medicaid.gov/medicaid/eligibility/index.html>; “Child Welfare Policy Manual,” US Department of Health and Human Services (HHS), Administration for Children and Families (ACF), accessed November 5, 2018, [https://www.acf.hhs.gov/cwpm/public\\_html/programs/cb/laws\\_policies/laws/cwpm/policy\\_dsp\\_pf.jsp?citID=25](https://www.acf.hhs.gov/cwpm/public_html/programs/cb/laws_policies/laws/cwpm/policy_dsp_pf.jsp?citID=25); “Part C—Homeless Education,” US Department of Education, accessed November 5, 2018, <https://www2.ed.gov/policy/elsec/leg/esea02/pg116.html>; “Section 645 Participation in Head Start Programs,” HHS, ACF, Head Start Early Childhood Learning and Knowledge Center, accessed November 5, 2018, <https://eclkc.ohs.acf.hhs.gov/policy/head-start-act/sec-645-participation-head-start-programs>.

**Notes:** CEP = community eligibility provision; FPL = federal poverty level. State and local variation refers to variation in eligibility requirements and program administration created by state, city, county, and other governments.

Noncitizen families may encounter additional barriers to public benefit program access, making children of immigrants (including US citizens) especially likely to be missing from direct certification counts. The eligibility rules for noncitizens are complex (Siskin 2016). Rules vary across federal programs, differ across categories of documented noncitizens (including lawful permanent residents, refugees, asylees, and others), generally disallow benefits for undocumented immigrants, and may be

supplemented by state public benefit programs with their own requirements. In addition to the stated rules, noncitizen parents may not have knowledge of or the desire to access public benefit programs in the same way they consider signing up for school meals, which are open to all students regardless of their or their family's immigration status (Siskin 2016). These administrative and perceptual differences may affect accurate counts of low-income students in communities with noncitizen and other immigrant families.

Finally, the technical challenges of matching school enrollment and public benefit databases may lead to additional undercounting of low-income students. Matching processes have improved and may be able to incorporate multiple pieces of information (including the student's name, birthday, address, parents' or guardians' names, and other identifying characteristics) to increase the chances of finding a match for every student. But students with varied name spellings and others may remain unmatched and remain missing from direct certification counts of low-income students (Moore et al. 2016).

## Changes to Public Benefit Programs That May Affect Direct Certification Counts

Education stakeholders who rely on direct certification should pay close attention to public benefit changes proposed by the Trump administration. These changes are likely to decrease the number of benefit recipients in two ways:

1. Attaching immigration consequences to the use of an expanded set of benefits under the proposed "public charge"<sup>8</sup> rule, which does not change eligibility for benefits but does mean that green card applicants can be penalized for using programs like SNAP, Medicaid and the Children's Health Insurance Program, and others used in systems of direct certification. The rule will affect some individuals and families directly when they apply for green cards or renewals of temporary visas, but experts<sup>9</sup> predict that it will have broader consequences for families by chilling participation in a wider set of public programs, including participation among current green card holders, naturalized citizens, and US citizen children (Batalova, Fix, and Greeneberg 2018).
2. Expanding federal work requirements<sup>10</sup> for public benefit programs. Work requirements already apply to people receiving TANF cash assistance and some people receiving SNAP or housing assistance, and new work requirements have been introduced for some Medicaid beneficiaries. Additional proposals would expand work requirements for some beneficiaries of SNAP, Medicaid, and housing assistance. If implemented, these changes would build on work requirements<sup>11</sup> that already limit the number of qualifying adults and would decrease the number of children who can be identified as economically disadvantaged through direct certification.

These developments are moving quickly. Stakeholders involved in education funding, accountability, research, and philanthropy would be wise to follow proposed changes and assess how

they affect counts of economically disadvantaged students as administrative data catch up with students' and families' experiences.

