

# Analyzing poverty with the American Community Survey

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Knight Poverty Journalism Conference  
Washington and Lee University, Lexington, Va.  
Sept. 7-9, 2012

Note: Parentheses enclose references to standard tables in the American Community Survey. You can type these into the “Narrow your search” box on the home page of American Factfinder ([factfinder.census.gov](http://factfinder.census.gov)) to jump to that table.

Each year the Census Bureau takes the American Community Survey of 3 million addresses. It produces completed surveys from 2 million households. It may be the largest of its kind in the world. Data is published in the fall and winter of the year after the data is collected. Annual data is published for places with more than 65,000 people. Smaller places of up to 20,000 people, where fewer surveys are completed each year, get data each year as a three-year bundle. The smallest places – such as small towns and census tracts – get data each year as a five-year bundle.

Because it is a survey, each ACS data point has a margin of error. It is published right alongside the data point. Even if you’re just scanning, this gives you a feel for the uncertainty inherent in the data. It’s best not to make a big deal of small differences, whether they are – for example – the poverty rates of two cities in a given year or the poverty rate for a single city in two different years. If you plan to make comparisons or to recombine data, it’s best to treat error margins more formally to avoid mistaken conclusions. See the Census Bureau’s manual for media users of ACS data: [www.census.gov/acs/www/Downloads/handbooks/ACSMediaHandbook.pdf](http://www.census.gov/acs/www/Downloads/handbooks/ACSMediaHandbook.pdf).

## **Income**

How does income flow into the households of a community? The simplest measure is median household income (B19013) or median family income (B19113). A household is the broadest measure of this kind – it includes any occupied housing unit. By comparison, a family is two or more people related by blood or marriage or adoption. Family households don’t include people who live alone or with non-relatives, such as roommates.

ACS measures various types of income – wages and salaries (B19052), self-employment (B19053), interest and dividends (B19055), Social Security (B19055), Supplemental Security income (B19056), public assistance or food stamp (SNAP) income (B19058), retirement income (B19059).

It also offers:

- Breakdowns of households (B19001) and families (B19101) by range, such as less than \$10,000, \$10,000 to \$14,999, etc.
- The income of the top household in each quintile (20<sup>th</sup> percentile, 40<sup>th</sup> percentile, etc.), as well as the bottom of the top 5% -- the 95<sup>th</sup> percentile (B19080).
- The share of income collected by the households in each quintile (B19082).

-- The Gini index, a measure of household income dispersion or inequality (B19083).

ACS also offers income data cross-tabulated by many other characteristics, such as educational attainment, citizenship, the age and race of the householder, etc. For a full list, type “income” into the topic search box on the American Factfinder home page.

### **Poverty**

ACS offers about 135 tables on poverty. A few of the main ones tally individuals or families living below the poverty level by:

-- Sex and age (B17001).

-- Household type (B17013), educational attainment (B17003), work experience (B17004), race (B17020A through I), employment status (B17005).

It also offers:

-- Tallies of people at various ratios of the official poverty level (under 0.5, 0.5 to 0.74, etc., all the way up to 5 times the poverty level) (B17002).

-- An area’s aggregate income deficit – how much income it would take to lift those in poverty to the official poverty level (B17011, B17008). (For Virginia families in 2010: \$1.36 billion.)

### **Health insurance**

-- By sex and age (B27001), by race (B27001A through I), public health insurance (B27003), private health insurance (B27003), employer-based health insurance (B27004), employment status (B27011), work experience (B27012), by household income (B27015) and by the ratio of the household income’s ratio to the poverty level (B27016).

### **Other ways of looking at the data**

All of these are called detailed tables. ACS also offers mini-profiles of subjects like income. They pull together data from many detailed tables into something called a subject table.

-- Income: S1901; mean income: S1902; median income: S1903.

-- Poverty: S1701, S1702 and S1903.

-- Health insurance: S2701, S2702.

ACS also offers a comparison profile – a way to scan the last four year’s values for a variety of measures like median household income or the poverty rate. The comparison profile that includes income and poverty measures is called CP03.