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Acknowledgments
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Introduction to the profiles

School funding is both enormously important and extremely complicated. Large amounts of finance data are collected every year by districts, states, and the federal government. These data are used by scholars and organizations to produce volumes of reports and papers, which vary widely in terms of empirical rigor, and sometimes reach conflicting conclusions. This can be frustrating for policymakers, parents, advocates, and other stakeholders.

The primary purpose of the School Finance Indicators Database (SFID) is to cut through this clutter. It is a collection of finance and resource allocation measures that are based on sophisticated and widely accepted methods, but also designed to be easy for non-researchers to understand and use. The full state database, as well as user-friendly documentation, online data visualizations, and other resources are freely available to the public at the SFID website: schoolfinancedata.org.

Each year, we publish a report summarizing key findings from the SFID. Although this report does present data from every state, it does not allow for the kind of state-specific detail that many users desire. Moreover, while all of our state indicators data are available to the public, the fact remains that analyzing datasets, as well as compiling and contextualizing results from a variety of different measures, can be difficult and time-consuming. These 51 one-page state profiles pull together a selection of key measures into one place and provide a succinct summary of each state's (and D.C.'s) public K-12 finance system. They are published every year as an accompaniment to the annual report. Note that individual state profiles can be downloaded at the SFID website.

It is important to note that the latest year of data presented in the state profiles is 2017-18, which means the data predate the coronavirus pandemic and the economic crisis it caused. It will be a couple of years before we are able to publish the SFID data for a time period that reflects the impact of this crisis. In the meantime, however, it is crucial for policymakers and the public to examine and understand their school finance systems as they were prior to the pandemic. The features and performance of each state's system will to no small extent determine the severity and duration of the current downturn's impact on its school budgets, as well as its ability to withstand future economic crises.

Characterizing complex state finance systems parsimoniously is a challenge. The State Indicators Database (SID), which is the primary product of the SFID, includes approximately 125 variables measuring revenue and spending at different levels (e.g., federal, state, local), resource allocation (e.g., staff ratios, teacher pay), and other topics. The indicators are statistically adjusted for factors, such as regional wage variation and poverty, to allow for better comparisons within and between states (many of the indicators are available over the past 25-30 years).

Any attempt to include all or even most of these measures in a single profile would likely overwhelm many users. It is also unnecessary.
Instead, the profiles, like the annual report, focus on three "core" measures from the state database, which together offer an effective overview of the fairness and sufficiency of each state's finance system:

1. **Effort**: how much of a state's total resources or capacity are spent directly on public K-12 education;
2. **Adequacy**: whether states provide districts with resources sufficient to meet common outcome goals;
3. **Progressivity**: whether states allocate more resources to districts serving larger proportions of disadvantaged children.

In the profiles, we provide descriptions of each of these three measures, and we try to present the data clearly and in context. This includes, for example, comparisons of each state with the nation as a whole, and, where possible, trends over time.

On the back of each profile you can find more detailed information about the indicators and notes about how they are presented and might be interpreted. This back page also lists the names of SID variables used, should readers wish to download and analyze the data for themselves. It is our hope that the profiles contribute to improving the quality and productivity of school finance debates and policymaking.
ALABAMA

Description: This 2017-18 profile of Alabama's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Alabama devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

FISCAL EFFORT

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Alabama effort: 3.61%
- U.S. average: 3.43%

In FY 2018, Alabama spent 3.61% of its economic capacity directly on K-12 education.

This was 0.18 percentage points higher than the unweighted national average of 3.43%.

Alabama's effort level ranks #17 in the nation (out of 49).

ADEQUACY

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Alabama's highest poverty districts is $7,637 PP lower than the estimated adequate level ($17,803), a difference of -42.9%.
- Districts in Alabama's second highest poverty quintile spend 33.1% less than the adequate level.

PROGRESSIVITY

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Alabama is regressive.
- Higher poverty districts receive 12.4% less revenue than zero poverty districts (this level of progressivity ranks #44 in the nation out of 51).

Adequacy: AL vs U.S. average

<table>
<thead>
<tr>
<th>District poverty</th>
<th>AL</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>1.4</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>-15.7</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-26.6</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-33.1</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-42.9</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, Alabama's spending is 42.9% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Alabama's highest poverty districts ranks #42 in the nation (out of 49).

Effort trends, 2004-18

- Effort in AL increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.69% in 2004 to 4.67% in 2009.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>AL %</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.98</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-1.05</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>-0.07</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 1.05 percentage points between 2009 and 2018.
- AL's effort was 0.07 percentage points lower in 2018 than in 2004.

Progressivity trend (30/0), 2002-18

- AL's funding was less regressive in 2018 (-12.4%) vs. 2002 (-20.7%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
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- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources: ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year

www.schoolfinancedata.org
**Description:** This 2017-18 profile of Alaska’s public K–12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Alaska devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**Fiscal Effort** is the amount a state spends directly on K–12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Alaska effort:** 4.23%
- **U.S. average:** 3.43%

- In FY 2018, Alaska spent 4.23% of its economic capacity directly on K–12 education.
- This was 0.79 percentage points higher than the unweighted national average of 3.43%.
- Alaska’s effort level ranks #4 in the nation (out of 49).

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Alaska’s highest poverty districts is $3,233 PP higher than the estimated adequate level ($25,055), a difference of 12.9%.
- Districts in Alaska’s second highest poverty quintile spend 65.0% more than the adequate level.

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- **School funding in Alaska is progressive.**
- Higher poverty districts receive 69.3% more revenue than zero poverty districts (this level of progressivity ranks #1 in the nation [out of 51]).

**CONTENTS**

- *Effort trends, 2004-18*
  - Effort in AK increased in the years before the "Great Recession’s" main impact on K–12 funding, going from 4.63% in 2004 to 4.87% in 2009.
  - This was followed by a decrease of 0.64 percentage points between 2009 and 2018.
  - AK’s effort was 0.40 percentage points lower in 2018 than in 2004.

**ADEQUACY**

**Efficiency** measures whether spending is sufficient to achieve national average test scores. This was followed by a decrease of 0.64 percentage points between 2009 and 2018.

- AK's effort was 0.40 percentage points lower in 2018 than in 2004.

**Progressivity trend (30/0), 2002-18**

- AK's funding was more regressive in 2018 (69.3%) vs. 2002 (152.4%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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NOTES ON DATA AND MEASURES
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- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
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- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy
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- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.
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- SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year

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ARIZONA SCHOOL FINANCE PROFILE 2017-18

**Description:** This 2017-18 profile of Arizona’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Arizona devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Arizona effort: 2.43%
- U.S. average: 3.43%

- In FY 2018, Arizona spent 2.43% of its economic capacity directly on K-12 education.
- This was 1.00 percentage points lower than the unweighted national average of 3.43%.
- Arizona's effort level ranks #49 in the nation (out of 49).

**ADEQUACY**

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Arizona's highest poverty districts is $11,750 PP lower than the estimated adequate level ($21,349), a difference of -55.0%.
- Districts in Arizona's second highest poverty quintile spend 56.8% less than the adequate level.

**PROGRESSIVITY**

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Arizona is regressive.
- Higher poverty districts receive 13.6% less revenue than zero poverty districts (this level of progressivity ranks #45 in the nation [out of 51]).

**Effort trends, 2004-18**

- Effort in AZ increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.18% in 2004 to 3.73% in 2009.

**Net change by period (% pts.)**

<table>
<thead>
<tr>
<th>Period</th>
<th>AZ</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-09</td>
<td>0.55</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-1.30</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>-0.75</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 1.30 percentage points between 2009 and 2018.
- AZ's effort was 0.75 percentage points lower in 2018 than in 2004.

**Adequacy: AZ vs U.S. average**

- In its highest poverty districts, Arizona's spending is 55.0% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Arizona's highest poverty districts ranks #49 in the nation (out of 49).
State School Finance Profiles 2017-18 (published 2021)

NOTES ON DATA AND MEASURES

General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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Fiscal effort

Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profile). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
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SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year

www.schoolfinancedata.org
**Description:** This 2017-18 profile of Arkansas’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Arkansas devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Arkansas effort:** 4.13%
- **U.S. average:** 3.43%
  - In FY 2018, Arkansas spent 4.13% of its economic capacity directly on K-12 education.
  - This was 0.69 percentage points higher than the unweighted national average of 3.43%.
  - Arkansas’s effort level ranks #7 in the nation (out of 49).

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Arkansas’s highest poverty districts is $4,699 PP lower than the estimated adequate level ($15,298), a difference of -30.7%.
- Districts in Arkansas’s second highest poverty quintile spend 26.6% less than the adequate level.

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Arkansas is moderately progressive.
- Higher poverty districts receive 4.4% more revenue than zero poverty districts (this level of progressivity ranks #18 in the nation (out of 51)).

**Effort trends, 2004-18**
- Effort in AR has increased in the years before the "Great Recession’s" main impact on K-12 funding, going from 4.04% in 2004 to 4.89% in 2009.

**Net change by period (% pts.)**
<table>
<thead>
<tr>
<th>Period</th>
<th>AR</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.85</td>
<td>0.33</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-0.77</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>0.09</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 0.77 percentage points between 2009 and 2018.
- AR’s effort was 0.09 percentage points higher in 2018 than in 2004.

**Adequacy: AR vs U.S. average**

- In its highest poverty districts, Arkansas’s spending is 30.7% below the adequate level, compared with a ~20.7% U.S. average.
- Adequacy in Arkansas’s highest poverty districts ranks #34 in the nation (out of 49).

**Progressivity trend (30/0), 2002-18**

- AR’s funding was more progressive in 2018 (4.4%) vs. 2002 (-6.8%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
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- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- **SID variables used:** effort; year

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www.schoolfinancedata.org
Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

<table>
<thead>
<tr>
<th>California effort</th>
<th>3.05 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.43 %</td>
</tr>
</tbody>
</table>

In FY 2018, California spent 3.05% of its economic capacity directly on K-12 education.
This was 0.39 percentage points lower than the unweighted national average of 3.43%.
California's effort level ranks #35 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in California's highest poverty districts is $10,645 PP lower than the estimated adequate level ($23,276), a difference of -45.7%.

- Districts in California's second highest poverty quintile spend 37.7% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in California is moderately progressive.
- Higher poverty districts receive 6.9% more revenue than zero poverty districts (this level of progressivity ranks #14 in the nation (out of 51)).
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- SID variables used: effort; year

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Fairness of its system, an indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Colorado devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Colorado effort** 2.95 %
- **U.S. average** 3.43 %

  - In FY 2018, Colorado spent 2.95% of its economic capacity directly on K-12 education.
  - This was 0.48 percentage points lower than the unweighted national average of 3.43%.
  - Colorado's effort level ranks #40 in the nation (out of 49).

