STATE
SCHOOL FINANCE
PROFILES

Profiles of the K-12 school finance systems of all 50 states and D.C.

2018-2019

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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, educators 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.

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 students.

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 trends over time. The profiles this year also include overall state scores.

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.
Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Alabama effort** 3.59%
- **U.S. average** 3.45%

In FY 2019, total direct state and local K-12 spending in AL was equivalent to 3.59% of the state’s economic capacity (GSP).

- This was 0.14 percentage points higher than the unweighted national average of 3.45%.
- AL’s effort level ranks #19 in the nation (out of 49).

Effort trend, 2004-2019

- There was a decrease of 0.29 percentage points in AL’s effort during the “K-12 recovery” period of 2012-2019.

- **Net change by period (% pts.)**
  - **Period** | **AL** | **U.S.**
  - 2004-2007 | -0.50 | -0.01
  - 2012-2019 | -0.29 | -0.15
  - 2004-2019 | -0.10 | -0.30

- Effort increased during the three years before the recession, going from 3.69% in 2004 to 4.18% in 2007.
- AL’s effort was 0.10 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in AL’s highest poverty districts are severely inadequate.
- Spending in these districts is $12,800 PP lower than the adequacy target ($23,664), a difference of -54.1%.
- This ranks #48 in the U.S. (out of 49).
- Across the entire state, 73.0% of AL students attend districts with spending below estimated adequate levels.

Adequacy trend (pov. Q5), 2009-19

- Adequacy in AL’s highest-poverty districts was roughly similar between 2009 (-56.5%) and 2019 (-54.1%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

Progressivity is the degree to which states provide greater resources to districts serving higher-need students. The center graph is the percentage difference in 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in AL is regressive.
- Higher-poverty (30%) districts receive 13.6% less revenue than zero-poverty districts.
- This level of progressivity ranks #39 in the nation (out of 49).

Progressivity trend (30v0%), 2002-19

- AL’s funding was less regressive in 2019 (-13.6%) vs. 2002 (-20.7%).
- Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The graph in the right panel presents the same estimates as the “highest poverty” bar (state) and (due to data irregularities), and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.

NOTES ON DATA AND MEASURES


Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and (due to data irregularities), and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 (with three percentage points of zero); moderately regressive (between -3% to -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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ALASKA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Alaska scores 99 out of 100, which ranks 1st out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th>Alaska effort</th>
<th>4.31%</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.45%</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in AK was equivalent to 4.31% of the state’s economic capacity (GSP).
- This was 0.86 percentage points higher than the unweighted national average of 3.45%.
- AK’s effort level ranks #2 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in AK’s highest poverty districts are above adequate.
- Spending in these districts is $10,066 PP higher than the adequacy target ($19,607), a difference of 51.3%.
- This ranks #2 in the U.S. (out of 49).
- Across the entire state, 1.4% of AK students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in AK is progressive.
- Higher-poverty (30%) districts receive 147.5% more revenue than zero-poverty districts.
- This level of progressivity ranks #1 in the nation (out of 49).

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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 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.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these measures are of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

Adequacy

Adequacy is defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates of what each state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

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.

NOTES ON DATA AND MEASURES


www.schoolfinancedata.org
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

ARIZONA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Arizona scores 13 out of 100, which ranks 48th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- In FY 2019, total direct state and local K-12 spending in AZ was equivalent to 2.59% of the state’s economic capacity (GSP).
- This was 0.86 percentage points lower than the unweighted national average of 3.45%.
- AZ’s effort level ranks #48 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in AZ’s highest poverty districts are severely inadequate.
- Spending in these districts is $6,548 PP lower than the adequacy target ($17,050), a difference of -38.4%.
- This ranks #41 in the U.S. (out of 49).
- Across the entire state, 79.1% of AZ students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between:
1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and;
2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in AZ is neither progressive nor regressive.
- Higher-poverty (30%) districts receive 1.5% more revenue than zero-poverty districts.
- This level of progressivity ranks #26 in the nation (out of 49).

ARIZONA SCHOOL FINANCE PROFILE 2018-19
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

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- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30%/0 revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unreported rounds.

Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2019 and 2018 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity

Progressivity is measured 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 -5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
**FISCAL EFFORT**

- **Adequacy** compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).
  - Resources in AR's highest poverty districts are severely inadequate.
  - Spending in these districts is $9,188 PP lower than the adequacy target ($20,225), a difference of -45.4%.
  - This ranks #44 in the U.S. (out of 49).
  - Across the entire state, 74.8% of AR students attend districts with spending below estimated adequate levels.

- **Progressivity** is the degree to which states provide greater resources to districts serving higher-need students. The center graph is the percentage difference in 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.
  - School funding in AR is moderately progressive.
  - Higher-poverty (30%) districts receive 3.8% more revenue than zero-poverty districts.
  - This level of progressivity ranks #24 in the nation (out of 49).

