

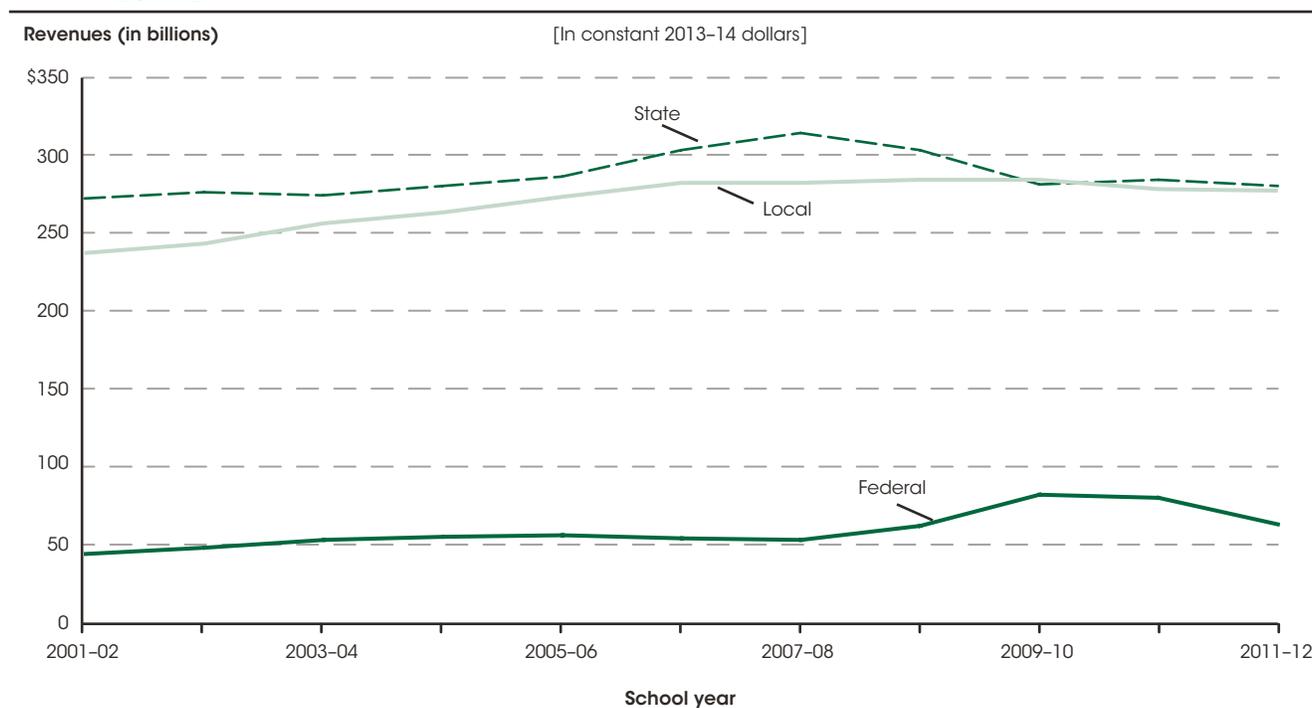
Public School Revenue Sources

From school years 2001–02 through 2011–12, total elementary and secondary public school revenues increased from \$553 billion to \$620 billion (in constant 2013–14 dollars). During the most recent period from 2010–11 through 2011–12, total revenues for public elementary and secondary schools decreased by about \$22 billion, or more than 3 percent.

From school years 2001–02 through 2011–12, total elementary and secondary public school revenues increased from \$553 billion to \$620 billion (in constant 2013–14 dollars), a 12 percent increase, adjusting for inflation using the Consumer Price Index (CPI). This increase was accompanied by a 4 percent increase in total elementary and secondary public school enrollment, from 48 million students in 2001–02 to 50 million students in 2011–12. Federal revenues increased 89 percent from 2001–02 to 2009–10 (from \$44 billion to \$82 billion), but decreased by 3 percent from 2009–10 to 2010–11

(from \$82 billion to \$80 billion). These revenues then decreased by another 22 percent, to \$63 billion in 2011–12. From 2001–02 through 2011–12, local revenues increased by 17 percent, to \$277 billion in 2011–12. State revenues fluctuated between \$272 billion and \$314 billion during this period, and they were 3 percent higher in 2011–12 than in 2001–02 (\$280 billion vs. \$272 billion). During this period, federal revenues peaked in 2009–10 at \$82 billion, while local revenues peaked in 2008–09 at \$284 billion and state revenues peaked in 2007–08 at \$314 billion.

Figure 1. Revenues for public elementary and secondary schools, by revenue source: School years 2001–02 through 2011–12



NOTE: Revenues are in constant 2013–14 dollars, adjusted using the Consumer Price Index (CPI).
 SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2001–02 through 2011–12. See *Digest of Education Statistics 2014*, table 235.10.

