

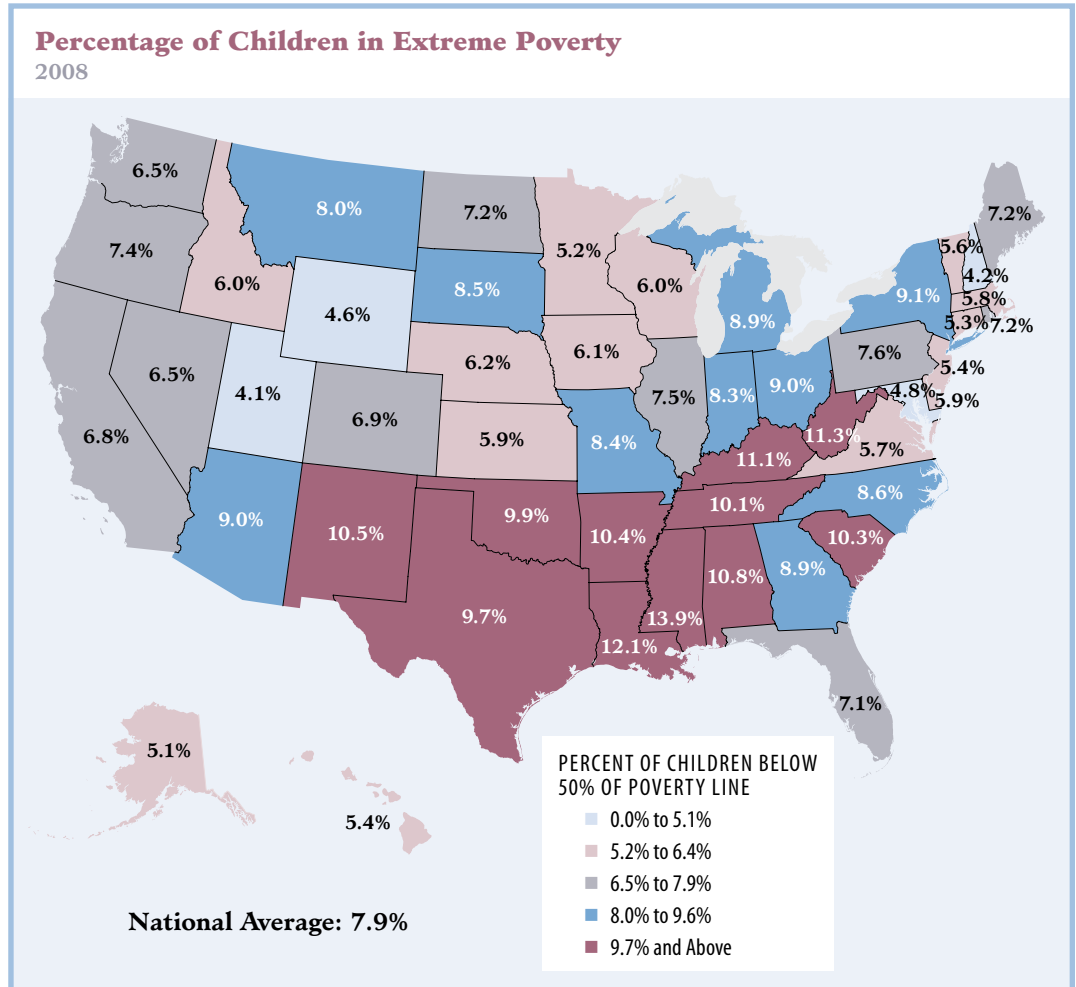
The Worst of Times



Children in Extreme Poverty in the South and Nation

More than 5.7 million children lived in extreme poverty in the United States in 2008—surviving on less than \$7 or \$8 per day. Almost 1 in every 12 children was in a household with an income below 50 percent of the federal poverty line.¹ These children belonged to households in every state of the Union, but they were largely concentrated in the 15 states of the American South. More than 2.4 million extremely poor children—42 percent of the nation’s total—lived in the South.