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- Spending in Colorado's highest poverty districts is $5,387 PP lower than the estimated adequate level ($14,971), a difference of -36.0%.
- Districts in Colorado's second highest poverty quintile spend 24.1% less than the adequate level.

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Colorado is progressive.
- Higher poverty districts receive 11.9% more revenue than zero poverty districts (this level of progressivity ranks #7 in the nation [out of 51]).

**Effort trends, 2004-18**
- Effort in CO increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.20% in 2004 to 3.30% in 2009.
- CO's effort was 0.25 percentage points lower in 2018 than in 2004.

**Adequacy: CO vs U.S. average**
- In its highest poverty districts, Colorado's spending is 36.0% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Colorado's highest poverty districts ranks #39 in the nation (out of 49).

**Progressivity trend (30/0), 2002-18**
- CO's funding was more progressive in 2018 (11.9%) vs. 2002 (-6.7%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
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- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

### Adequacy

Adequacy typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

### Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/low poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year

www.schoolfinancedata.org
STATE SCHOOL FINANCE PROFILE
2017-18 SCHOOL YEAR

CONNECTICUT

Description: This 2017-18 profile of Connecticut's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Connecticut devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

FISCAL EFFORT

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Connecticut effort: 3.48%
- U.S. average: 3.43%

- In FY 2018, Connecticut spent 3.48% of its economic capacity directly on K-12 education.
- This was 0.05 percentage points higher than the unweighted national average of 3.43%.
- Connecticut's effort level ranks #24 in the nation (out of 49).

Effort trends, 2004-18

- Effort in CT increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.32% in 2004 to 3.61% in 2009.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>CT</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.29</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-0.13</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>0.16</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 0.13 percentage points between 2009 and 2018.
- CT's effort was 0.16 percentage points higher in 2018 than in 2004.

ADEQUACY

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Connecticut's highest poverty districts is $1,738 PP higher than the estimated adequate level ($17,373), a difference of 10.0%.
- Districts in Connecticut's second highest poverty quintile spend 125.4% more than the adequate level.

Adequacy: CT vs U.S. average

Percent above / below adequate

<table>
<thead>
<tr>
<th>District poverty</th>
<th>CT</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>225.9</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>197.8</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>154.4</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>125.4</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>10.0</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, Connecticut's spending is 10.0% above the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Connecticut's highest poverty districts ranks #6 in the nation (out of 49).

PROGRESSIVITY

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Connecticut is regressive.
- Higher poverty districts receive 11.2% less revenue than zero poverty districts (this level of progressivity ranks #40 in the nation (out of 51)).

Progressivity trend (30/0), 2002-18

- CT's funding was more regressive in 2018 (-11.2%) vs. 2002 (19.8%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

www.schoolfinancedata.org
NOTES ON DATA AND MEASURES

State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources: ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.
- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.
- SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).
- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.
- SID variables used: predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; year
Description: This 2017-18 profile of Delaware’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Delaware devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Delaware effort 2.80 %
- U.S. average 3.43 %

In FY 2018, Delaware spent 2.80% of its economic capacity directly on K-12 education.

- This was 0.63 percentage points lower than the unweighted national average of 3.43%.
- Delaware’s effort level ranks #44 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Delaware’s highest poverty districts is $144 PP higher than the estimated adequate level ($14,666), a difference of 1.0%.
- Districts in Delaware’s second highest poverty quintile spend 0.9% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Delaware is regressive.
- Higher poverty districts receive 19.8% less revenue than zero poverty districts (this level of progressivity ranks #48 in the nation (out of 51)).

Effort trends, 2004-18

- Effort in DE increased in the years before the “Great Recession’s” main impact on K-12 funding, going from 2.63% in 2004 to 2.98% in 2009.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>DE</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.36</td>
<td>0.33</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-0.18</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>-0.18</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 0.18 percentage points between 2009 and 2018.
- DE’s effort was 0.18 percentage points higher in 2018 than in 2004.

In its highest poverty districts, Delaware’s spending is 1.0% above the adequate level, compared with a -20.7% U.S. average.

Adequacy in Delaware’s highest poverty districts ranks #9 in the nation (out of 49).

DELAWARE SCHOOL FINANCE PROFILE 2017-18
NOTES ON DATA AND MEASURES

State School Finance Profiles 2017-18 (published 2021)

General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
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- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state that would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

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- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

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- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the chart are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

www.schoolfinancedata.org
**DISTRIBUTION OF COLUMBIA**

**Description:** This 2017-2018 profile of the District of Columbia's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much D.C. devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

- **Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).
  - Spending in the District of Columbia's highest poverty districts is $1,220 PP higher than the estimated adequate level ($21,539), a difference of 5.7%.
  - **Note:** due to the structure of D.C.'s education system, adequacy estimates are only available for the highest poverty quintile.

**ADEQUACY**

- **Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.
  - School funding in the District of Columbia is regressive.
  - Higher poverty districts receive 12.4% less revenue than zero poverty districts (this level of progressivity ranks #43 in the nation [out of 51]).

**PROGRESSIVITY**

- **Adequacy:** DC vs U.S. average
  - In its highest poverty districts, D.C.'s spending is 5.7% above the adequate level, compared with a -20.7% U.S. average.
  - Adequacy in D.C.'s highest poverty districts ranks #7 in the nation (out of 49).

- **Progressivity trend (30/0), 2002-2018**
  - DC's funding was less regressive in 2018 (-12.4%) vs. 2002 (-20.7%).
  - Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
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- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

SID variables used: effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profile). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
FLORIDA

Description: This 2017-18 profile of Florida's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Florida devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

FISCAL EFFORT

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Florida effort: 2.78 %
- U.S. average: 3.43 %

In FY 2018, Florida spent 2.78% of its economic capacity directly on K-12 education.

This was 0.65 percentage points lower than the unweighted national average of 3.43%.

Florida’s effort level ranks #46 in the nation (out of 49).

Effort trends, 2004-2018

- Effort in FL increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.36% in 2004 to 3.87% in 2009.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>FL</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.51</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-1.09</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>-0.58</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

This was followed by a decrease of 1.09 percentage points between 2009 and 2018.

- FL’s effort was 0.58 percentage points lower in 2018 than in 2004.

ADEQUACY

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Florida's highest poverty districts is $5,595 PP lower than the estimated adequate level ($15,238), a difference of -36.7%.
- Districts in Florida's second highest poverty quintile spend 23.6% less than the adequate level.

Adequacy: FL vs U.S. average

Percent above / below adequate

<table>
<thead>
<tr>
<th>District poverty</th>
<th>FL</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>-8.9</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>-22.5</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-28.8</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-23.6</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-36.7</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, Florida’s spending is 36.7% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Florida's highest poverty districts ranks #41 in the nation (out of 49).

PROGRESSIVITY

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Florida is neither progressive nor regressive.
- Higher poverty districts receive 2.9% more revenue than zero poverty districts (this level of progressivity ranks #22 in the nation (out of 51)).

Progressivity trend (30/0), 2002-18

- FL's funding was more progressive in 2018 (2.9%) vs. 2002 (-2.1%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources: ("Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.
- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.
- SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).
- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.
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- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.
- SID variables used: predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; year
**GEORGIA**

**Description:** This 2017-18 profile of Georgia’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Georgia devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Georgia effort:** 3.44%
- **U.S. average:** 3.43%
  - In FY 2018, Georgia spent 3.44% of its economic capacity directly on K-12 education.
  - This was 0.01 percentage points higher than the unweighted national average of 3.43%.
  - Georgia’s effort level ranks #25 in the nation (out of 49).

**Effort trends, 2004-18**

- Effort in GA increased in the years before the “Great Recession’s” main impact on K-12 funding, going from 3.70% in 2004 to 4.59% in 2009.

**ADEQUACY**

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- Spending in Georgia’s highest poverty districts is $5,301 PP lower than the estimated adequate level ($16,448), a difference of -32.2%.
- Districts in Georgia’s second highest poverty quintile spend 29.5% less than the adequate level.

**Adequacy: GA vs U.S. average**

- **Percent above / below adequate**
  - **District poverty** | GA | U.S.
  - **Lowest poverty** | 5.1 | 45.4
  - **Low poverty** | -16.0 | 11.4
  - **Medium poverty** | -22.7 | -2.0
  - **High poverty** | -29.5 | -15.1
  - **Highest poverty** | -32.2 | -20.7

- In its highest poverty districts, Georgia’s spending is 32.2% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Georgia’s highest poverty districts ranks #36 in the nation (out of 49).

**PROGRESSIVITY**

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- **School funding in Georgia is progressive.**
- **Higher poverty districts** receive 10.1% more revenue than zero poverty districts (this level of progressivity ranks #10 in the nation [out of 51]).

**Progressivity trend (30/0), 2002-18**

- **GA’s funding was more progressive in 2018 (10.1%) vs. 2002 (4.9%).**
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity.

General
The SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
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- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “checkpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.
- SID variables used: effort; year

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- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).
- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
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- SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

www.schoolfinancedata.org
HAWAII

Description: This 2017-18 profile of Hawaii's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Hawaii devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Hawaii effort: 2.43 %
- U.S. average: 3.43 %

- In FY 2018, Hawaii spent 2.43% of its economic capacity directly on K-12 education.
- This was 1.00 percentage points lower than the unweighted national average of 3.43%.
- Hawaii's effort level ranks #48 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane table (as percentage differences).

Adequacy estimates are not calculated for Hawaii, as the state consists of a single school district.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Hawaii is regressive.
- Higher poverty districts receive 12.4% less revenue than zero poverty districts (this level of progressivity ranks #42 in the nation [out of 51]).

Effort trends, 2004-18

- Effort in HI increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.12% in 2004 to 3.58% in 2009.
- This was followed by a decrease of 1.14 percentage points between 2009 and 2018.
- HI's effort was 0.68 percentage points lower in 2018 than in 2004.
General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much that state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstq1—necm_ppcstq5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year
IDAHo

**Description:** This 2017-18 profile of Idaho's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These measures provide a succinct but informative overview of how much Idaho devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

### Fiscal Effort

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Idaho effort:** 2.97%
- **U.S. average:** 3.43%

- In FY 2018, Idaho spent 2.97% of its economic capacity directly on K-12 education.
- This was 0.46 percentage points lower than the unweighted national average of 3.43%.
- Idaho's effort level ranks #39 in the nation (out of 49).