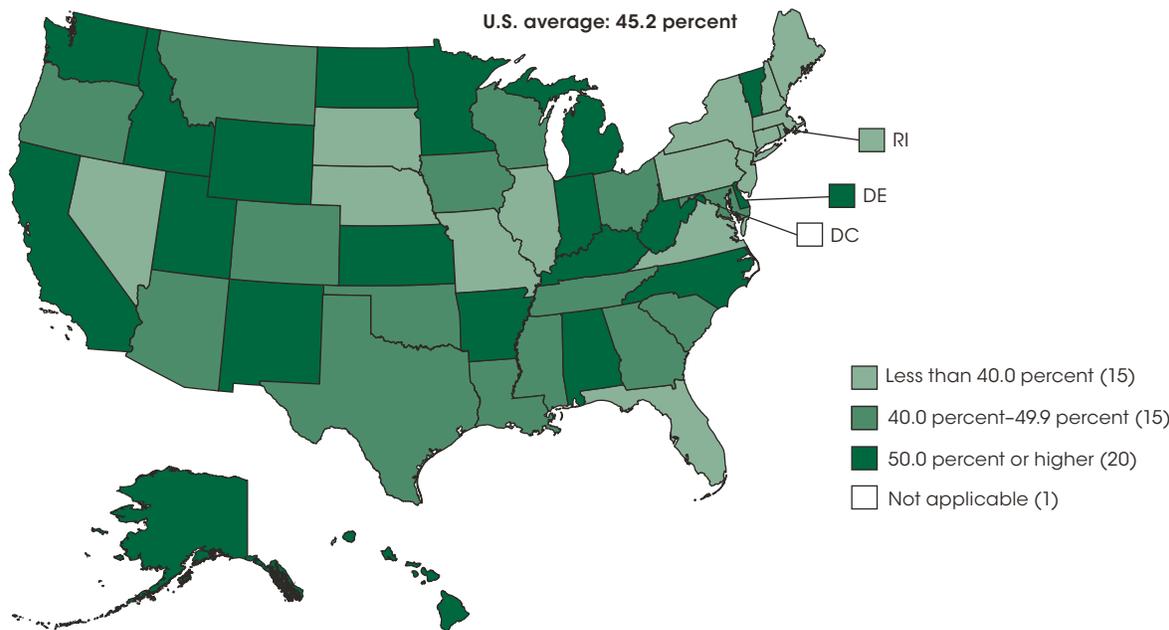
The percentage of total revenues for public elementary and secondary education that came from federal sources was 8 percent in school year 2001–02 and 10 percent in 2011–12. Between school years 2001–02 and 2011–12, the percentage coming from local sources fluctuated between 43 and 45 percent, accounting for 45 percent of total revenues in 2011–12. The percentage of total revenues from state sources decreased from 49 percent in school year 2001–02 to a low of 43 percent in school year 2009–10. The percentage of revenues from state sources was higher in 2011–12 (45 percent) than in 2009–10 (43 percent).

More recently, from school years 2010–11 through 2011–12, total revenues for public elementary and secondary schools decreased by about \$22 billion in constant 2013–14 dollars (3 percent). During this period, federal revenue declined by \$17 billion (22 percent) and state revenue declined by \$3 billion (1 percent). Local revenues declined by \$1.6 billion (1 percent), reflecting a

\$2.1 billion decrease in revenues from local property taxes, a \$0.7 billion increase in other local public revenues, and a \$0.2 billion decrease in private revenues (consisting of receipts from school lunches, student activities, and other fees from students). Other local public revenues were the only source that increased from 2010–11 through 2011–12.

In school year 2011–12, there were significant variations across the states in the percentages of public school revenues coming from state, local, and federal sources of revenue. In 20 states, at least half of education revenues came from state governments, while in 16 states and the District of Columbia at least half came from local revenues. In the remaining 14 states, no single revenue source made up more than half of education revenues: Arizona, Colorado, Georgia, Iowa, Louisiana, Mississippi, Montana, Ohio, Oklahoma, Oregon, South Carolina, Tennessee, Texas, and Wisconsin.

