



Aligned Issue Brief:

Targeted Funding to Best Support Student Needs

Because of the strong relationship between poverty and academic outcomes, Missouri's foundation formula includes a weight that sends additional funds to districts and charter schools based on their population of students identified as having low income.

A student's eligibility for free or reduced-price lunch (FRL) is the current proxy for poverty in the foundation formula, but it is not the best way to identify those students with the greatest need.

Missouri needs a better way to measure poverty, one that is accurate, comprehensive, and allocates resources with greater precision.

Why?

Why Does the Formula Include Additional Funding for LEAs with Higher Poverty?

- Poverty has long been shown to have a relationship with greater academic risk.

Why Move Beyond FRL to Measure Poverty?

- FRL, as a proxy for poverty, no longer accurately identifies students in poverty because of a change in the **National School Lunch Program** known as the **Community Eligibility Provision**. Further, the treatment of students eligible for reduced-price lunch as having the same challenges and risk factors as students eligible for free lunch is a flawed assumption.

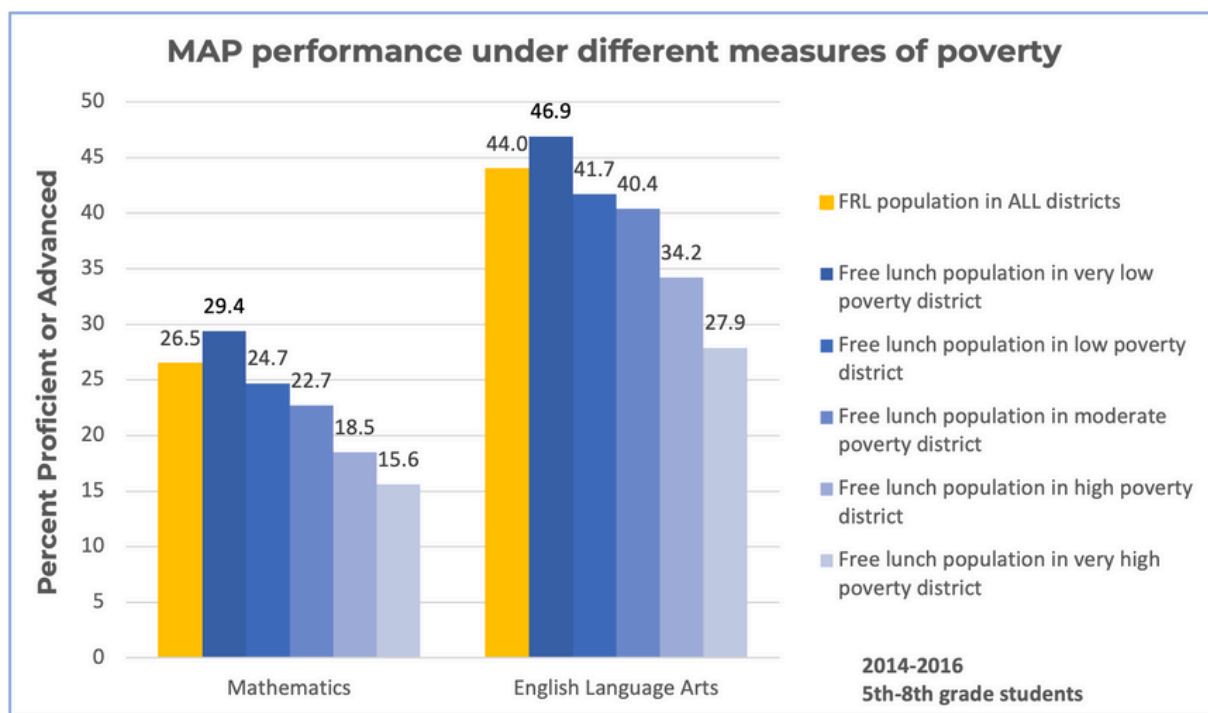
Why Choose Community Poverty as the Metric over Free Lunch Eligibility at the Student Level?

- **Context matters.** A student experiencing a high level of poverty in a high-poverty district faces more significant challenges than other students in poverty in moderate- to low-poverty school districts and charter schools. The **Census Bureau** uses information from several sources to accurately estimate poverty within a community

How Would a Different Measurement of Poverty Matter for Missouri's Students?

A 2017 study by DESE demonstrated that student achievement outcomes varied substantially when using the current FRL metric in comparison to a deeper level of poverty for the student (free lunch eligibility only) and the degree of poverty within the community (census poverty).

For 5th through 8th-grade students in all districts and charter schools who were FRL eligible from 2014-2016, 26.5% scored proficient or advanced in mathematics and 44% scored proficient or advanced in English language arts. Compare that to the free lunch-eligible students in high-poverty districts, where 15.6% were proficient or advanced in mathematics, and 27.9% were proficient or advanced in English language arts.



Source: Missouri State Board of Education, Report of Poverty Measure for Student Achievement, February 2017.

Current Missouri law stipulates that DESE use the FRL metric when calculating the poverty weight in the state funding formula. SB 17 proposes using census poverty as alternative metric. This bill represents a positive step forward in providing all students the resources they need to support their academic success.