### Adequacy

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Idaho's highest poverty districts is $4,771 PP lower than the estimated adequate level ($13,992), a difference of -34.1%.
- Districts in Idaho's second highest poverty quintile spend 34.5% less than the adequate level.

### Progressivity

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Idaho is **neither progressive nor regressive**.
- Higher poverty districts receive 0.7% less revenue than zero poverty districts (this level of progressivity ranks #27 in the nation [out of 51]).
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

### Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “outpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

### Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages:
  - Hawaii (no adequacy estimates due to it being a single district state);
  - D.C. (estimates only available for highest poverty quintile); and
  - Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

### Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty; “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; year

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STATE SCHOOL FINANCE PROFILE
2017-18 SCHOOL YEAR

ILLINOIS

Description: This 2017-18 profile of Illinois's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Illinois devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

Illinois effort: 3.16 %
U.S. average: 3.43 %
- In FY 2018, Illinois spent 3.16% of its economic capacity directly on K-12 education.
- This was 0.27 percentage points lower than the unweighted national average of 3.43%.
- Illinois’s effort level ranks #32 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).
- Spending in Illinois's highest poverty districts is $3,561 PP lower than the estimated adequate level ($17,879), a difference of -19.9%.
- Districts in Illinois's second highest poverty quintile spend roughly the same (+0.04%) as the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.
- School funding in Illinois is regressive.
- Higher poverty districts receive 21.9% less revenue than zero poverty districts (this level of progressivity ranks #49 in the nation (out of 51)).

Effort trends, 2004-18
- Effort in IL increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.46% in 2004 to 3.84% in 2009.
- This was followed by a decrease of 0.68 percentage points between 2009 and 2018.
- IL’s effort was 0.30 percentage points lower in 2018 than in 2004.

Adequacy: IL vs U.S. average
- In its highest poverty districts, Illinois's spending is 19.9% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Illinois's highest poverty districts ranks #21 in the nation (out of 49).

Progressivity trend (30/0), 2002-18
- IL’s funding was less regressive in 2018 (-21.9%) vs. 2002 (-22.3%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources: "(Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as a rough gage of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across all U.S. States. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
**INFORMATION**

**Description:** This 2017-18 profile of Indiana’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These measures provide a succinct but informative overview of how much Indiana devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Indiana effort:** 2.82%
- **U.S. average:** 3.43%
  - In FY 2018, Indiana spent 2.82% of its economic capacity directly on K-12 education.
  - This was 0.61 percentage points lower than the unweighted national average of 3.43%.
  - Indiana's effort level ranks #43 in the nation (out of 49).

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Indiana's highest poverty districts is $4,947 PP lower than the estimated adequate level ($16,295), a difference of -30.4%.
- Districts in Indiana's second highest poverty quintile spend 16.2% less than the adequate level.

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Indiana is moderately progressive.
- Higher poverty districts receive 6.5% more revenue than zero poverty districts (this level of progressivity ranks #15 in the nation [out of 51]).
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- **Non-SFID data sources** ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
IOWA

Description: This 2017-18 profile of Iowa’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Iowa devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Iowa effort**: 3.60%
- **U.S. average**: 3.43%

- In FY 2018, Iowa spent 3.60% of its economic capacity directly on K-12 education.
- This was 0.16 percentage points higher than the unweighted national average of 3.43%.
- Iowa’s effort level ranks #20 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Iowa’s highest poverty districts is $1,701 PP lower than the estimated adequate level ($13,188), a difference of -12.9%.
- Districts in Iowa’s second highest poverty quintile spend 6.8% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Iowa is moderately regressive.
- Higher poverty districts receive 7.4% less revenue than zero poverty districts (this level of progressivity ranks #36 in the nation (out of 51)).
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.
- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, ”middle poverty” districts have 20 percent poverty, and ”higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

www.schoolfinancedata.org
**Kansas School Finance Profile 2017-18**

**Description:** This 2017-18 profile of Kansas's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Kansas devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

### Fiscal Effort

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Kansas effort:** 3.65%
- **U.S. average:** 3.43%

- In FY 2018, Kansas spent 3.65% of its economic capacity directly on K-12 education.
- This was 0.22 percentage points higher than the unweighted national average of 3.43%.
- Kansas's effort level ranks #15 in the nation (out of 49).

### Adequacy

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- Spending in Kansas's highest poverty districts is $1,891 PP lower than the estimated adequate level ($13,718), a difference of -13.8%.
- Districts in Kansas's second highest poverty quintile spend 2.0% less than the adequate level.

### Progressivity

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Kansas is neither progressive nor regressive.
- Higher poverty districts receive 3.0% more revenue than zero poverty districts (this level of progressivity ranks #21 in the nation (out of 51)).

In its highest poverty districts, Kansas's spending is 13.8% below the adequate level, compared with a -20.7% U.S. average.

Adequacy in Kansas's highest poverty districts ranks #15 in the nation (out of 49).

- **Effort trends, 2004-18:**
  - Effort in KS **increased** in the years before the "Great Recession's" main impact on K-12 funding, going from 3.77% in 2004 to 4.35% in 2009.
  - **Net change by period (% pts.):**
    - 2004-2009: +0.58% (KS), +0.23% (U.S.)
    - 2009-2018: -0.70% (KS), -0.64% (U.S.)
    - 2004-2018: -0.11% (KS), -0.31% (U.S.)
  - This was followed by a decrease of 0.70 percentage points between 2009 and 2018.
  - KS’s effort was 0.11 percentage points lower in 2018 than in 2004.

- **Progressivity trend (30/0), 2002-18:**
  - KS’s funding was **more progressive** in 2018 (3.0%) vs. 2002 (-5.5%).
  - Since 2002, funding in the typical state (red line) is generally **neither progressive nor regressive.**
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutoff" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost q1—necm_predcost q5; necm_ppcstot q1—necm_ppcstot q5; necm_enroll q1—necm_enroll q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

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- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty. "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year

www.schoolfinancedata.org
The 2017-18 profile of Kentucky's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These measures provide a succinct but informative overview of how much Kentucky devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Kentucky effort**: 3.58 %
- **U.S. average**: 3.43 %

  - In FY 2018, Kentucky spent 3.58% of its economic capacity directly on K-12 education.
  - This was 0.15 percentage points higher than the unweighted national average of 3.43%.
  - Kentucky's effort level ranks #21 in the nation (out of 49).

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

  - Spending in Kentucky's highest poverty districts is $5,234 PP lower than the estimated adequate level ($16,195), a difference of -32.3%.
  - Districts in Kentucky's second highest poverty quintile spend 21.0% less than the adequate level.

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

  - School funding in Kentucky is neither progressive nor regressive.
  - Higher poverty districts receive 2.6% more revenue than zero poverty districts (this level of progressivity ranks #23 in the nation [out of 51]).

**Effort trends, 2004-18**
- **Effort in KY increased** in the years before the "Great Recession's" main impact on K-12 funding, going from 3.40% in 2004 to 4.04% in 2009.

**Net change by period (% pts.)**

<table>
<thead>
<tr>
<th>Period</th>
<th>KY</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.64</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-0.46</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>0.18</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

  - This was followed by a decrease of 0.46 percentage points between 2009 and 2018.
  - KY's effort was 0.18 percentage points higher in 2018 than in 2004.

**ADEQUACY**

**Progressivity trend (30/0), 2002-18**
- **KY's funding was more progressive** in 2018 (2.6%) vs. 2002 (1.2%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

**Adequacy: KY vs U.S. average**
- **Percent above / below adequate**

<table>
<thead>
<tr>
<th>District poverty</th>
<th>KY</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>23.6</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>10.6</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-9.3</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-21.0</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-32.3</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

  - In its highest poverty districts, Kentucky's spending is 32.3% below the adequate level, compared with a -20.7% U.S. average.
  - Adequacy in Kentucky's highest poverty districts ranks #37 in the nation (out of 49).
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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**Fiscal effort**

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- The effort table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "outpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
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**SID variables used: effort; year**

**Adequacy**

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**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

**Progressivity**

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year**
FAIRNESS OF ITS SYSTEM: MEASURES PROVIDE A SUCINCT BUT INFORMATIVE OVERVIEW OF HOW MUCH INDICATORS FROM THE SCHOOL FINANCE INDICATORS DATABASE: FISCAL EFFORT, ADEQUACY, AND PROGRESSIVITY. THESE THREE MEASURES PROVIDE A SUCINCT BUT INFORMATIVE OVERVIEW OF HOW MUCH LOUISIANA DEVOTES TO ITS PUBLIC SCHOOLS, THE FAIRNESS OF ITS SYSTEM, AND WHETHER ITS FUNDING LEVELS ARE SUFFICIENT TO MEET COMMON OUTCOME GOALS.

**FISCAL EFFORT**

- **Effort trends, 2004-18**
  - Effort in LA increased in the years before the "Great Recession"'s main impact on K-12 funding, going from 3.32% in 2004 to 3.84% in 2009.
  - This was followed by a decrease of 0.69 percentage points between 2009 and 2018.
  - LA's effort was 0.16 percentage points lower in 2018 than in 2004.

**ADEQUACY**

- **Adequacy: LA vs U.S. average**
  - In its highest poverty districts, Louisiana's spending is 26.6% below the adequate level, compared with a -20.7% U.S. average.
  - Adequacy in Louisiana's highest poverty districts ranks #29 in the nation (out of 49).

**PROGRESSIVITY**

- **Progressivity trend (30/0), 2002-18**
  - LA's funding was less regressive in 2018 (-1.8%) vs. 2002 (-18.0%).
  - Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some state's profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year
Maine School Finance Profile 2017-18

Description: This 2017-18 profile of Maine's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Maine devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Maine effort: 4.16%
- U.S. average: 3.43%

- In FY 2018, Maine spent 4.16% of its economic capacity directly on K-12 education.
- This was 0.73 percentage points higher than the unweighted national average of 3.43%.
- Maine's effort level ranks #6 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- Spending in Maine's highest poverty districts is $1,791 PP lower than the estimated adequate level ($15,000), a difference of -11.9%.
- Districts in Maine's second highest poverty quintile spend 5.3% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Maine is regressive.
- Higher poverty districts receive 19.2% less revenue than zero poverty districts (this level of progressivity ranks #47 in the nation (out of 51)).

Net change by period (% pts.)

- 2004-2009: 0.00%
- 2009-2018: -0.49%
- 2018-2019: -0.50%

- This was followed by a decrease of 0.49 percentage points between 2009 and 2018.
- ME's effort was 0.50 percentage points lower in 2018 than in 2004.

Effort trends, 2004-18

- Effort in ME did not change in the years before the "Great Recession's" main impact on K-12 funding, going from 4.66% in 2004 to 4.66% in 2009.