- **Effort trend, 2004-2019**
  - There was a decrease of 0.42 percentage points in AR's effort during the "K-12 recovery" period of 2012-2019.
  - Effort increased during the three years before the recession, going from 4.04% in 2004 to 4.52% in 2007.
  - AR's effort was 0.16 percentage points higher in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentage equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.

Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) SED documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state primary elementary and secondary school enrollment (Fall 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

Adequacy

Adequacy is defined typically as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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 smaller 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
CALIFORNIA

Summary: This 2018-19 profile of California's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. On a weighted average of these three measures (see back), California scores 33 out of 100, which ranks 31st out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

- California effort: 3.03%
- U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in CA was equivalent to 3.03% of the state's economic capacity (GSP).
- This was 0.42 percentage points lower than the unweighted national average of 3.45%.
- CA's effort level ranks #37 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in CA's highest poverty districts are severely inadequate.
- Spending in these districts is $5,081 PP lower than the adequacy target ($19,208), a difference of -26.5%.
- This ranks #29 in the U.S. (out of 49).
- Across the entire state, 70.4% of CA students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in CA is progressive.
- Higher-poverty (30%) districts receive 16.1% more revenue than zero-poverty districts.
- This level of progressivity ranks #11 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- **Fiscal effort**
  - SID variables used in this section: effort/year
  - Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.
  - U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
  - The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
  - Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

- **Adequacy**
  - SID variables used in this section: predcost/year
  - Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.
  - Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
  - The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
  - In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
  - The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
  - The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
  - The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

- **Progressivity**
  - SID variables used in this section: predicted_slocrev20_; predicted_slocrev30_; predicted_cost20_; predicted_cost30_; year
  - 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 poverty 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.
  - Progressivity estimates are not available for D.C. and Hawaii (single-district states).
  - In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
  - The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of progressivity groups in this section, which are based on poverty rates (0, 10, 20, and 30%), vary from those in the “Adequacy” section, in which districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
  - 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
Colorado School Finance System

**Summary:** This 2018-19 profile of Colorado's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. On a weighted average of these three measures (see back), Colorado scores 33 out of 100, which ranks 33rd out of the 48 states with possible ratings.

### Fiscal Effort

- **Fiscal effort** is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).
- **Colorado effort:** 2.96%  
  **U.S. average:** 3.45%
- In FY 2019, total direct state and local K-12 spending in CO was equivalent to 2.96% of the state’s economic capacity (GSP).
- This was 0.49 percentage points lower than the unweighted national average of 3.45%.
- CO’s effort level ranks #40 in the nation (out of 49).

### Adequacy

- **Adequacy** compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).
- Resources in CO’s highest poverty districts are below adequate.
- Spending in these districts is $2,558 PP lower than the adequacy target ($12,933), a difference of -19.8%.
- This ranks #26 in the U.S. (out of 49).
- Across the entire state, 30.9% of CO students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.
- School funding in CO is progressive.
- Higher-poverty (30%) districts receive 18.0% more revenue than zero-poverty districts.
- This level of progressivity ranks #10 in the nation (out of 49).

### Effect Trend, 2004-2019

- There was an increase of 0.04 percentage points in CO’s effort during the “K-12 recovery” period of 2012-2019.
- Effort decreased during the three years before the recession, going from 3.20% in 2004 to 3.11% in 2007.
- CO’s effort was 0.24 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

### Adequacy Trend (pov. Q5), 2009-19

- Adequacy in CO’s highest-poverty districts improved between 2009 (-44.1%) and 2019 (-19.8%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

### Progressivity Trend (30v0%), 2002-19

- CO’s funding was more progressive in 2019 (18.0%) vs. 2002 (-6.8%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.

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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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The U.S. averages represented by the estimates.
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database.
- The years in the profile may vary slightly from previous years. The U.S. averages represent an overall state scores
- Adequacy estimates are not available for D.C., Hawaii, and Vermont. They are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program: see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.
- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

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Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have spent in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.
- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gap lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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 portions 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.
- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

CONNECTICUT

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Connecticut scores 77 out of 100, which ranks 8th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th>Connecticut effort</th>
<th>3.53 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.45 %</td>
</tr>
</tbody>
</table>

In FY 2019, total direct state and local K-12 spending in CT was equivalent to 3.53% of the state’s economic capacity (GSP).

This was 0.08 percentage points higher than the unweighted national average of 3.45%.

CT’s effort level ranks #23 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in CT’s highest poverty districts are above adequate.
- Spending in these districts is $2,330 PP higher than the adequacy target ($17,175), a difference of 13.6%.
- This ranks #7 in the U.S. (out of 49).
- Across the entire state, 19.2% of CT students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in CT is regressive.
- Higher-poverty (30%) districts receive 17.7% less revenue than zero-poverty districts.
- This level of progressivity ranks #43 in the nation (out of 49).

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>CT</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.03</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.02</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>0.20</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- There was a decrease of 0.02 percentage points in CT’s effort during the "K-12 recovery" period of 2012-2019.