¹In 2008, the US Census threshold of poverty for a household of 4 persons was \$22,025 or \$5,506 per person. This income amounts to \$15.09 per day for each of the 4 persons in the household. A child in extreme poverty lives in a household where the income is less than half that amount – below \$7.54 per day for each person.

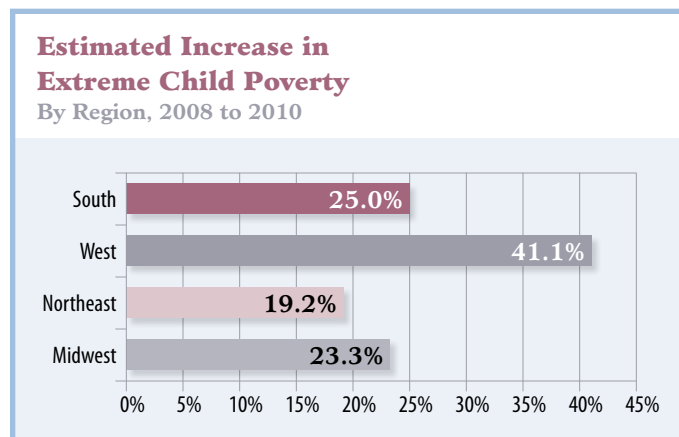


Ten of the 11 states in the nation where at least 1 in every 10 children were in extreme poverty are in the South.² Mississippi had the largest proportion—14 percent. Louisiana, West Virginia, Kentucky, and Alabama followed at 11 to 12 percent. Arkansas, South Carolina, Tennessee, Oklahoma, and Texas had 1 child in every 10 in extreme poverty. New Mexico with 11 percent was the only non-Southern state with the nation's highest rates of extreme child poverty.

The Recession's Effects on Extreme Child Poverty

The recent recession has expanded the number of extremely poor children nationwide by an estimated 26 percent—adding as many as 1½ million children in extreme poverty since 2008. During the last 2 years, the Western states have had the largest rise of extremely poor children, although every region in the nation has had a substantial increase.

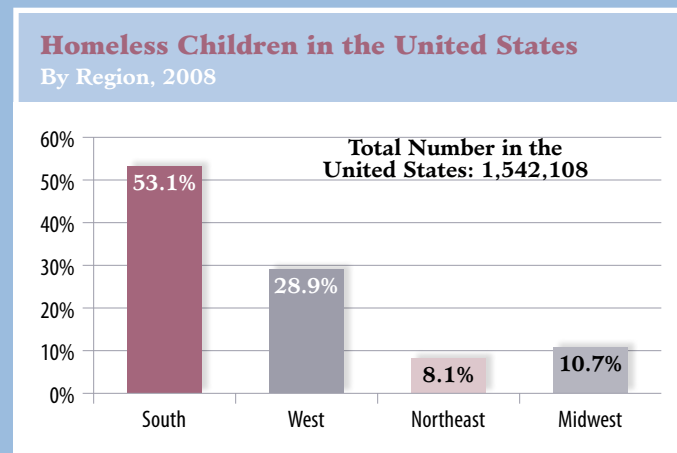
The rise of hardship and extreme poverty for children, especially in the Southern and Western states, will likely continue beyond the first half of 2010. From June 2009 through March 2010, the number of jobless workers continued to grow in the South and the West. The number of mortgage foreclosures between November 2009 and January 2010 continued to rise in Western and Southern states. Nine states in the South and 4 in the West had bank card delinquency rates above the national average during the last 3 months of 2009. Seven Southern states and 5 Western states had delinquency rates for automobile loans



²The SEF's South includes 15 states: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Homeless Children in Extreme Poverty

The South has an exceptionally large number of extremely poor children who are homeless. More than ½ the nation's homeless children—53 percent—were located in the South in 2008.



Source: Computed from data of National Center on Family Homelessness, 2010.

of 1 percent or more—substantially above the national average of .81 percent—in the last quarter of 2009.

During the same period, 10 percent or more of the student loans for higher education were at least 60 days delinquent in most counties in the United States. The overwhelming majority of the overdue student loans were in the South where 3 out of 4 counties had delinquency rates of 10 percent or more. In 1 out of every 12 Southern counties, the delinquency rates were 20 percent or higher.