## Toward Improved Measures of Student Poverty

One promising approach to recapturing students missing from direct certification counts is to expand the constellation of public benefit programs that are included. States like Massachusetts<sup>12</sup> are pioneering this approach. Massachusetts includes several groups of students in its identified student percentage: directly certified students and those with household members who can be directly certified, homeless students, migrant youth, runaway youth, Head Start students, and foster children. A state Medicaid pilot helps recover students eligible for reduced-price lunch (with household incomes between 130 and 185 percent of the federal poverty level).<sup>13</sup> And the state uses a multiplier to recapture missing students in school- and district-level measures of student poverty. Still, Massachusetts saw a 31.4 percent drop in the share of students identified as economically disadvantaged after moving to direct certification from FRPL status under the CEP (where counts were inflated by high-income students in low-income schools and school districts) (MDESE 2015). This drop may more accurately reflect the number of students of true socioeconomic disadvantage, but changes of this magnitude likely have consequences for downstream funding, accountability reporting, and research.

As federal public benefit programs evolve, it may be useful for states to consider expanding the list of public programs included in direct certification systems to better align with the eligibility requirements and application procedures of the NSLP (table 2). The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) offers the most natural match. It is administered by the same federal agency as the NSLP, serves many of the same children and families, has the same requirements for household income and noncitizens (all are eligible), and reports high rates of participation among eligible children and families (Trippe et al. 2018). Students with mothers or young siblings receiving WIC could be directly certified for school meals. States could also consider tracing school-age children back to their infancy, though family income could fluctuate substantially in the intervening years. In addition, use of federal child care assistance through the Child Care and Development Fund for school-age and younger children may be a useful proxy. And direct links to families' tax records, though burdensome and limited in predicting educational outcomes, could provide alternative measures of income for all but the lowest-income students (Domina et al., 2018). States can weigh the costs, benefits, and resources available for additional data links and consider whether expanding direct certification systems can help better align direct certification counts of low-income students with those generated by school lunch forms before the growth of the CEP.

TABLE 2

**Eligibility, Variation, and Time Limits for Public Benefit Programs That Could be Used to Augment Direct Certification**

*Features affecting the count of low-income students*

	Federal eligibility	State and local variation	Time limits for children or families with children
<b>Additional measures of student socioeconomic status</b>			
Special Supplemental Nutrition Program for Women, Infants, and Children	185% FPL	Yes	No
Child Care and Development Fund	85% SMI	Yes	No
Internal Revenue Service tax data	Individuals with gross income over \$10,000 and married couples filing jointly with income over \$20,000, individuals with over \$400 from self-employment, and select others	No	No

**Sources:** "WIC Eligibility Requirements," US Department of Agriculture, Food and Nutrition Service, last updated May 11, 2018, <https://www.fns.usda.gov/wic/wic-eligibility-requirements>; Kathryn Stevens, Sarah Minton, Lorraine Blatt, and Linda Giannarelli, *The CCDF Policies Database Book of Tables: Key Cross-State Variations in CCDF Policies as of October 1, 2015* (Washington, DC: Urban Institute, 2016); "Who Has to File a Federal Income Tax Return?" US Tax Center, accessed November 5, 2018, <https://www.irs.com/articles/who-has-file-federal-income-tax-return>.

**Notes:** FPL = federal poverty level; SMI = state median income. State and local variation refers to variation in eligibility requirements and program administration created by state, city, county, and other governments.

## Conclusion

There is no longer a single, uniformly implemented measure of student poverty. Changes to the NSLP have spurred states to pioneer alternative measures of socioeconomic status, and these measures vary widely. Direct certification offers the most promise. It links education and public benefit data systems to identify economically disadvantaged students, which requires overcoming technical challenges, addressing privacy concerns, and addressing the strengths and weaknesses of public benefit programs' data. States like Massachusetts<sup>14</sup> and Delaware<sup>15</sup> are overcoming these challenges, and federal policymakers, researchers, and other stakeholders will sort through the implications for years to come.