- Effort increased during the three years before the recession, going from 3.32% in 2004 to 3.35% in 2007.

- CT’s effort was 0.20 percentage points higher in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

- Adequacy in CT’s highest-poverty districts was roughly similar between 2009 (11.5%) and 2019 (13.6%).

- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

- CT’s funding was more regressive in 2019 (-17.7%) vs. 2002 (17.1%).

- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
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- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
- Overall state scores: The overall scores provide a very simple summary of states' combined performance on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
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- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 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. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

### Adequacy

Adequacy is defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
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- In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0 and -20%) and "above adequate" (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national averages for the years 2019-2021 (our state adequacy measures are aggregations of these district-level estimates). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

### 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/30/50%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

DELAWARE

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Delaware scores 44 out of 100, which ranks 26th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th>Delaware effort</th>
<th>2.92 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.45 %</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in DE was equivalent to 2.92% of the state’s economic capacity (GSP).
- This was 0.52 percentage points lower than the unweighted national average of 3.45%.
- DE’s effort level ranks #41 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in DE’s highest poverty districts are below adequate.
- Spending in these districts is $1,976 PP lower than the adequacy target ($17,092), a difference of -11.6%.
- This ranks #18 in the U.S. (out of 49).
- Across the entire state, 18.6% of DE students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in DE is regressive.
- Higher-poverty (30%) districts receive 32.6% less revenue than zero-poverty districts.
- This level of progressivity ranks #48 in the nation (out of 49).

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General

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- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State ranks may reflect differences in unrounded scores.
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Fiscal effort

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- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
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Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 estimates in this profile are from the National Education Cost Model (NEMC), which is part of the SFID. The NEMC calculates required spending based on the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NEMC, see the SID user’s guide.

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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 smaller 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.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

DISTRICT OF COLUMBIA

Summary: This 2018-19 profile of 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. An overall state score is not calculated for the District of Columbia, as estimates are not available for all measures.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

Fiscal effort estimates are not available for the District of Columbia.

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in DC’s highest poverty districts are below adequate.
- Spending in these districts is $1,572 PP lower than the adequacy target ($23,978), a difference of -6.6%.
- This ranks #16 in the U.S. (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 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

Progressivity estimates are not available for the District of Columbia.

CONTEXTUAL STATS

<table>
<thead>
<tr>
<th></th>
<th>DC</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child (5-17yo) poverty rate (%)</td>
<td>20.1</td>
<td>15.8</td>
</tr>
<tr>
<td>Public school coverage (%)</td>
<td>81.8</td>
<td>87.6</td>
</tr>
<tr>
<td>Percent revenue from state sources</td>
<td>n/a</td>
<td>47.6</td>
</tr>
<tr>
<td>Total enrollment (U.S. rank)</td>
<td>87,200 (50)</td>
<td></td>
</tr>
</tbody>
</table>

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DISTRICT OF COLUMBIA SCHOOL FINANCE PROFILE 2018-19
NOTES ON DATA AND MEASURES

General

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**FLORIDA**

**Summary:** This 2018-19 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. On a weighted average of these three measures (see back), Florida scores 14 out of 100, which ranks 47th out of the 48 states with possible ratings.

### Fiscal Effort

- **Fiscal effort** is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

  - **Florida effort:** 2.76%
  - **U.S. average:** 3.45%

  - In FY 2019, total direct state and local K-12 spending in FL was equivalent to 2.76% of the state’s economic capacity (GSP).
  - This was 0.69 percentage points lower than the unweighted national average of 3.45%.
  - FL’s effort level ranks #47 in the nation (out of 49).

### Adequacy

- Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

  - Resources in FL’s highest poverty districts are severely inadequate.
  - Spending in these districts is $5,711 PP lower than the adequacy target ($16,162), a difference of -35.3%.
  - This ranks #35 in the U.S. (out of 49).
  - Across the entire state, 93.7% of FL students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.
  - School funding in FL is regressive.
  - Higher-poverty (30%) districts receive 16.2% less revenue than zero-poverty districts.
  - This level of progressivity ranks #41 in the nation (out of 49).

### Effort trend, 2004-2019

- There was a decrease of 0.46 percentage points in FL’s effort during the “K-12 recovery” period of 2012-2019.

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

    | Period     | FL | U.S. |
    |------------|----|------|
    | 2004-2007  | -0.44% | -0.01% |
    | 2012-2019  | -0.46% | -0.15% |
    | 2004-2019  | -0.61% | -0.30% |

- Effort increased during the three years before the recession, going from 3.36% in 2004 to 3.80% in 2007.
- FL’s effort was 0.61 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

### Adequacy trend (pov. Q5), 2009-19

- Adequacy in FL’s highest-poverty districts worsened between 2009 (-32.2%) and 2019 (-35.3%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

### Progressivity trend (30v0%), 2002-19

- FL’s funding was more regressive in 2019 (-16.2%) vs. 2002 (-4.9%).
- Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
- Overall state scores: The overall scores provide a very simple summary of states' combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The graph in the right panel presents a simple vertical summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states. The data in this state profile are from the National Center for Education Statistics, published by the National Center for Education Statistics.

