# Setting new standards in the use of estimates from the American Community Survey

Katherine Nesse, PhD Mallory Rahe, PhD

ACS Data Users Conference
Washington, DC • May 29, 2014





# How are 3 Federal agencies using it?

	ACS variable	Geographic areas	dataset used	purpose
Housing Choice Voucher Program	median family income	metropolitan areas, parts of metropolitan areas, counties	5-year (primarily) & 1-year	establish eligibility criteria
Supplemental Nutrition Assistance Program	population living in households with incomes below 125 percent of the Federal Poverty Line	states	1-year	evaluate program performance
Urbanized Area Formula Grant	population living in households with incomes below 150 percent of the Federal Poverty Line	urbanized areas	5-year	allocate funds





## Census Bureau recommendations

• Balance timeliness & precision

• Use the margin of error





#### Housing Choice Voucher Program income threshold calculation

#### estimate choice for 2013

reason	type of reason		
1. It is most precise of the three	precision		
datasets released in 2013.			
2. It is the most recent available at the	timeliness		
time of calculation			
3. It provides estimates for all	geographic		
geographic areas of concern			
1. Regulations ask for the most recent	timeliness/		
data	statutory		
Alternative choices consistent with the above reasoning			
1. The use of this data does not alter	computational		
the outcome of the calculations.			
	<ol> <li>It is most precise of the three datasets released in 2013.</li> <li>It is the most recent available at the time of calculation</li> <li>It provides estimates for all geographic areas of concern</li> <li>Regulations ask for the most recent data</li> <li>sistent with the above reasoning</li> <li>The use of this data does not alter</li> </ol>		





#### **SNAP Program Access Index calculation**

#### estimate choice for 2013

calculations	reason	type of reason
2012 1-year ACS	1. It is more precise than the CPS.	precision
	<ol> <li>It is available sufficiently before the September 30 deadline for allocation.</li> </ol>	statutory
	<ol><li>The data is for the prior year alone.</li></ol>	timeliness/ statutory





#### Urbanized Area Formula Grant program distribution calculation

#### estimate choice for 2013

calculations		reason	type of reason
2007-2011 5-year ACS	1.	It is most precise of the three datasets released in 2013.	precision
	2.	It is the most recent available at the time of calculation	timeliness
	3.	This dataset can be used for allocations under a similar program	geographic
		for nonmetropolitan areas	





### There are other reasons

- Timeliness
- Precision
- Geography
- Computation
- Statutory





	Use of Margin of	Use of margin of	Use of margin of
	error in selecting	error in reporting	error in policy
program	an estimate	the data	activities
Housing Choice Voucher Program	Yes	No	No
SNAP	No	No	No
Urbanized Area Formula Grant program	No	Yes	No





# "It is a hard job for the housing authorities to make these determinations. Do we really want to make it harder for them?"

Peter B. Kahn, HUD





"We operate in a framework where people don't like a range of answers. They expect a single answer to every question."

Robert Dalrymple, FNS





The objective of the FTA is to be consistent across all areas. Making exceptions for one area because of a statistical tie would not be consistent.

David Schneider, FTA





# What issues determine how your organization uses the ACS?

Mallory Rahe, PhD Oregon State University mallory.rahe@oregonstate.edu Katherine Nesse, PhD Kansas State University knesse@k-state.edu @katenesse