## Notes

- <sup>1</sup> See also Matthew Chingos, “A Promising Alternative to Subsidized Lunch Receipt as a Measure of Student Poverty,” *Evidence Speaks* (blog), Brookings Institution, August 16, 2018, <https://www.brookings.edu/research/a-promising-alternative-to-subsidized-lunch-receipt-as-a-measure-of-student-poverty/>.
- <sup>2</sup> See the final rule on direct certification for additional history: “Direct Certification of Eligibility for Free and Reduced Price Meals and Free Milk in Schools,” 64 Fed. Reg., 72466 (December 28, 1999). Direct certification began as self-reported participation in public benefit programs (Food Stamps and Aid to Families with Dependent Children, the precursors to SNAP and TANF) through an amendment to the NSLP legislation in 1986.
- <sup>3</sup> “School Meals: Provisions 1, 2, and 3,” US Department of Agriculture, Food and Nutrition Service, last updated May 5, 2017, <https://www.fns.usda.gov/school-meals/provisions-1-2-and-3>.
- <sup>4</sup> “National School Lunch Program and School Breakfast Program: Eliminating Applications through Community Eligibility as Required by the Healthy, Hunger-Free Kids Act of 2010,” 81 Fed. Reg., 50194 (July 29, 2016).
- <sup>5</sup> Heather Hahn, Eleanor Pratt, Eva Allen, Genevieve M. Kenney, Diane K. Levy, Elaine Waxman, and Nathan Joo, “Work Requirements Tracker,” Urban Institute, August 21, 2018, <https://www.urban.org/features/work-requirements-tracker>.
- <sup>6</sup> “10 Steps to Help You Fill Your Grocery Bag,” US Department of Agriculture, Food and Nutrition Service, last updated January 31, 2018, <https://www.fns.usda.gov/snap/10-steps-help-you-fill-your-grocery-bag>.
- <sup>7</sup> “School Meals: Applying for Free and Reduced-Price School Meals,” US Department of Agriculture, Food and Nutrition Service, last updated April 24, 2018, <https://www.fns.usda.gov/school-meals/applying-free-and-reduced-price-school-meals>.
- <sup>8</sup> “Inadmissibility on Public Charge Grounds,” 83 Fed. Reg., 51114 (October 10, 2018).
- <sup>9</sup> Hamutal Bernstein and Archana Pyati, “Expanding the ‘Public Charge’ Rule Jeopardizes the Well-Being of Immigrants and Citizens,” *Urban Wire* (blog), Urban Institute, October 3, 2018, <https://www.urban.org/urban-wire/expanding-public-charge-rule-jeopardizes-well-being-immigrants-and-citizens>.
- <sup>10</sup> “Reducing Poverty in American by Promoting Opportunity and Economic Mobility,” 83 Fed. Reg., 15941 (April 13, 2018).
- <sup>11</sup> Hahn et al., “Work Requirements Tracker.”
- <sup>12</sup> “Redefining Low Income: A New Metric for K–12 Education Data,” Massachusetts Department of Elementary and Secondary Education, last updated July 16, 2015, <http://www.doe.mass.edu/infoervices/data/ed.html>.
- <sup>13</sup> Nancy Wagman, “Direct Certification for School Meals: Feeding Students, Counting Kids, Funding Schools,” Massachusetts Budget and Policy Center, February 17, 2016, [http://massbudget.org/report\\_window.php?loc=Direct-Certification.html](http://massbudget.org/report_window.php?loc=Direct-Certification.html).
- <sup>14</sup> “Office of Food and Nutrition Programs: Community Eligibility Provision,” Massachusetts Department of Elementary and Secondary Education, last updated June 4, 2018, <http://www.doe.mass.edu/cnp/nprograms/cep/>.
- <sup>15</sup> “Fall 2014–Low Income Measure,” Delaware Department of Education, last updated December 5, 2016, <https://www.doe.k12.de.us/Page/1890>.



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