- ME's funding was more regressive in 2018 (-19.2%) vs. 2002 (-3.7%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- Non-SFID data sources: ("Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much that state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; year
**MARYLAND**

**Description:** This 2017-18 profile of Maryland's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Maryland devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Maryland effort:** 3.42%
- **U.S. average:** 3.43%

  - In FY 2018, Maryland spent 3.42% of its economic capacity directly on K-12 education.
  - This was 0.02 percentage points lower than the unweighted national average of 3.43%.
  - Maryland's effort level ranks #26 in the nation (out of 49).

**Effort trends, 2004-18**

- **Effort in MD increased** in the years before the "Great Recession's" main impact on K-12 funding, going from 3.32% in 2004 to 3.89% in 2009.
- **Net change by period (% pts.)**
  - **2004-2009:** 0.58% 0.23%
  - **2009-2018:** -0.47% -0.64%
  - **2014-2018:** 0.10% -0.31%

  - This was followed by a decrease of 0.47 percentage points between 2009 and 2018.
  - MD's effort was 0.10 percentage points higher in 2018 than in 2004.

**ADEQUACY**

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- **Spending in Maryland's highest poverty districts is $3,293 PP lower** than the estimated adequate level ($18,753), a difference of -17.6%.
- **Districts in Maryland's second highest poverty quintile spend 39.2% more** than the adequate level.

**Adequacy: MD vs U.S. average**

- **Percent above / below adequate**
  - **District poverty:** MD U.S.
    - **Lowest poverty:** 83.6 45.4
    - **Low poverty:** 41.1 11.4
    - **Medium poverty:** 18.0 -2.0
    - **High poverty:** 39.2 -15.1
    - **Highest poverty:** -17.8 -20.7

  - In its highest poverty districts, Maryland's spending is 17.6% below the adequate level, compared with a -20.7% U.S. average.
  - Adequacy in Maryland's highest poverty districts ranks #17 in the nation (out of 49).

**PROGRESSIVITY**

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- **School funding in Maryland is neither progressive nor regressive.**
- **Higher poverty districts receive 1.9% more** revenue than zero poverty districts (this level of progressivity ranks #24 in the nation (out of 51)).

**Progressivity trend (30/0), 2002-18**

- **MD's funding was more progressive in 2018 (1.9%) vs. 2002 (-21.1%).**
- **Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.**

[www.schoolfinancedata.org](http://www.schoolfinancedata.org)

MARYLAND SCHOOL FINANCE PROFILE 2017-18
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

**Fiscal effort**

Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles. Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort year

**Adequacy**

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

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**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

**Progressivity**

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**SID variables used** predicted_slocrev0 — predicted_slocrev10 — predicted_slocrev20 — predicted_slocrev30 — year

www.schoolfinancedata.org
Description: This 2017-18 profile of Massachusetts's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Massachusetts devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

<table>
<thead>
<tr>
<th>Massachusetts effort</th>
<th>2.91%</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.43%</td>
</tr>
</tbody>
</table>

- In FY 2018, Massachusetts spent 2.91% of its economic capacity directly on K-12 education.
- This was 0.53 percentage points lower than the unweighted national average of 3.43%.
- Massachusetts’s effort level ranks #41 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Massachusetts's highest poverty districts is $1,435 PP lower than the estimated adequate level ($18,602), a difference of -7.7%.
- Districts in Massachusetts's second highest poverty quintile spend 69.2% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Massachusetts is progressive.
- Higher poverty districts receive 10.9% more revenue than zero poverty districts (this level of progressivity ranks #9 in the nation [out of 51]).

Effort trends, 2004-18
- Effort in MA increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.12% in 2004 to 3.34% in 2009.
- This was followed by a decrease of 0.44 percentage points between 2009 and 2018.
- MA's effort was 0.22 percentage points lower in 2018 than in 2004.

Adequacy: MA vs U.S. average

- In its highest poverty districts, Massachusetts's spending is 7.7% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Massachusetts's highest poverty districts ranks #11 in the nation (out of 49).

Progressivity trend (30/0), 2002-18
- MA’s funding was more regressive in 2018 (10.9%) vs. 2002 (17.4%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
STATE SCHOOL FINANCE PROFILES 2017-18
(published 2021)

NOTES ON DATA AND MEASURES

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort: year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles by-state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5, one for each poverty quintile]: necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty. “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0 , predicted_slocrev10 , predicted_slocrev20 , predicted_slocrev30 , year
Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- In FY 2018, Michigan spent 3.49% of its economic capacity directly on K-12 education.
- This was 0.06 percentage points higher than the unweighted national average of 3.43%.
- Michigan's effort level ranks #23 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Michigan's highest poverty districts is $5,143 lower than the estimated adequate level ($17,096), a difference of -30.1%.
- Districts in Michigan's second highest poverty quintile spend 14.0% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Michigan is moderately regressive.
- Higher poverty districts receive 9.1% less revenue than zero poverty districts (this level of progressivity ranks #39 in the nation out of 51)).

Effort trends, 2004-18
- Effort in MI increased in the years before the "Great Recession's" main impact on K-12 funding, going from 4.84% in 2004 to 4.94% in 2009.
- This was followed by a decrease of 1.45 percentage points between 2009 and 2018.
- MI's effort was 1.35 percentage points lower in 2018 than in 2004.
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), except all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources: ("Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

**Fiscal effort**

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average); 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**Adequacy**

Adequacy typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**Progressivity**

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.
**MINNESOTA**

**Description:** This 2017-18 profile of Minnesota’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Minnesota devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Minnesota effort:** 3.60%  
  - **U.S. average:** 3.43%

- In FY 2018, Minnesota spent 3.60% of its economic capacity directly on K-12 education.
- This was 0.17 percentage points higher than the unweighted national average of 3.43%.
- Minnesota’s effort level ranks #19 in the nation (out of 49).

**Effort trends, 2004-18**

- Effort in MN increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.59% in 2004 to 4.04% in 2009.
- Net change by period (% pts.)
  - 2004-2009: 0.45%  
  - 2009-2018: -0.44%  
  - 2014-2018: -0.31%

- This was followed by a decrease of 0.44 percentage points between 2009 and 2018.
- MN’s effort was 0.02 percentage points higher in 2018 than in 2004.

**ADEQUACY**

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Minnesota’s highest poverty districts is $2,940 PP lower than the estimated adequate level ($17,434), a difference of -16.9%.
- Districts in Minnesota’s second highest poverty quintile spend 6.8% more than the adequate level.

**Adequacy: MN vs U.S. average**

- In its highest poverty districts, Minnesota’s spending is 16.9% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Minnesota’s highest poverty districts ranks #16 in the nation (out of 49).

**PROGRESSIVITY**

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Minnesota is progressive.
- Higher poverty districts receive 26.6% more revenue than zero poverty districts (this level of progressivity ranks #4 in the nation (out of 51)).

**Progressivity trend (30/0), 2002-18**

- MN’s funding was more regressive in 2018 (26.6%) vs. 2002 (36.9%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
The data in this state profile are from the **School Finance Indicators Database** (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: **schoolfinancedata.org**. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

**General**

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
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- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- **Non-SFID data sources** (*Contextual Stats* table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

**Fiscal effort**

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

**Adequacy**

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

**Progressivity**

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

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- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year

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www.schoolfinancedata.org
Description: This 2017-18 profile of Mississippi’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Mississippi devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

Mississippi effort: 4.07%
U.S. average: 3.43%

- In FY 2018, Mississippi spent 4.07% of its economic capacity directly on K-12 education.
- This was 0.63 percentage points higher than the unweighted national average of 3.43%.
- Mississippi's effort level ranks #8 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Mississippi's highest poverty districts is $8,778 PP lower than the estimated adequate level ($18,557), a difference of -47.3%.
- Districts in Mississippi's second highest poverty quintile spend 41.5% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Mississippi is neither progressive nor regressive.
- Higher poverty districts receive 1.7% more revenue than zero poverty districts (this level of progressivity ranks #25 in the nation (out of 51)).
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
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- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

### Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

### Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

### Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

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NOTES ON DATA AND MEASURES

State School Finance Profiles 2017-18 (published 2021)
MISSOURI

Description: This 2017-18 profile of Missouri's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Missouri devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

Missouri effort 3.37 %
U.S. average 3.43 %

In FY 2018, Missouri spent 3.37% of its economic capacity directly on K-12 education.

This was 0.07 percentage points lower than the unweighted national average of 3.43%.

Missouri's effort level ranks #28 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

Spending in Missouri's highest poverty districts is $4,534 PP lower than the estimated adequate level ($16,026), a difference of -28.3%.

Districts in Missouri's second highest poverty quintile spend 18.8% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

School funding in Missouri is regressive.

Higher poverty districts receive 14.2% less revenue than zero poverty districts (this level of progressivity ranks #46 in the nation (out of 51)).

Effort trends, 2004-18

Effort in MO increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.53% in 2004 to 3.92% in 2009.

This was followed by a decrease of 0.55 percentage points between 2009 and 2018.

MO's effort was 0.16 percentage points lower in 2018 than in 2004.

Adequacy: MO vs U.S. average

Percent above / below adequate

In its highest poverty districts, Missouri's spending is 28.3% below the adequate level, compared with a -20.7% U.S. average.

Adequacy in Missouri's highest poverty districts ranks #30 in the nation (out of 49).

MO's funding was more regressive in 2018 (-14.2%) vs. 2002 (0.1%).

Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2017 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.
- SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).
- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/low poverty districts and zero poverty districts. Note that the designations of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted slocrev0; predicted slocrev10; predicted slocrev20; predicted slocrev30; year

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MONTANA

Description: This 2017-18 profile of Montana's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Montana devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

FISCAL EFFORT

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Montana effort: 3.96%
- U.S. average: 3.43%

- In FY 2018, Montana spent 3.96% of its economic capacity directly on K-12 education.
- This was 0.53 percentage points higher than the unweighted national average of 3.43%.
- Montana's effort level ranks #10 in the nation (out of 49).

ADEQUACY

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Montana's highest poverty districts is $1,484 PP lower than the estimated adequate level ($15,898), a difference of -9.3%.
- Districts in Montana's second highest poverty quintile spend 2.5% more than the adequate level.

PROGRESSIVITY

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and 2) zero poverty districts.

- School funding in Montana is moderately regressive.
- Higher poverty districts receive 7.2% less revenue than zero poverty districts (this level of progressivity ranks #34 in the nation (out of 51)).

Effort trends, 2004-18

- Effort in MT increased in the years before the "Great Recession's" main impact on K-12 funding, going from 4.38% in 2004 to 4.42% in 2009.
- MT's effort was 0.42 percentage points lower in 2018 than in 2004.