### Fiscal effort

**SID variables used in this section: effort/year**

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

### Adequacy

**SID variables used in this section: necm_predcost_q1—necm_predcost_q5; necm_gdp_q1—necm_gdp_q5; necm_popq1—necm_popq5; necm_ensq1—necm_ensq5; year**

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). SID estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

### Progressivity

**SID variables used in this section: predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; year**

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the trend in percentage difference between high (30%) and zero poverty districts, for both this state and on average across the U.S. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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**GEORGIA**

**Summary:** This 2018-19 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. On a weighted average of these three measures (see back), Georgia scores 30 out of 100, which ranks 35th out of the 48 states with possible ratings.

### FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Georgia effort:** 3.46%
- **U.S. average:** 3.45%

  - In FY 2019, total direct state and local K-12 spending in GA was equivalent to 3.46% of the state’s economic capacity (GSP).
  - This was 0.01 percentage points higher than the unweighted national average of 3.45%.
  - GA’s effort level ranks #26 in the nation (out of 49).

### ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in GA’s highest poverty districts are severely inadequate.
- Spending in these districts is $10,427 PP lower than the adequacy target ($21,908), a difference of -47.6%.
- This ranks #46 in the U.S. (out of 49).
- Across the entire state, 83.0% of GA students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- **School funding in GA is moderately progressive.**
- **Higher-poverty (30%) districts receive 9.5% more revenue than zero-poverty districts.**
- This level of progressivity ranks #13 in the nation (out of 49).

### EFFORT TREND, 2004-2019

- **There was a decrease of 0.40 percentage points in GA’s effort during the “K-12 recovery” period of 2012-2019.**

<table>
<thead>
<tr>
<th>Period</th>
<th>GA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.39</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.40</td>
<td>-0.15</td>
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<tr>
<td>2004-2019</td>
<td>-0.24</td>
<td>-0.30</td>
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</tbody>
</table>

- **Effort increased during the three years before the recession, going from 3.70% in 2004 to 4.09% in 2007.**
- **GA’s effort was 0.24 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.**

### Adequacy trend (pov. Q5), 2009-19

- Adequacy in GA’s highest-poverty districts was roughly similar between 2009 (-44.7%) and 2019 (-47.6%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

### Progressivity trend (30v0%), 2002-19

- GA’s funding was more progressive in 2019 (9.5%) vs. 2002 (2.6%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
**NOTES ON DATA AND MEASURES**


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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 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 of all the measures presented in this profile, as well as other SFID datasets, tools, and reports, are freely available to download at:

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

The following are some general notes about the profiles, followed by descriptions and notes pertaining to the three types of measures they present:

- **The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).**
- **Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.**
- **Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.**
- **The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.**
- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- **The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles equivalent, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).**
- **D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.**
- **State rankings may reflect differences in unreported scores.**

### Fiscal effort

**SID variables used in this section: effort/ year**

Fiscal effort indicates how much a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- **U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.**
- **The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.**
- **Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.**

### Adequacy

**SID variables used in this section: necm_pretot_q1—necm_pretot_q5; necm_ppcstot_q1—necm_ppcstot_q5; necm_predcost_q1—necm_predcost_q5; necm_enroll_q1—necm_enroll_q5; year**

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state **would have to spend** in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SFID user’s guide.

- **Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.**
- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).**
- **In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20%) and “above adequate” (greater than 0%).**
- **The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.**
- **The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.**
- **The graph in the right panel presents the same estimates as the “highest poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.**

### Progressivity

**SID variables used in this section: predicted_slocrev0_; predicted_slocrev10_; predicted_slocrev20_; predicted_slocrev30_; predicted_slocrev40_; year**

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 smaller 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.

- **Progressivity estimates are not available for D.C. and Hawaii (single-district states).**
- **In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (which is also the estimate 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%).**
- **The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of district groups in this section, which are based on poverty rates (0, 10, 20, and 30%), vary from those in the “Adequacy” section, in which districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.**
- **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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/00 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.**

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Summary: This 2018-19 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. An overall state score is not calculated for Hawaii, as estimates are not available for all measures.

CONTEXTUAL STATS

<table>
<thead>
<tr>
<th>Statistic</th>
<th>HI</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child (5-17yo) poverty rate (%)</td>
<td>10.5</td>
<td>15.8</td>
</tr>
<tr>
<td>Public school coverage (%)</td>
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<td>87.6</td>
</tr>
<tr>
<td>Percent revenue from state sources</td>
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<td>47.6</td>
</tr>
<tr>
<td>Total enrollment (U.S. rank)</td>
<td>180,600 (40)</td>
<td></td>
</tr>
</tbody>
</table>

FISCAL EFFORT

**Fiscal effort** is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- Hawaii effort: 2.50%
- U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in HI was equivalent to 2.50% of the state’s economic capacity (GSP).
- This was 0.95 percentage points lower than the unweighted national average of 3.45%.
- HI’s effort level ranks #49 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

Adequacy estimates are not available for Hawaii.