Figure 2. State revenues for public elementary and secondary schools as a percentage of total public school revenues, by state: School year 2011–12

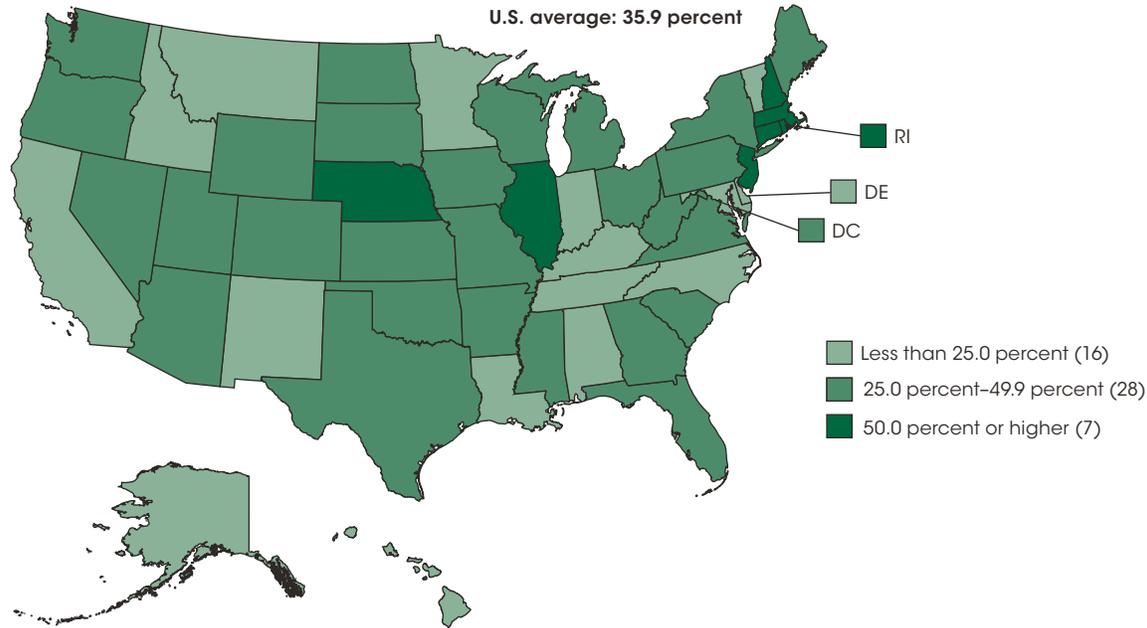


NOTE: All 50 states and the District of Columbia are included in the U.S. average, even though the District of Columbia does not receive any state revenue. The District of Columbia and Hawaii have only one school district each; therefore, neither is comparable to the other states. Categorizations are based on unrounded percentages. Excludes revenues for state education agencies.
 SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2011–12. See *Digest of Education Statistics 2014*, table 235.20.

In school year 2011–12, the percentages of public school revenues coming from state sources were highest in Vermont and Hawaii (88 and 85 percent, respectively), and lowest in South Dakota and Nebraska (31 percent each). The percentage of revenues coming from federal sources was highest in Mississippi (18 percent), followed by Louisiana and South Dakota (17 percent each); the percentage was lowest in Connecticut and New Jersey

(5 percent each), followed by Maryland (6 percent). Among all states, the percentage of revenues coming from local sources was highest in Nebraska and Illinois (60 percent each), and lowest in Vermont and Hawaii (4 and 2 percent, respectively). Most of the revenues for the District of Columbia (90 percent) were from local sources; the remaining 10 percent of revenues were from federal sources.

Figure 3. Property tax revenues for public elementary and secondary schools as a percentage of total public school revenues, by state: School year 2011–12



NOTE: All 50 states and the District of Columbia are included in the U.S. average. The District of Columbia and Hawaii have only one school district each; therefore, neither is comparable to the other states. Categorizations are based on unrounded percentages.
SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 2011–12. See *Digest of Education Statistics 2014*, table 235.20.

In school year 2011–12, local property taxes constituted 81 percent of total local revenues and 36 percent of total revenues for elementary and secondary schools. The percentages of total revenues from local property taxes differed by state. In 2011–12, New Hampshire and Connecticut had the highest percentage of revenues from property taxes, at 55 percent each. Five other states had percentages of revenues from property taxes of 50 percent or more (in descending order): Illinois, New Jersey,

Rhode Island, Massachusetts, and Nebraska. Vermont and Hawaii¹ had the lowest percentages of revenues from property taxes (0.1 percent and 0 percent, respectively). In 14 other states, property taxes made up less than 25 percent of education revenues (in descending order): Montana, Delaware, California, Maryland, Indiana, Kentucky, North Carolina, Tennessee, Idaho, Minnesota, Louisiana, Alabama, New Mexico, and Alaska.

Endnotes:

¹ Hawaii has only one school district, which receives no funding from property taxes.

Reference tables: *Digest of Education Statistics 2014*, tables 235.10 and 235.20; *Digest of Education Statistics 2013*, table 203.20

Related indicators: Public School Expenditures (indicator 21)

Glossary: Consumer Price Index (CPI), Elementary school, Property tax, Public school or institution, Revenue, Secondary school