Adequacy: MT vs U.S. average

- In its highest poverty districts, Montana's spending is 9.3% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Montana's highest poverty districts ranks #12 in the nation (out of 49).

Progressivity trend (30/0), 2002-18

- MT's funding was less regressive in 2018 (-7.2%) vs. 2002 (-9.6%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

STATE SCHOOL FINANCE PROFILE

2017-18 SCHOOL YEAR

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The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

### Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.
- SID variables used: effort; year

### Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).
- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

### Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty. "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.
- SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

www.schoolfinancedata.org
**NEBRASKA**

**Description:** This 2017-18 profile of Nebraska’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Nebraska devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Nebraska effort:** 3.76 %
- **U.S. average:** 3.43 %

- In FY 2018, Nebraska spent 3.76% of its economic capacity directly on K-12 education.
- This was 0.33 percentage points higher than the unweighted national average of 3.43%.
- Nebraska’s effort level ranks #13 in the nation (out of 49).

**Effort trends, 2004-18**

- Effort in NE increased in the years before the "Great Recession’s" main impact on K-12 funding, going from 3.69% in 2004 to 3.93% in 2009.
- NE’s effort increased an average of 0.17 percentage points between 2008 and 2018.
- NE’s effort was 0.08 percentage points higher in 2018 than in 2004.

**ADEQUACY**

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- Spending in Nebraska’s highest poverty districts is $1,991 PP higher than the estimated adequate level ($13,024), a difference of 15.3%.
- Districts in Nebraska’s second highest poverty quintile spend 2.0% more than the adequate level.

**Adequacy: NE vs U.S. average**

- In its highest poverty districts, Nebraska’s spending is 15.3% above the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Nebraska’s highest poverty districts ranks #4 in the nation (out of 49).

**PROGRESSIVITY**

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Nebraska is progressive.
- Higher poverty districts receive 36.0% more revenue than zero poverty districts (this level of progressivity ranks #3 in the nation (out of 51)).

**Progressivity trend (30/0), 2002-18**

- NE’s funding was more progressive in 2018 (36.0%) vs. 2002 (2.1%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.
- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of poverty quintiles in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

www.schoolfinancedata.org
STATE SCHOOL FINANCE PROFILE
2017-18 SCHOOL YEAR

NEVADA

Description: This 2017-18 profile of Nevada's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Nevada devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Nevada effort: 2.85%
- U.S. average: 3.43%

- In FY 2018, Nevada spent 2.85% of its economic capacity directly on K-12 education.
- This was 0.59 percentage points lower than the unweighted national average of 3.43%.
- Nevada's effort level ranks #42 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Nevada's highest poverty districts is $7,030 PP lower than the estimated adequate level ($16,062), a difference of -43.8%.
- Districts in Nevada's second highest poverty quintile spend 13.1% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Nevada is regressive.
- Higher poverty districts receive 38.8% less revenue than zero poverty districts (this level of progressivity ranks #51 in the nation [out of 51]).

Effort trends, 2004-18
- Effort in NV increased in the years before the "Great Recession's" main impact on K-12 funding, going from 2.96% in 2004 to 3.54% in 2009.
- This was followed by a decrease of 0.70 percentage points between 2009 and 2018.
- NV's effort was 0.11 percentage points lower in 2018 than in 2004.

Adequacy: NV vs U.S. average

- In its highest poverty districts, Nevada's spending is 43.8% below the adequate level, compared with a 20.7% U.S. average.
- Adequacy in Nevada's highest poverty districts ranks #44 in the nation (out of 49).

Progressivity trend (30/0), 2002-18
- NV's funding was more regressive in 2018 (-38.8%) vs. 2002 (-6.9%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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NEVADA SCHOOL FINANCE PROFILE 2017-18
Notes on Data and Measures

State School Finance Profiles 2017-18 (published 2021)

General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2018-19) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

www.schoolfinancedata.org
Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- In FY 2018, New Hampshire spent 3.64% of its economic capacity directly on K-12 education.
- This was 0.21 percentage points higher than the unweighted national average of 3.43%.
- New Hampshire’s effort level ranks #16 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in New Hampshire’s highest poverty districts is $2,207 PP higher than the estimated adequate level ($13,415), a difference of 16.5%.
- Districts in New Hampshire’s second highest poverty quintile spend 56.2% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in New Hampshire is regressive.
- Higher poverty districts receive 25.5% less revenue than zero poverty districts (this level of progressivity ranks #50 in the nation (out of 51)).

**Effort trends, 2004-18**
- Effort in NH increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.80% in 2004 to 4.09% in 2009.
- This was followed by a decrease of 0.45 percentage points between 2009 and 2018.
- NH’s effort was 0.16 percentage points lower in 2018 than in 2004.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much that state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
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SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

www.schoolfinancedata.org
NEW JERSEY

Description: This 2017-18 profile of New Jersey's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much New Jersey devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcomes goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- New Jersey effort: 4.51%
- U.S. average: 3.43%

- In FY 2018, New Jersey spent 4.51% of its economic capacity directly on K-12 education.
- This was 1.08 percentage points higher than the unweighted national average of 3.43%.
- New Jersey's effort level ranks #1 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in New Jersey's highest poverty districts is $370 PP lower than the estimated adequate level ($18,963), a difference of -2.0%.
- Districts in New Jersey's second highest poverty quintile spend 56.2% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in New Jersey is moderately progressive.
- Higher poverty districts receive 7.2% more revenue than zero poverty districts (this level of progressivity ranks #13 in the nation (out of 51)).

Net change by period (% pts.)

- New Jersey vs. U.S. average:
  - 2004-2009: 0.43 vs. 0.33
  - 2009-2018: -0.54 vs. -0.64
  - 2014-2018: -0.11 vs. -0.31

- This was followed by a decrease of 0.54 percentage points between 2009 and 2018.
- NJ's effort was 0.11 percentage points lower in 2018 than in 2004.

Adequacy: NJ vs U.S. average

- Percent above/below adequate
  - Lowest poverty: 154.3 vs. 45.4
  - Low poverty: 127.5 vs. 11.4
  - Medium poverty: 99.6 vs. -2.0
  - High poverty: 56.2 vs. -15.1
  - Highest poverty: -2.0 vs. -20.7

- In its highest poverty districts, New Jersey's spending is 2.0% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in New Jersey's highest poverty districts ranks #10 in the nation (out of 49).

Progressivity trend (30/0), 2002-18

- NJ's funding was more regressive in 2018 (7.2%) vs. 2002 (31.2%)
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

www.schoolfinancedata.org
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

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- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.
- SID variables used: effort; year

Adequacy
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- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).
- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
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- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.
- SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
NEW MEXICO

Description: This 2017-18 profile of New Mexico's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much New Mexico devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- New Mexico effort: 3.57%
- U.S. average: 3.43%

- In FY 2018, New Mexico spent 3.57% of its economic capacity directly on K-12 education.
- This was 0.13 percentage points higher than the unweighted national average of 3.43%.
- New Mexico's effort level ranks #22 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in New Mexico's highest poverty districts is $11,612 PP lower than the estimated adequate level ($22,461), a difference of -51.7%.
- Districts in New Mexico's second highest poverty quintile spend 37.8% less than the adequate level.

Adequacy: NM vs U.S. average

Percent above / below adequate

<table>
<thead>
<tr>
<th>District poverty</th>
<th>NM</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>-20.9</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
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<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-31.2</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-37.8</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-51.7</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, New Mexico's spending is 51.7% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in New Mexico's highest poverty districts ranks #48 in the nation (out of 49).

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in New Mexico is moderately regressive.
- Higher poverty districts receive 8.8% less revenue than zero poverty districts (this level of progressivity ranks #37 in the nation (out of 51)).

- NM's funding was more regressive in 2018 (-8.8%) vs. 2002 (-2.2%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- Non-SFID data sources ("Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

**Fiscal effort**

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used**: effort; year

**Adequacy**

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

**Progressivity**

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with U.S. Census child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used**: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year
Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

In FY 2018, New York spent 4.22% of its economic capacity directly on K-12 education.

This was 0.78 percentage points higher than the unweighted national average of 3.43%.

New York's effort level ranks #5 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in New York's highest poverty districts is $4,365 PP higher than the estimated adequate level ($20,923), a difference of 20.9%.
- Districts in New York's second highest poverty quintile spend 56.9% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students.

- School funding in New York is progressive.
- Higher poverty districts receive 11.0% more revenue than zero poverty districts (this level of progressivity ranks #6 in the nation [out of 51]).

Effort trends, 2004-18:
- Effort in NY increased in the years before the "Great Recession's" main impact on K-12 funding, going from 4.30% in 2004 to 4.68% in 2009.
- This was followed by a decrease of 0.46 percentage points between 2009 and 2018.
- NY's effort was 0.09 percentage points lower in 2018 than in 2004.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the **School Finance Indicators Database (SFID)**, a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- **The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.**
- **Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.**
- **Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.**
- **All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.**
- **The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve verfied Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.**
- **Non-SFID data sources** (*Contextual Stats* table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- **U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).**
- **The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.**
- **Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.**

**SID variables used:** effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).**
- **The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in year’s previous profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).**

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- **In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).**
- **In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.**
- **The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.**

**SID variables used:** predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- In FY 2018, North Carolina spent 2.74% of its economic capacity directly on K-12 education.
- This was 0.70 percentage points lower than the unweighted national average of 3.43%.
- North Carolina's effort level ranks #47 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in North Carolina's highest poverty districts is $5,894 PP lower than the estimated adequate level ($16,142), a difference of -36.5%.
- Districts in North Carolina's second highest poverty quintile spend 29.6% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in North Carolina is moderately progressive.
- Higher poverty districts receive 4.9% more revenue than zero poverty districts (this level of progressivity ranks #16 in the nation (out of 51)).

Effort trends, 2004-18
- Effort in NC increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.07% in 2004 to 3.55% in 2009.
- This was followed by a decrease of 0.81 percentage points between 2009 and 2018.
- NC's effort was 0.33 percentage points lower in 2018 than in 2004.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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• Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
• All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
• The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
• Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
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• U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
• The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
• Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

• SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

• The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
• The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

• SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcostot_q1—necm_ppcostot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

• In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
• In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/low poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
• The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

• SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
Description: This 2017-18 profile of North Dakota’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much North Dakota devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- North Dakota effort: 3.20%
- U.S. average: 3.43%

- In FY 2018, North Dakota spent 3.20% of its economic capacity directly on K-12 education.
- This was 0.23 percentage points lower than the unweighted national average of 3.43%.
- North Dakota’s effort level ranks #31 in the nation (out of 49).