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 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

Progressivity estimates are not available for Hawaii.
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

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- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
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- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.

Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.

- The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles) equal to 0 (the national median), respectively, with a score of between 10 and 100.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles) equal to 0 (the national median), respectively, with a score of between 10 and 100.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles) equal to 0 (the national median), respectively, with a score of between 10 and 100.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Fiscal effort indicates how much of a state’s total capacity goes toward K-

- The estimate in the fourth bullet of the left pane is calculated using our District Cost Database (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources from states from the U.S. Census Bureau National Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Adequacy

Adequacy is defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty quintiles (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axes ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity

Progressivity is a progressive school finance system in 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states)
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for states in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300 progression in the typical state in a given year. Axis ranges for this graph may vary between states.
**STATE SCHOOL FINANCE PROFILE**
**2018-19 SCHOOL YEAR**

**IDAHO**

**Summary:** This 2018-19 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. On a weighted average of these three measures (see back), Idaho scores 26 out of 100, which ranks 39th out of the 48 states with possible ratings.

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**FISCAL EFFORT**

**Fiscal effort** is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Idaho effort:** 2.99%
- **U.S. average:** 3.45%

- In FY 2019, total direct state and local K-12 spending in ID was equivalent to 2.99% of the state’s economic capacity (GSP).
- This was 0.46 percentage points lower than the unweighted national average of 3.45%.
- ID’s effort level ranks #39 in the nation (out of 49).

---

**ADEQUACY**

**Adequacy** compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in ID’s highest poverty districts are severely inadequate.
- Spending in these districts is $3,327 PP lower than the adequacy target ($13,393), a difference of -24.8%.
- This ranks #27 in the U.S. (out of 49).
- Across the entire state, 56.3% of ID students attend districts with spending below estimated adequate levels.

---

**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 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- **School funding in ID is moderately progressive.**
- Higher-poverty (30%) districts receive 7.2% more revenue than zero-poverty districts.
- This level of progressivity ranks #19 in the nation (out of 49).

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**CONTEXTUAL STATS**

<table>
<thead>
<tr>
<th></th>
<th>ID</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child (5-17yo) poverty rate (%)</td>
<td>11.2</td>
<td>15.8</td>
</tr>
<tr>
<td>Public school coverage (%)</td>
<td>88.6</td>
<td>87.6</td>
</tr>
<tr>
<td>Percent revenue from state sources</td>
<td>65.0</td>
<td>47.6</td>
</tr>
<tr>
<td>Total enrollment (U.S. rank)</td>
<td>300,500 (38)</td>
<td></td>
</tr>
</tbody>
</table>
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentage equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/00 revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.

Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources from states from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 fiscal effort.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on efforts trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

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Progressivity
Progressivity is calculated as a weighted average of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is the also the estimate 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%).
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FISCAL EFFORT

Illiinois effort: 3.26%
U.S. average: 3.45%

In FY 2019, total direct state and local K-12 spending in IL was equivalent to 3.26% of the state’s economic capacity (GSP).

This was 0.19 percentage points lower than the unweighted national average of 3.45%.

IL’s effort level ranks #31 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

Resources in IL’s highest poverty districts are below adequate.

Spending in these districts is $2,467 PP lower than the adequacy target ($17,896), a difference of -13.8%.

This ranks #19 in the U.S. (out of 49).

Across the entire state, 36.7% of IL students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

School funding in IL is regressive.

Higher-poverty (30%) districts receive 21.7% less revenue than zero-poverty districts.

This level of progressivity ranks #45 in the nation (out of 49).
General

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- **The data in this state profile are from the National Center for Education Statistics,** published by the National Center for Education Statistics.

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Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Fiscal effort indicates how much of a state’s total capacity goes toward K-12 expenditures (e.g., 2019 is 2018-19 due to data irregularities), so as to keep a consistent set of states across all years.

- **The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession.** The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- **Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates of how much each state contributes as a percentage of how much it might contribute. 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 funding.

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Progressivity

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www.schoolfinancedata.org
FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Indiana effort**: 3.06 \%
- **U.S. average**: 3.45 \%

  - In FY 2019, total direct state and local K-12 spending in IN was equivalent to 3.06\% of the state’s economic capacity (GSP).
  - This was 0.39 percentage points lower than the unweighted national average of 3.45\%.
  - IN's effort level ranks #36 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in IN's highest poverty districts are severely inadequate.
- Spending in these districts is $4,184 PP lower than the adequacy target ($15,496), a difference of -27.0\%.
- This ranks #30 in the U.S. (out of 49).
- Across the entire state, 40.4\% of IN students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10\% Census poverty), middle- (20\%), and higher-poverty (30\%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- **School funding in IN** is moderately progressive.
- Higher-poverty (30\%) districts receive 8.8\% more revenue than zero-poverty districts.
- This level of progressivity ranks #14 in the nation (out of 49).

