



## State Median Income and Federal Poverty Level Calculation Tool

This tool is designed to assist states and territories with calculating annual and monthly State Median Income (SMI) estimates and Federal Poverty Levels (FPL) Child Care and Development Fund (CCDF) programs use to determine income eligibility and family co-payments for the child care subsidy program funded through the CCDF. The tool contains four Excel worksheets or Tabs that automatically calculate the SMI income levels in increments from 5 percent to 100 percent when the user enters the 100 percent SMI estimate for a family of four in the spreadsheets.

On page 67460 of the CCDF Final Rule, ACF has provided states with the option of using a three year rolling average of the SMI estimate when the SMI income level decreases. Specifically, the discussion in the preamble states that, "if a State's median income decreases as a result of a single year estimate, the State would have the option of using, and we strongly encourage it to consider, the three year estimate to lessen that impact of any single year fluctuation. This could mitigate some of the impacts of unexpected decreases, and, by aligning with LIHEAP, another benefit program which families may also be accessing, make it easier for families to manage income requirements across programs."

For this reason, the tool intentionally requires the user to determine the appropriate SMI figure to enter into the worksheets.

Below we have provided links to the SMI estimates for the three most current fiscal years. Before using the tool, the user will need to determine whether to use the SMI level for the current year or a three year average. NCSIA will update the links to the SMI and FPL figures as changes occur so the tool remains current.

### Links to the State Median Income Estimates by Federal Fiscal Year:

**FFY 2021:** <https://www.acf.hhs.gov/ocs/resource/liheap-im-2020-02-state-median-income-estimates-for-optional-use-fy2020-and-mandatory-use-fy2021>

**FFY 2020:** <https://www.acf.hhs.gov/ocs/resource/liheap-im-2019-02-state-median-income-estimates-fy-2019>

**FFY 2019:** <https://www.acf.hhs.gov/ocs/resource/state-median-income-estimates-for-optional-use-in-fy-2018-and-mandatory-use-in-fy-2019>

**SMI and FPL Comparisons:** It is important to note that the SMI income estimates published by the Census Bureau contains a list of all states, the District of Columbia (DC) and Puerto Rico. **SMI income estimates are effective for each Federal fiscal year beginning on October 1.**

The FPL income levels for the 48 contiguous states, DC and Puerto Rico are the same. Alaska and Hawaii have their own FPL estimates. This is why the SMI and FPL comparisons for Alaska and Hawaii are on separate tabs. **Unlike the SMI estimates, FPL income estimates are established by calendar year, starting in January.**

## Description of the Tabs

**Tab 1. Instructions:** Contains the instructions for using the Tool as well and the links to the three most recent SMI income estimates.

**Tab 2. Annual & Monthly SMI Amounts:** Contains the annual and monthly SMI income estimates for the state selected by the user. The user must enter the annual SMI amount into this worksheet.

**Tab 3. SMI & FPL Comparison:** Compares the [2021](#) SMI income levels for the state selected by the user to the [2020](#) FPL income levels for the 48 contiguous states and Puerto Rico, for each increment contained in the table. The SMI estimate entered in Tab 2 automatically populates this worksheet. The worksheet should not be used to compare the SMI and FPL income levels for Alaska and Hawaii since these states have their own FPL income levels.

**Tab 4. Alaska SMI & FPL:** This worksheet compares SMI income level for Alaska to the Alaska FPL levels for each increment contained in the table. The user must enter the Alaska SMI income estimate into the table. The FPL income levels are auto-populated.

**Tab 5. Hawaii SMI and FPL:** This worksheet function the same way as Tab 4 for the state of Hawaii. The worksheet compares SMI income level for Hawaii to the Hawaii FPL levels for each increment contained in the table. The user must enter the Hawaii SMI income estimate into the table. The FPL income levels are auto-populated.

**Tab 6. Calendar 2020 FPL Source:** This worksheet contains the FPL income levels for the most current calendar year. The figures are used to auto-populate the other worksheets.

## Instructions

**Step 1.** Select the state for which the income estimates will be calculated.

**Step 2.** Determine if your state will use the most current FPL income estimate or a three year average. Use the appropriate link or links to the SMI tables to determine the FPL level to use in the calculations.

**Step 3.** Click on Tab 2 to calculate the annual and monthly SMI income estimates for the 48 contiguous states, DC or Puerto Rico. Table 3 will automatically calculate the FPL income level comparisons. Note that you can use Tab 2 to calculate the SMI estimates for Alaska and Hawaii. However, the FPL figures listed on Tab 3 for Alaska and Hawaii will be incorrect because these states have their own FPL levels.

**Step 4.** Enter the name of the state in row 1 at the top of Tab 2.

**Step 5.** Enter the SMI income estimate for a family of four in Cell E24 on Tab 2. Tab 2 and Tab 3 will automatically calculate the SMI and SMI/FPL comparisons. The name of the state entered in Tab 2 will automatically carry over to Tab 3. Print the sheets as necessary.

**Step 6.** Use Tab 4 or Tab 5 to calculate the SMI/FPL comparisons for Alaska and Hawaii respectively. Each of these worksheets require you to enter the 100% SMI figure for a family of 4 in Cell E38.

**Note that the worksheets are protected to prevent users from accidentally changing the formulas in the worksheets. Users can only enter data into cells as described above.**