These indicators of consumer well-being suggest that the growth of extreme poverty among children will continue into 2011.

Children in Extreme Poverty in US School Districts

Before suffering the harshest effects of the “Great Recession,” more than 1,000 public school districts across every state in the Union—2/5 of the more than 2,700 school districts for which data was available in 2008—had rates of extreme child poverty greater than the national average of

7.9 percent.³ The highest rates were concentrated primarily in Southern school districts, although several non-Southern states, especially Ohio, Michigan, and Indiana, had school districts with some of the nation's highest rates of extreme child poverty.

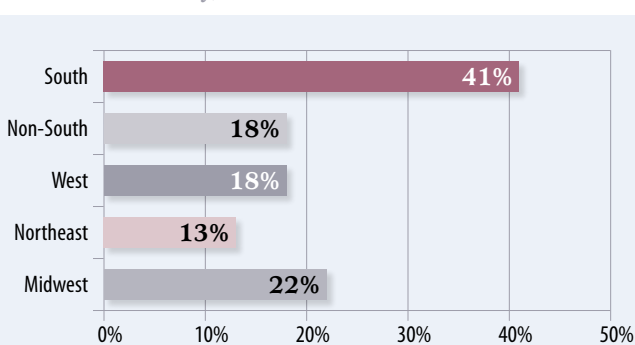
Warren City Schools in Ohio topped the list, with fully 35 percent of children within its jurisdiction living in extreme poverty. But, 12 of the 25 school districts with the highest rates of extreme child poverty were in the South, including 5 districts in Texas and 4 in Mississippi. Fifty-six of the 100 school districts with the highest rates throughout the nation were located in the South. At the same time, every region and every state in the country have school districts with very high rates of extreme child poverty.

At least 2 out of every 5 Southern school districts in the study had a rate of extreme child poverty of 10 percent or more. In the Northeast, less than 1 in 8 school districts had such a high rate of extreme poverty among children.

On the other end of the spectrum, 396 school districts in the nation had less than 2 out of every 100 children in extreme poverty in 2008. Only 16 of these districts were in the Southern states—and 11 of those 16 were in Texas and Virginia. Most of these 396 districts were located in California, Connecticut, Massachusetts, Michigan, New Jersey, New York, Ohio, and Pennsylvania.

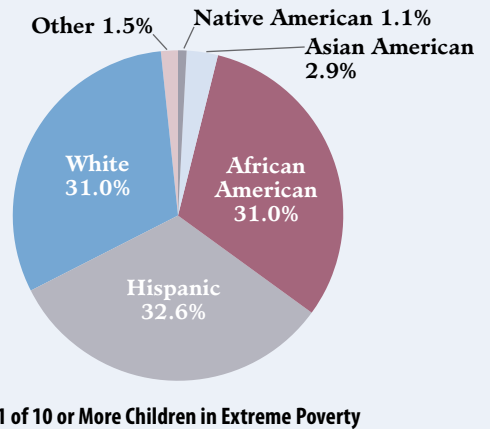
School Districts with High Rates of Extreme Child Poverty by Region

Districts with 10 Percent or More Children in Extreme Poverty, 2008



³This study included data on 2,761 school districts in 50 states with a total enrollment of 31.7 million students (approximately 2/3 of all US public school students) in 2008. Almost all districts in the study had individual enrollment totals of at least 1,800 students. See full report in publications section at www.southerneducation.org for additional details and rankings of school districts.