Effort trend, 2004-2019

- There was a decrease of 0.24 percentage points in IN's effort during the "K-12 recovery" period of 2012-2019.

<table>
<thead>
<tr>
<th>Period</th>
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<th>U.S.</th>
</tr>
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<tr>
<td>2004-2007</td>
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<td>-0.01</td>
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<tr>
<td>2012-2019</td>
<td>-0.24</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.70</td>
<td>-0.30</td>
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</table>

- Effort decreased during the three years before the recession, going from 3.76\% in 2004 to 3.73\% in 2007.
- IN's effort was 0.70 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

Adequacy trend (pov. Q5), 2009-19

- Adequacy in IN's highest-poverty districts was roughly similar between 2009 (-26.2\%) and 2019 (-27.0\%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1\% to -17.3\%.

IN's funding was more regressive in 2019 (8.8\%) vs. 2002 (10.5\%).

Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
General

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- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources (‘Contextual Stats’ table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

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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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states)
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- In FY 2019, total direct state and local K-12 spending in IA was equivalent to 3.63% of the state’s economic capacity (GSP).
- This was 0.18 percentage points higher than the unweighted national average of 3.45%.
- IA’s effort level ranks #15 in the nation (out of 49).

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in IA’s highest poverty districts are below adequate.
- Spending in these districts is $1,038 PP lower than the adequacy target ($13,089), a difference of -7.9%.
- This ranks #17 in the U.S. (out of 49).
- Across the entire state, 24.9% of IA students attend districts with spending below estimated adequate levels.

Progressivity is the degree to which states provide greater resources to districts serving higher-need students. The center graph is the percentage difference in 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in IA is progressive.
- Higher-poverty (30%) districts receive 12.7% more revenue than zero-poverty districts.
- This level of progressivity ranks #12 in the nation (out of 49).
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- **The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).**
- **Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.**
- **Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.**
- **The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.**
- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- **The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (15%).**
- **D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.**
- **State rankings may reflect differences in unrounded scores.**

### Fiscal effort

**Fiscal effort** indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- **U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.**
- **The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.**
- **Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- **Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.**
- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).**
- **In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).**
- **The estimates in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.**
- **The U.S. averages represented by the gold diamonds in the center-panel graph are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.**
- **The graph in the right panel presents the same estimates with the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.**

### 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.

- **Progressivity estimates are not available for D.C. and Hawaii (single-district states).**
- **In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 (revenue +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).**
- **The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.**
- **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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.**

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Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

- Kansas effort: 3.78%
- U.S. average: 3.45%

In FY 2019, total direct state and local K-12 spending in KS was equivalent to 3.78% of the state's economic capacity (GSP).

- This was 0.33 percentage points higher than the unweighted national average of 3.45%.
- KS's effort level ranks #12 in the nation (out of 49).

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in KS's highest poverty districts are below adequate.
- Spending in these districts is $2,669 PP lower than the adequacy target ($14,640), a difference of -18.2%.
- This ranks #24 in the U.S. (out of 49).
- Across the entire state, 29.9% of KS students attend districts with spending below estimated adequate levels.

Progressivity is the degree to which states provide greater resources to districts serving higher-need students. The center graph is the percentage difference in 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in KS is moderately progressive.
- Higher-poverty (30%) districts receive 8.0% more revenue than zero-poverty districts.
- This level of progressivity ranks #15 in the nation (out of 49).

Progressivity trend (30v0%), 2002-19:

- KS's funding was more progressive in 2019 (8.0%) vs. 2002 (-5.9%).
- Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

**Fiscal effort**
- SID variables used in this section: effort
- Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.
- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

**Adequacy**
- SID variables used in this section: necm_predcost_q1—necm_predcost_q6; necm_popdss_q1—necm_popdss_q6; necm_earr_q1—necm_earr_q6; year
- Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.
- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axes ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

**Progressivity**
- SID variables used in this section: predicted_slocrev0—predicted_slocrev20; predicted_slocrev0—predicted_slocrev20; predicted_slocrev0—predicted_slocrev20; year
- 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 smaller 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.
- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of 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 districts are sorted into quintiles by poverty. Axes ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axes ranges for this graph may vary between states.
Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- In FY 2019, total direct state and local K-12 spending in KY was equivalent to 3.56% of the state’s economic capacity (GSP).
- This was 0.11 percentage points higher than the unweighted national average of 3.45%.
- KY’s effort level ranks #22 in the nation (out of 49).

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in KY’s highest poverty districts are severely inadequate.
- Spending in these districts is $4,275 PP lower than the adequacy target ($15,638), a difference of -27.3%.
- This ranks #31 in the U.S. (out of 49).
- Across the entire state, 26.1% of KY students attend districts with spending below estimated adequate levels.