**ADEQUACY**

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in North Dakota’s highest poverty districts is $516 PP higher than the estimated adequate level ($16,866), a difference of 3.1%.
- Districts in North Dakota’s second highest poverty quintile spend 21.1% more than the adequate level.

**PROGRESSIVITY**

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in North Dakota is moderately regressive.
- Higher poverty districts receive 4.8% less revenue than zero poverty districts (this level of progressivity ranks #31 in the nation [out of 51]).

**Effort trends, 2004-2018**

- Effort in ND decreased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.85% in 2004 to 3.32% in 2009.
- Net change by period (% pts.)
  - 2004-2009: -0.53 (0.23)
  - 2009-2018: -0.12 (-0.64)
  - 2014-2018: -0.64 (-0.31)

- This was followed by a decrease of 0.12 percentage points between 2009 and 2018.
- ND’s effort was 0.64 percentage points lower in 2018 than in 2004.

- Adequacy: ND vs U.S. average
  - In its highest poverty districts, North Dakota’s spending is 3.1% above the adequate level, compared with a -20.7% U.S. average.
  - Adequacy in North Dakota’s highest poverty districts ranks #8 in the nation (out of 49).

- ND’s funding was less regressive in 2018 (-4.8%) vs. 2002 (-19.2%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

**General**

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
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**Fiscal effort**

Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

**Adequacy**

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

**Progressivity**

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graphs are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
Description: This 2017-18 profile of Ohio's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Ohio devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Ohio effort: 3.69%
- U.S. average: 3.43%

- In FY 2018, Ohio spent 3.69% of its economic capacity directly on K-12 education.
- This was 0.25 percentage points higher than the unweighted national average of 3.43%.
- Ohio's effort level ranks #14 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- Spending in Ohio's highest poverty districts is $3,222 PP lower than the estimated adequate level ($16,955), a difference of -19.0%.
- Districts in Ohio's second highest poverty quintile spend 4.6% more than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Ohio is progressive.
- Higher poverty districts receive 21.9% more revenue than zero poverty districts (this level of progressivity ranks #5 in the nation [out of 51]).

Ohio's funding was more progressive in 2018 (21.9%) vs. 2002 (12.8%). Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), not as all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources: ("Contextual Stats" table: 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
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- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/low poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used:
- predicted_slocrev0
- predicted_slocrev10
- predicted_slocrev20
- predicted_slocrev30
- year

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OKLAHOMA

Description: This 2017-18 profile of Oklahoma's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Oklahoma devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

FISCAL EFFORT

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Oklahoma effort: 3.01 %
- U.S. average: 3.43 %

- In FY 2018, Oklahoma spent 3.01% of its economic capacity directly on K-12 education.
- This was 0.43 percentage points lower than the unweighted national average of 3.43%.
- Oklahoma's effort level ranks #37 in the nation (out of 49).

ADEQUACY

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Oklahoma's highest poverty districts is $6,760 PP lower than the estimated adequate level ($15,604), a difference of -43.3%.
- Districts in Oklahoma's second highest poverty quintile spend 32.8% less than the adequate level.

PROGRESSIVITY

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Oklahoma is neither progressive nor regressive.
- Higher poverty districts receive 0.7% more revenue than zero poverty districts (this level of progressivity ranks #26 in the nation (out of 51)).

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>OK</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.19</td>
<td>0.20</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-1.01</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>-0.81</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 1.01 percentage points between 2009 and 2018.
- OK's effort was 0.81 percentage points lower in 2018 than in 2004.

Adequacy: OK vs U.S. average

<table>
<thead>
<tr>
<th>District poverty</th>
<th>OK</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>8.6</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>-17.6</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-28.8</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-32.8</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-43.3</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, Oklahoma's spending is 43.3% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Oklahoma's highest poverty districts ranks #43 in the nation (out of 49).

Progressivity trend (30/0), 2002-18

- OK's funding was more regressive in 2018 (0.7%) vs. 2002 (5.8%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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General

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Fiscal effort

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- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

SID variables used: effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is a part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
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SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
**OREGON**

**Description:** This 2017-18 profile of Oregon's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Oregon devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Oregon effort:** 3.40%
- **U.S. average:** 3.43%

- In FY 2018, Oregon spent 3.40% of its economic capacity directly on K-12 education.
- This was 0.03 percentage points lower than the unweighted national average of 3.43%.
- Oregon's effort level ranks #27 in the nation (out of 49).

**Effort trends, 2004-18**

- Effort in OR **increased** in the years before the "Great Recession's" main impact on K-12 funding, going from 3.46% in 2004 to 4.00% in 2009.

**Net change by period (% points)**

<table>
<thead>
<tr>
<th>Period</th>
<th>OR</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.65</td>
<td>0.33</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-0.60</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>-0.05</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 0.60 percentage points between 2009 and 2018.
- OR's effort was 0.05 percentage points lower in 2018 than in 2004.

**ADEQUACY**

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- Spending in Oregon's highest poverty districts is $3,792 PP lower than the estimated adequate level ($15,743), a difference of -24.1%.
- Districts in Oregon's second highest poverty quintile spend 21.5% less than the adequate level.

**Adequacy: OR vs U.S. average**

<table>
<thead>
<tr>
<th>District poverty</th>
<th>OR</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>11.9</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>-10.4</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-20.9</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-21.5</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-24.1</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, Oregon's spending is 24.1% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Oregon's highest poverty districts ranks #26 in the nation (out of 49).

**PROGRESSIVITY**

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Oregon is **moderately regressive**.
- Higher poverty districts receive 3.9% less revenue than zero poverty districts (this level of progressivity ranks #30 in the nation [out of 51]).

**Progressivity trend (30/0), 2002-18**

- OR's funding was more regressive in 2018 (-3.9%) vs. 2002 (9.5%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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NOTES ON DATA AND MEASURES

State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
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- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "outpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted_slocrev0—predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

www.schoolfinancedata.org
Pennsylvania School Finance System Focuses on Three Core Indicators:

- **Fiscal Effort**: The amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).
  - Pennsylvania effort: 3.94%
  - U.S. average: 3.43%
  - In FY 2018, Pennsylvania spent 3.94% of its economic capacity directly on K-12 education.
  - This was 0.51 percentage points higher than the unweighted national average of 3.43%.
  - Pennsylvania's effort level ranks #11 in the nation (out of 49).

- **Adequacy**: Measures the adequacy of school funding in relation to the estimated amount required to achieve national average test scores. These comparisons are presented by district poverty quintile, in the center graph, and in the right panel table (as percentage differences).
  - Spending in Pennsylvania's highest poverty districts is $3,811 PP lower than the estimated adequate level ($17,913), a difference of -21.3%.
  - Districts in Pennsylvania's second highest poverty quintile spend 26.0% more than the adequate level.

- **Progressivity**: The degree to which states provide greater resources to districts serving higher need students. The center graph shows the percentage difference in adjusted state and local revenue by poverty level: lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.
  - School funding in Pennsylvania is moderately progressive.
  - Higher poverty districts receive 3.9% more revenue than zero poverty districts (this level of progressivity ranks #20 in the nation (out of 51)).
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

### Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used:** effort; year

### Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SID variables used** (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcostq1—necm_ppcostq5; necm_enrollq1—necm_enrollq5

### Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SID variables used:** predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
Description: This 2017-18 profile of Rhode Island's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Rhode Island devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

<table>
<thead>
<tr>
<th>Rhode Island effort</th>
<th>4.24 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.43 %</td>
</tr>
</tbody>
</table>

- In FY 2018, Rhode Island spent 4.24% of its economic capacity directly on K-12 education.
- This was 0.81 percentage points higher than the unweighted national average of 3.43%.
- Rhode Island's effort level ranks #3 in the nation (out of 49).

**ADEQUACY**

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Rhode Island's highest poverty districts is $3,859 PP lower than the estimated adequate level ($19,385), a difference of -19.9%.
- Districts in Rhode Island's second highest poverty quintile spend 55.2% more than the adequate level.

**PROGRESSIVITY**

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Rhode Island is moderately regressive.
- Higher poverty districts receive 7.3% less revenue than zero poverty districts (this level of progressivity ranks #35 in the nation (out of 51)).
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoollfancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effect trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much that state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “low poverty” districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

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**SOUTH CAROLINA**

**Description:** This 2017-18 profile of South Carolina's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much South Carolina devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

### Fiscal Effort

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **South Carolina effort:** 4.02%
- **U.S. average:** 3.43%

- In FY 2018, South Carolina spent 4.02% of its economic capacity directly on K-12 education.
- This was 5.8 percentage points higher than the unweighted national average of 3.43%.
- South Carolina’s effort level ranks #9 in the nation (out of 49).

#### Effort trends, 2004-18

- Effort in SC increased in the years before the "Great Recession's" main impact on K-12 funding, going from 4.41% in 2004 to 5.12% in 2009.
- SC’s effort was 0.39 percentage points lower in 2018 than in 2004.

### Adequacy

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in South Carolina’s highest poverty districts is $3,528 PP lower than the estimated adequate level ($15,587), a difference of -22.6%.
- Districts in South Carolina’s second highest poverty quintile spend 18.9% less than the adequate level.

- **Adequacy: SC vs U.S. average***

#### Percent above / below adequate

<table>
<thead>
<tr>
<th>District poverty</th>
<th>SC</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>5.4</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>-14.1</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-8.0</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-18.9</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-22.6</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, South Carolina’s spending is 22.6% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in South Carolina’s highest poverty districts ranks #24 in the nation (out of 49).

### Progressivity

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- **School funding in South Carolina is moderately progressive.**
- Higher poverty districts receive 7.7% more revenue than zero poverty districts (this level of progressivity ranks #11 in the nation out of 51).

- **Progressivity trend (30/0), 2002-18***

#### SC's funding was more progressive in 2018 (7.7%) vs. 2002 (2.9%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
NOTES ON DATA AND MEASURES

State School Finance Profiles 2017-18 (published 2021)

General

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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much that state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
STATE SCHOOL FINANCE PROFILE
2017-18 SCHOOL YEAR

SOUTH DAKOTA

Description: This 2017-18 profile of South Dakota's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much South Dakota devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

FISCAL EFFORT

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

South Dakota effort 3.02 %
U.S. average 3.43 %

- In FY 2018, South Dakota spent 3.02% of its economic capacity directly on K-12 education.
- This was 0.41 percentage points lower than the unweighted national average of 3.43%.
- South Dakota's effort level ranks #36 in the nation (out of 49).