Percentage of Students in School Districts with High Rates of Extreme Child Poverty 2008



1 of 10 or More Children in Extreme Poverty

Student Demographics in Districts by Rates of Extreme Child Poverty

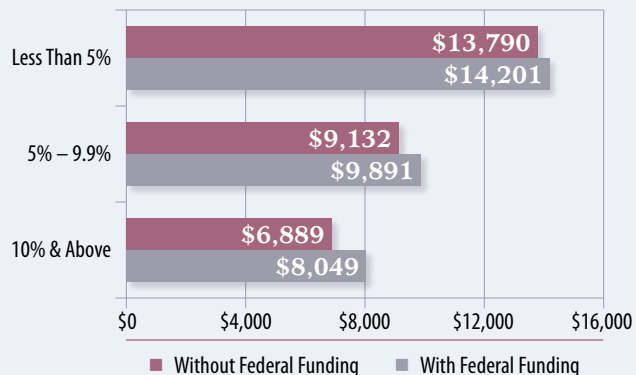
School districts with high concentrations of extremely poor children have a disproportionately large enrollment of students of color—primarily African Americans and Hispanics. African American (43.4 percent) and Hispanic (34.4 percent) students make up 78 percent of the total enrollment of the 100 school districts in the United States with the highest levels of extremely poor children—districts where at least 1 child out of every 5 lives in extreme poverty. Two-thirds of the more than 8.8 million students enrolled in districts where 1 out of every 10 children is extremely poor were African American or Hispanic.

District Funding Patterns by Rates of Extreme Child Poverty

The nation's school districts with the largest reported percentages of extremely poor children appear to have the least money to educate these children when they enter school. Based on financial data from 2007 (the latest available data), the median school district with lower rates of extreme child poverty (below 5 percent) had \$6,152 more for educating each student—76 percent more funding—than the median school district with high rates (10 percent or above).

Federal funding for school districts has had only a minor impact in narrowing this gap. The median district with high extreme poverty rates received an extra \$759 in per pupil revenues due to its high percentage of school-age poverty.

Effect of Federal Funding on Per Pupil Expenditures by School Districts' Rates of Extreme Child Poverty, 2007-08
Amounts for Median School Districts



But, the gap in per pupil spending remained vast—with and without federal revenues.

Student Performance by Rates of Extreme Child Poverty

The median school district with a rate of extreme child poverty at or above 10 percent had 63 percent of its students score proficient in state-mandated mathematics examinations in 2008. Districts with less than 5 percent of extreme poverty had a median score of 78 percent—a rate about 1/4 better.

Issues and Implications for Policy and Practice in Education

This report raises serious questions about the impact and validity of current educational policies and practices at every level on children in extreme poverty. These children exist in significant numbers in school districts in every region and state in the country. But, no educational policy at any level today acknowledges America's large population of children in extreme poverty and the extraordinary challenges they face in education.

It is time for a new perspective and framework for the education of America's most vulnerable children. It makes little sense today for the federal government to continue to base national funding for school districts on measures of poverty without also considering extreme poverty. And it makes little sense to count only children between the ages of 5 and 17 in calculating poverty and extreme poverty

rates for distributing federal funds to school districts. Extremely poor children face life-crippling challenges and problems in education long before the age of 5 when they enter kindergarten.

In addition, this study's findings on the funding of school districts according to rates of extreme child poverty flatly contradict the nation's cherished commitment to equal opportunity in education.

Conclusions and Recommendations

In these hard times, policymakers and educators can help to assure that the children with the least do not suffer the most as students by adopting an informal practice of an "extreme child poverty impact assessment." This impact assessment should gauge how any major change in policy, practice, or funding in public education might adversely or positively affect the education of children in extreme poverty in their school districts and offer alternatives that could reduce any adverse impact.

In addition, SEF recommends that the White House, the US Department of Education, and other federal policymakers establish a bipartisan, blue-ribbon national commission on the education of children in extreme poverty. This body should commission additional research, work to awaken public understanding and awareness, and identify how the nation's educational policies can assure an equal opportunity to learn for the growing numbers of our nation's poorest children.

Education is one of the nation's most efficient and effective long-term investments to help young people out of poverty and extreme poverty. The education of extremely poor children also can be one of the best investments for advancing the entire country's future quality of life and high standards of living. In truth, children in extreme poverty represent a fundamental test of America and its enduring values. Their progress in our midst will be the lasting measure of our true worth as a people and as a nation in the worst of times, no less than the best.

The complete SEF Report, The Worst of Times: Children in Extreme Poverty in the South and Nation, is found free of charge in the publications section of SEF's website, www.southerneducation.org.

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