Progressivity is the degree to which states provide greater resources to districts serving higher-need students. The center graph is the percentage difference in 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in KY is neither progressive nor regressive.
- Higher-poverty (30%) districts receive 2.9% less revenue than zero-poverty districts.
- This level of progressivity ranks #29 in the nation (out of 49).

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>KY</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.40</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.37</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>0.16</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

Effort improved during the three years before the recession, going from 3.40% in 2004 to 3.80% in 2007.

KY’s effort was 0.16 percentage points higher in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

Efficiency in KY’s highest-poverty districts improved between 2009 (-32.0%) and 2019 (-27.3%).

During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

KY’s funding was more regressive in 2019 (-2.9%) vs. 2002 (3.8%).

Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

• The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
• Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalcualted annually with updated data.
• Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
• The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
• Overall state scores: The overall scores provide a very simple summary of states' combined "performance" on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
• The scores are calculated as a weighted average of z-scores (final averaged expressed as percent equivalence), with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/00 revenue progressivity (10%).
• D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
• State rankings may reflect differences in unrounded scores.

Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) SFID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

SID variables used in this section: effort year

Fiscal effort indicates how much of a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state's economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

• U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
• The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
• Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

Adequacy

SID variables used in this section: necm_predcost_q1 -- necm_predcost_q5; necm_ppcostat_q1 -- necm_ppcostat_q5; necm_enroll_q1 -- necm_enroll_q5; year

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

• Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
• The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
• In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0% and -20%) and "above adequate" (greater than 0%).
• The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
• The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
• The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity

SID variables used in this section: predicted_slocostv0 -- predicted_slocostv10; predicted_slocostv20 -- predicted_slocostv30; year

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 smaller shares of disadvantaged 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.

• Progressivity estimates are not available for D.C. and Hawaii (single-district states)
• In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
• The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
• 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
**STATE SCHOOL FINANCE PROFILE 2018-19 SCHOOL YEAR**

**LOUISIANA**

**Summary:** This 2018-19 profile of Louisiana’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. On a weighted average of these three measures (see back), Louisiana scores 24 out of 100, which ranks 41st out of the 48 states with possible ratings.

**FISCAL EFFORT**

- **Fiscal effort** is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).
  - Louisiana effort: 3.14%
  - U.S. average: 3.45%
  - In FY 2019, total direct state and local K-12 spending in LA was equivalent to 3.14% of the state’s economic capacity (GSP).
  - This was 0.31 percentage points lower than the unweighted national average of 3.45%.
  - LA’s effort level ranks #35 in the nation (out of 49).

**ADEQUACY**

- **Adequacy** compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).
  - Resources in LA’s highest poverty districts are severely inadequate.
  - Spending in these districts is $8,047 PP lower than the adequacy target ($21,770), a difference of -37.0%.
  - This ranks #39 in the U.S. (out of 49).
  - Across the entire state, 79.6% of LA students attend districts with spending below estimated adequate levels.

**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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.
  - School funding in LA is neither progressive nor regressive.
  - Higher-poverty (30%) districts receive 2.5% less revenue than zero-poverty districts.
  - This level of progressivity ranks #28 in the nation (out of 49).

**Effect trend, 2004-2019**

- There was a decrease of 0.41 percentage points in LA’s effort during the “K-12 recovery” period of 2012-2019.
  - **Net change by period (% pts.)**
    | Period     | LA  | U.S. |
    |------------|-----|------|
    | 2004-2007  | -0.11 | -0.01 |
    | 2012-2019  | -0.41 | -0.15 |
    | 2004-2019  | -0.18 | -0.30 |

- LA’s effort decreased during the three years before the recession, going from 3.32% in 2004 to 3.21% in 2007.
- LA’s effort was 0.18 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

**Efficiency trend (pov. Q5), 2009-19**

- Adequacy in LA’s highest-poverty districts improved between 2009 (-40.6%) and 2019 (-37.0%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- **General**
  - The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
  - Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
  - Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
  - The total number of state assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
  - **Overall state scores:** The overall scores provide a very simple summary of states' combined "performance" on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
  - The scores are calculated as a weighted average of z-scores (final averages expressed as percentage equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/00 revenue progressivity (10%).
  - D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
  - State rankings may reflect differences in unrounded scores.
  - **Non-SFID data sources** ("Contextual Stats" table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

### Fiscal effort

Fiscal effort indicates how much of a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state's economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 outcomes.

- **Fiscal effort**
  - U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
  - The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
  - Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 estimates in this profile are from the National Education Cost Adequacy Estimates (SAIPE) program. 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 outcomes.

- **Adequacy**
  - Adequacy gap (%) in the high-poverty quintile (20%).
  - The districts are scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
  - The scores are calculated as a weighted average of z-scores (final averages expressed as percentage equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/00 revenue progressivity (10%).
  - D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
  - State rankings may reflect differences in unrounded scores.