ADEQUACY

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in South Dakota's highest poverty districts is $3,519 PP lower than the estimated adequate level ($17,271), a difference of -20.4%.
- Districts in South Dakota's second highest poverty quintile spend 2.4% less than the adequate level.

PROGRESSIVITY

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts; and 2) zero poverty districts.

- School funding in South Dakota is moderately regressive.
- Higher poverty districts receive 3.1% less revenue than zero poverty districts (this level of progressivity ranks #29 in the nation (out of 51)).

Effort trends, 2004-2018

- Effort in SD increased in the years before the "Great Recession"s" main impact on K-12 funding, going from 3.32% in 2004 to 3.33% in 2009.
- Net change by period (% pts.)

Adequacy: SD vs U.S. average

Percent above / below adequate

Progressivity trend (30/0), 2002-18

Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

### Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

### Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much that state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

### Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

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- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
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**SID variables used:** `predicted_slocrev0`; `predicted_slocrev10`; `predicted_slocrev20`; `predicted_slocrev30`; `year`
TENNESSEE

**Description:** This 2017-18 profile of Tennessee's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Tennessee devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

### Fiscal Effort

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

**Tennessee effort** 2.79 %

**U.S. average** 3.43 %

- In FY 2018, Tennessee spent 2.79% of its economic capacity directly on K-12 education.
- This was 0.65 percentage points lower than the unweighted national average of 3.43%.
- Tennessee's effort level ranks #45 in the nation (out of 49).

### Adequacy

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintiles, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Tennessee's highest poverty districts is $3,057 PP lower than the estimated adequate level ($12,402), a difference of -24.6%.
- Districts in Tennessee's second highest poverty quintile spend 15.2% less than the adequate level.

### Progressivity

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and 2) zero poverty districts.

- School funding in Tennessee is moderately progressive.
- Higher poverty districts receive 4.1% more revenue than zero poverty districts (this level of progressivity ranks #19 in the nation (out of 51)).

**Adequacy:** TN vs U.S. average

<table>
<thead>
<tr>
<th>District poverty</th>
<th>TN</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>14.8</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>-8.2</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>-17.6</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>-15.2</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-24.6</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, Tennessee's spending is 24.6% below the adequate level, compared to -20.7% U.S. average.
- Adequacy in Tennessee's highest poverty districts ranks #27 in the nation (out of 49).

**Progressivity trend (30/0), 2002-18**

- TN's funding was more regressive in 2018 (4.1%) vs. 2002 (6.2%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

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- SID variables used: effort; year

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Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

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- SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year
The 2017-18 profile of Texas's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These measures provide a succinct but informative overview of how much Texas devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**FISCAL EFFORT**

- **Effort trends, 2004-2018**
  - Effort in TX increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.82% in 2004 to 4.13% in 2009.
  - This was followed by a decrease of 0.89 percentage points between 2009 and 2018.
  - TX's effort was 0.58 percentage points lower in 2018 than in 2004.

**ADEQUACY**

- **Adequacy: TX vs U.S. average**
  - In its highest poverty districts, Texas's spending is 49.8% below the adequate level, compared with a -20.7% U.S. average.
  - Adequacy in Texas's highest poverty districts ranks #47 in the nation (out of 49).

**PROGRESSIVITY**

- **Progressivity trend (30/0), 2002-18**
  - TX's funding was more regressive in 2018 (-6.2%) vs. 2002 (-6.0%).
  - Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

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**Progressivity**

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.
- SID variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year

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Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Utah effort: 2.99%
- U.S. average: 3.43%

- In FY 2018, Utah spent 2.99% of its economic capacity directly on K-12 education.
- This was 0.44 percentage points lower than the unweighted national average of 3.43%.
- Utah's effort level ranks #38 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Utah's highest poverty districts is $4,237 PP lower than the estimated adequate level ($13,614), a difference of -31.1%.
- Districts in Utah's second highest poverty quintile spend 25.7% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Utah is progressive.
- Higher poverty districts receive 69.0% more revenue than zero poverty districts (this level of progressivity ranks #2 in the nation out of 51).
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity.

### Notes on Data and Measures

The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- **Non-SFID data sources** (*Contextual Stats* table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

### Fiscal Effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SID variables used**: effort; year

### Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much that state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), wh...
STATE SCHOOL FINANCE PROFILE
2017-18 SCHOOL YEAR

VERMONT

Description: This 2017-18 profile of Vermont's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Vermont devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

Effort estimates are not available for Vermont in 2018 due to data irregularities.

The graph to the right presents the trend in effort for Vermont up until 2017 (and the U.S. averages in this graph, unlike those in all other states' profiles, include Vermont).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

Adequacy estimates are not available for Vermont in 2018 due to data irregularities.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Vermont is progressive.
- Higher poverty districts receive 16.0% more revenue than zero poverty districts (this level of progressivity ranks #6 in the nation [out of 51]).

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NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General

The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

- The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
- Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state’s data.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

SID variables used: effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty. “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; year

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STATE SCHOOL FINANCE PROFILE
2017-18 SCHOOL YEAR

VIRGINIA

Description: This 2017-18 profile of Virginia's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Virginia devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

FISCAL EFFORT

Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

Virginia effort 3.31 %
U.S. average 3.43 %

- In FY 2018, Virginia spent 3.31% of its economic capacity directly on K-12 education.
- This was 0.13 percentage points lower than the unweighted national average of 3.43%.
- Virginia's effort level ranks #29 in the nation (out of 49).

ADEQUACY

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right pane (as percentage differences).

- Spending in Virginia's highest poverty districts is $3,830 PP lower than the estimated adequate level ($15,951), a difference of -24.0%.
- Districts in Virginia's second highest poverty quintile spend 8.9% less than the adequate level.

PROGRESSIVITY

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Virginia is moderately regressive.
- Higher poverty districts receive 9.0% less revenue than zero poverty districts (this level of progressivity ranks #38 in the nation (out of 51)).

Effort trends, 2004-18

- Effort in VA increased in the years before the "Great Recession's" main impact on K-12 funding, going from 3.36% in 2004 to 3.58% in 2009.
- Net change by period (% pts.)
<table>
<thead>
<tr>
<th>Period</th>
<th>VA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-09</td>
<td>0.22</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-18</td>
<td>-0.27</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-18</td>
<td>-0.06</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 0.27 percentage points between 2009 and 2018.
- VA's effort was 0.06 percentage points lower in 2018 than in 2004.

Adequacy: VA vs U.S. average

Percent above / below adequate

- In its highest poverty districts, Virginia's spending is 24.0% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Virginia's highest poverty districts ranks #25 in the nation (out of 49).

Progressivity trend (30/0), 2002-18

- VA's funding was less regressive in 2018 (-9.0%) vs. 2002 (-13.7%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.

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General

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- All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
- The total number of states assigned rankings varies slightly by measure (as indicated), except for the measures of effort available in D.C. and Hawaii, and we've excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state's total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state's economic capacity; in the simplest terms, how much "money" does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississipp and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutoff" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort, year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. average should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm enroll_q1—necm enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

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- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30% progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year
Fiscal Effort is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- Washington effort: 3.06%
- U.S. average: 3.43%

In FY 2018, Washington spent 3.06% of its economic capacity directly on K-12 education.

- This was 0.37 percentage points lower than the unweighted national average of 3.43%.
- Washington's effort level ranks #34 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Washington's highest poverty districts is $5,658 PP lower than the estimated adequate level ($18,778), a difference of -30.1%.
- Districts in Washington's second highest poverty quintile spend 16.4% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts; and 2) zero poverty districts.

- School funding in Washington is regressive.
- Higher poverty districts receive 12.3% less revenue than zero poverty districts (this level of progressivity ranks #41 in the nation [out of 51]).
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### Fiscal effort
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- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

**SFID variables used**: effort; year

### Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state's actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts' labor costs, size, and their students' characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defined poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

**SFID variables used** (each of these three sets of variables include five separate variables [q1-q5] one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcost_q1—necm_ppcost_q5; necm_enroll_q1—necm_enroll_q5

### Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state's system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, "lower poverty" districts are those with 10 percent poverty, "middle poverty" districts have 20 percent poverty, and "higher poverty" districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

**SFID variables used**: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year
West Virginia effort 3.87 %
U.S. average 3.43 %

- In FY 2018, West Virginia spent 3.87% of its economic capacity directly on K-12 education.
- This was 0.43 percentage points higher than the unweighted national average of 3.43%.
- West Virginia's effort level ranks #12 in the nation (out of 49).

Adequacy compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in West Virginia's highest poverty districts is $2,423 PP lower than the estimated adequate level ($13,370), a difference of -18.1%.
- Districts in West Virginia's second highest poverty quintile spend 4.1% less than the adequate level.

Progressivity is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in West Virginia is moderately regressive.
- Higher poverty districts receive 6.1% less revenue than zero poverty districts (this level of progressivity ranks #32 in the nation out of 51).
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General
The data in this state profile are from the School Finance Indicators Database (SFID), a collection of public K-12 school finance and resource allocation indicators published annually by researchers from the Albert Shanker Institute and the Rutgers University Graduate School of Education. The purpose of the SFID is to provide sophisticated yet accessible school finance data and analysis to policymakers, journalists, parents, and the public. The primary product of the SFID is the State Indicators Database (SID), a state-level dataset containing roughly 125 variables. This profile focuses on three types of measures included in the SID: fiscal effort, adequacy, and progressivity. The full SID dataset, along with accessible documentation and other SFID tools and reports, are freely available to download at: schoolfinancedata.org. The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures presented in this profile:

• The years in the profile refer either to the fiscal year or to the spring semester of the school year (e.g., 2018 is 2017-18). Note that the latest data in this profile (2017-18) predate the coronavirus pandemic by 2-3 years.
• Pre-2018 estimates may differ slightly from those in previous profiles, as all measures are recalculated every year to account for revised data.
• Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
• All poverty data used in the SFID and presented in these profiles are from the U.S. Census Bureau.
• The total number of states assigned rankings varies slightly by measure (as indicated), as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2018 effort and adequacy calculations due to irregularities in that state's data.
• Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue. U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
• The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
• Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

SID variables used: effort; year

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.
• The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
• The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_pvndqost_q1—necm_pvndqost_q5; necm_ppctot_q1—necm_ppctot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.
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• The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

SID variables used: predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; year

www.schoolfinancedata.org
WISCONSIN

**Description:** This 2017-18 profile of Wisconsin’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Wisconsin devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

- **Wisconsin effort:** 3.61%
- **U.S. average:** 3.43%

  - In FY 2018, Wisconsin spent 3.61% of its economic capacity directly on K-12 education.
  - This was 0.18 percentage points higher than the unweighted national average of 3.43%.
  - Wisconsin's effort level ranks #18 in the nation (out of 49).

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Wisconsin's highest poverty districts is $4,750 PP lower than the estimated adequate level ($18,466), a difference of -25.7%.
- Districts in Wisconsin's second highest poverty quintile spend 1.1% more than the adequate level.

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Wisconsin is moderately progressive.
- Higher poverty districts receive 4.8% more revenue than zero poverty districts (this level of progressivity ranks #17 in the nation [out of 51]).

**Contextual Stats**

<table>
<thead>
<tr>
<th>Description</th>
<th>WI</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child (5-17yo) poverty rate (%)</td>
<td>12.9</td>
<td>17.0</td>
</tr>
<tr>
<td>Public school coverage (%)</td>
<td>84.7</td>
<td>87.6</td>
</tr>
<tr>
<td>Pct. revenue from state sources (%)</td>
<td>54.3</td>
<td>46.7</td>
</tr>
<tr>
<td>Total K-12 enrollment (U.S. rank)</td>
<td>860,753 (22)</td>
<td></td>
</tr>
</tbody>
</table>

**Effort trends, 2004-18**

- Effort in WI increased in the years before the "Great Recession's" main impact on K-12 funding, going from 4.06% in 2004 to 4.24% in 2009.

**Net change by period (% pts.)**

<table>
<thead>
<tr>
<th>Period</th>
<th>WI %</th>
<th>U.S. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>-0.19</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-0.63</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>-0.44</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 0.63 percentage points between 2009 and 2018.
- WI's effort was 0.44 percentage points lower in 2018 than in 2004.

**Adequacy: WI vs U.S. average**

<table>
<thead>
<tr>
<th>District poverty</th>
<th>WI</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest poverty</td>
<td>90.2</td>
<td>45.4</td>
</tr>
<tr>
<td>Low poverty</td>
<td>38.5</td>
<td>11.4</td>
</tr>
<tr>
<td>Medium poverty</td>
<td>21.8</td>
<td>-2.0</td>
</tr>
<tr>
<td>High poverty</td>
<td>1.1</td>
<td>-15.1</td>
</tr>
<tr>
<td>Highest poverty</td>
<td>-25.7</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

- In its highest poverty districts, Wisconsin's spending is 25.7% below the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Wisconsin's highest poverty districts ranks #28 in the nation (out of 49).

**Progressivity trend (30/0), 2002-18**

- WI's funding was more progressive in 2018 (4.8%) vs. 2002 (4.6%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
NOTES ON DATA AND MEASURES
State School Finance Profiles 2017-18 (published 2021)

General

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- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SIT. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are calculated separately and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the "Great Recession" of the late 2000s (comparing this state with concurrent changes in the U.S. average). 2009 is the "cutpoint" in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states' profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SIT variables used: effort; year

Adequacy

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- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year's profile). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single state district); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SIT variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_preqcost_q1—necm_preqcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

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- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the "Adequacy" section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SIT variables used: predicted_slocrev0; predicted_slocrev10; predicted_slocrev20; predicted_slocrev30; year
**WYOMING**

**Description:** This 2017-18 profile of Wyoming's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. These three measures provide a succinct but informative overview of how much Wyoming devotes to its public schools, the fairness of its system, and whether its funding levels are sufficient to meet common outcome goals.

**Fiscal Effort** is the amount a state spends directly on K-12 education as a percentage of its total "economic capacity," which we measure here in terms of Gross State Product (GSP).

<table>
<thead>
<tr>
<th>Wyoming effort</th>
<th>4.35 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.43 %</td>
</tr>
</tbody>
</table>

- In FY 2018, Wyoming spent 4.35% of its economic capacity directly on K-12 education.
- This was 0.91 percentage points higher than the unweighted national average of 3.43%.
- Wyoming’s effort level ranks #2 in the nation (out of 49).

**Adequacy** compares actual state and local per-pupil (PP) spending in each state to the estimated amount required to achieve national average test scores. These comparisons are presented, by district poverty quintile, in the center graph (in $), and in the right panel table (as percentage differences).

- Spending in Wyoming’s highest poverty districts is $8,247 PP higher than the estimated adequate level ($13,496), a difference of 61.1%.
- Districts in Wyoming’s second highest poverty quintile spend 55.2% more than the adequate level.

**Progressivity** is the degree to which states provide greater resources to districts serving higher need students. The center graph is the percentage difference in adjusted state and local revenue between: 1) lower (10%), middle (20%), and higher poverty (30%) districts and; 2) zero poverty districts.

- School funding in Wyoming is moderately progressive.
- Higher poverty districts receive 7.3% more revenue than zero poverty districts (this level of progressivity ranks #12 in the nation [out of 51]).

**Effort trends, 2004-18**

- Effort in WY increased in the years before the "Great Recession’s" main impact on K-12 funding, going from 4.06% in 2004 to 4.56% in 2009.

**Net change by period (% pts.)**

<table>
<thead>
<tr>
<th>Period</th>
<th>WY</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2009</td>
<td>0.50</td>
<td>0.23</td>
</tr>
<tr>
<td>2009-2018</td>
<td>-0.22</td>
<td>-0.64</td>
</tr>
<tr>
<td>2014-2018</td>
<td>0.29</td>
<td>-0.31</td>
</tr>
</tbody>
</table>

- This was followed by a decrease of 0.22 percentage points between 2009 and 2018.
- WY’s effort was 0.29 percentage points higher in 2018 than in 2004.

**Contextual Stats**

<table>
<thead>
<tr>
<th>State</th>
<th>Child (5-17yo) poverty rate (%)</th>
<th>Public school coverage (%)</th>
<th>Pct. revenue from state sources</th>
<th>Total K-12 enrollment (U.S. rank)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WY</td>
<td>11.6</td>
<td>90.9</td>
<td>56.9</td>
<td>94,258 (49)</td>
</tr>
</tbody>
</table>

- Wyoming's spending is 61.1% above the adequate level, compared with a -20.7% U.S. average.
- Adequacy in Wyoming's highest poverty districts ranks #1 in the nation (out of 49).

**Progression trend (30/0), 2002-18**

- WY's funding was more regressive in 2018 (7.3%) vs. 2002 (17.4%).
- Since 2002, funding in the typical state (red line) is generally neither progressive nor regressive.
NOTES ON DATA AND MEASURES

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- Non-SFID data sources: ("Contextual Stats" table): 1) Child (5-17 years) poverty (2018) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SFID documentation for sources used for coverage estimates; 3) percent of total (FY 2018) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2017) from the 2018 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total resources or capacity are spent directly on K-12 schools. It is calculated in the SFID by dividing total state and local expenditures (direct to education) by either Gross State Product (GSP) or aggregate state personal income. Both of these denominators are measures of a state’s economic capacity; in the simplest terms, how much “money” does a state have? In this sense, effort measures how much each state spends as a percentage of how much it might spend. The former denominator (GSP) is used in these profiles, but the two are highly correlated, and the income-based effort indicator is available in the SID. Bear in mind that high capacity states with larger economies, such as New York and California, can put forth lower effort than lower capacity states, such as Mississippi and Alabama, but still produce the same revenue.

- U.S. effort averages are unweighted and do not include D.C. or Vermont (effort estimates are not calculated for the former, and estimates for the latter, which are not calculated in 2018, are excluded from all years to maintain the same set of states over time).
- The table in the right panel summarizes the graph in the center panel, with a focus on effort trends before and after the “Great Recession” of the late 2000s (comparing this state with concurrent changes in the U.S. average), 2009 is the “cutpoint” in the table because effort in the typical state was increasing until that year, and subsequently declined. Trends, however, vary by state, as is evident in some states’ profiles.
- Note that even seemingly small changes or differences in effort levels represent large spending amounts, as the denominator is entire state economies.

- SID variables used: effort; year

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a given level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual state and local spending levels to estimates from models of how much state would have to spend in order to achieve national average test scores in the prior year. The 2017-18 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on factors such as districts’ labor costs, size, and their students’ characteristics. For more information about the NECM, see the SFID documentation.

- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments).
- The U.S. averages in the right panel table are average percent differences between actual and required spending weighted by enrollment (this is a slightly different measure from that used in last year’s profiles). Note, however, that the NECM defines poverty quintiles state-by-state, which means that the U.S. averages should be interpreted as an approximate snapshot of the national situation. In addition, three states are excluded from these U.S. averages: Hawaii (no adequacy estimates due to it being a single district state); D.C. (estimates only available for highest poverty quintile); and Vermont (no adequacy estimates this year due to data irregularities).

- SID variables used (each of these three sets of variables include five separate variables [q1-q5], one for each poverty quintile): necm_predcost_q1—necm_predcost_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_enroll_q1—necm_enroll_q5

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower proportions of these students. In this profile, progressivity is calculated by comparing adjusted state and local revenue between districts with (U.S. Census) child poverty rates of zero to those with higher poverty rates (i.e., 10, 20, and 30 percent). In addition to child poverty, revenue is also adjusted for labor market costs, population density, and district size, all of which affect the value of the education dollar. For more details on the calculation of adjusted revenue, as well as alternative approaches to measuring progressivity, see the SFID documentation and annual report.

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the percentage difference in adjusted state and local revenue between high (30%) and zero percent poverty districts (this is also the figure presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts is at least 10% greater than that in zero poverty districts); moderately progressive (between +3% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- In the graph in the center panel, “lower poverty” districts are those with 10 percent poverty, “middle poverty” districts have 20 percent poverty, and “higher poverty” districts have 30 percent poverty. Once again, the figures in the graph are percentage differences in adjusted state and local revenue between low/medium/high poverty districts and zero poverty districts. Note that the definitions of district poverty groups in this section, which are based on poverty rates (0, 10, 20, and 30), vary from those in the “Adequacy” section, in which district poverty is defined by quintiles.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, both for this state and on average across the U.S. The U.S. averages are unweighted and can be interpreted as 30/0 progressivity in the typical state in a given year.

- SID variables used: predicted_slocrev0 ; predicted_slocrev10 ; predicted_slocrev20 ; predicted_slocrev30 ; year
\[(\ln) \text{SCHOOL} = b_0 + b_1 \text{State}_i + b_2 \text{LaborMarket}_{ij} + b_3 \text{CWI}_{ij} + b_4 \text{FINANCE}_{ij} + b_5 \text{PopulationDensity}_{ij} + b_6 \text{Enrollment}_{ij} + b_7 \text{INDICATORS}_{ij} + b_8 \text{Scale}_{ij} + b_9 \text{Poverty}_{ij} + b_{10} \text{SchlType}_{ij} + b_1 \text{DATABASE}_{ij} + e \]