### 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.

- **Progressivity**
  - Progressivity gap (%) in the high-poverty quintile.
  - The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
  - Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
  - Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

MAINE

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Maine scores 67 out of 100, which ranks 11th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th>State</th>
<th>ME</th>
<th>U.S. average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effort</td>
<td>4.09%</td>
<td>3.45%</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in ME was equivalent to 4.09% of the state’s economic capacity (GSP).
- This was 0.64 percentage points higher than the unweighted national average of 3.45%.
- ME’s effort level ranks #7 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in ME’s highest poverty districts are above adequate.
- Spending in these districts is $353 PP higher than the adequacy target ($14,220), a difference of 2.5%.
- This ranks #11 in the U.S. (out of 49).
- Across the entire state, 11.6% of ME students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in ME is regressive.
- Higher-poverty (30%) districts receive 13.3% less revenue than zero-poverty districts.
- This level of progressivity ranks #37 in the nation (out of 49).

ME’s funding was more regressive in 2019 (-13.3%) vs. 2002 (-4.2%).
Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

**Fiscal effort**

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.

**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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states)
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

MARYLAND

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Maryland scores 48 out of 100, which ranks 22nd out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th>Maryland effort</th>
<th>3.39 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. average</td>
<td>3.45 %</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in MD was equivalent to 3.39% of the state’s economic capacity (GSP).
- This was 0.06 percentage points lower than the unweighted national average of 3.45%.
- MD’s effort level ranks #27 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in MD’s highest poverty districts are severely inadequate.
- Spending in these districts is $6,804 PP lower than the adequacy target ($22,438), a difference of -30.3%.
- This ranks #32 in the U.S. (out of 49).
- Across the entire state, 41.7% of MD students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in MD is progressive.
- Higher-poverty (30%) districts receive 26.9% more revenue than zero-poverty districts.
- This level of progressivity ranks #8 in the nation (out of 49).

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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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

• The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
• Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
• Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
• The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
• Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
• The scores are calculated as a weighted average of z-scores (final averages expressed as percentage equivalents, with a score of 0 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).
• D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
• State rankings may reflect differences in unrounded scores.

Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

• U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
• The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
• Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

• Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
• The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
• In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below average” (between 0% and -20%) and “above average” (greater than 0%).
• The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
• The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
• The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity
Progressivity is a measure of how much of a state’s K-12 school funding is directed to low-income students. The SFID uses the “progressivity score” (PPC) as a measure of progressivity, which is characterized as the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).

• Progressivity estimates are not available for D.C. and Hawaii (single-district states).
• In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
• The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
• 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

MASSACHUSETTS

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Massachusetts scores 57 out of 100, which ranks 15th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th>Massachusetts effort</th>
<th>U.S. average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.84 %</td>
<td>3.45 %</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in MA was equivalent to 2.84% of the state’s economic capacity (GSP).
- This was 0.61 percentage points lower than the unweighted national average of 3.45%.
- MA’s effort level ranks #43 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in MA’s highest poverty districts are above adequate.
- Spending in these districts is $997 PP higher than the adequacy target ($16,922), a difference of 5.9%.
- This ranks #10 in the U.S. (out of 49).
- Across the entire state, 14.9% of MA students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in MA is regressive.
- Higher-poverty (30%) districts receive 16.2% less revenue than zero-poverty districts.
- This level of progressivity ranks #42 in the nation (out of 49).

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NOTES ON DATA AND MEASURES

General

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- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
- Overall state scores: The overall scores provide a very simple summary of states' combined "performance" on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
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Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) SFID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state's economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0% and -20%) and "above adequate" (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel represents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. averages) in the center graph, but between 2009-19.

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of district progressivity groups in this section, which are based on poverty rates (0, 10, 20, and 30%), vary from those in the "Adequacy" section, in which districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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**FISCAL EFFORT**

**Michigan effort** 3.48 %

**U.S. average** 3.45 %

- In FY 2019, total direct state and local K-12 spending in MI was equivalent to 3.48% of the state’s economic capacity (GSP).
- This was 0.03 percentage points higher than the unweighted national average of 3.45%.
- MI’s effort level ranks #25 in the nation (out of 49).

**ADEQUACY**

**Adequacy trend (pov. Q5), 2009-19**

- Adequacy in MI’s highest-poverty districts improved between 2009 (-39.2%) and 2019 (-36.1%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

**PROGRESSIVITY**

**Progressivity trend (30v0%), 2002-19**

- MI’s funding was more regressive in 2019 (-7.5%) vs. 2002 (-7.0%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
General
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• The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%)
• D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
• State rankings may reflect differences in unrounded scores.
• Non-SFID data sources (‘Contextual Stats’ table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
SID variables used in this section: effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 fiscal effort.
• U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
• The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
• Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

Adequacy
SID variables used in this section: necm_predcost_q1—necm_predcost_q5; year
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SFID user’s guide.
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• In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
• The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
• The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
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Progressivity
SID variables used in this section: predicted_slocrev0—predicted_slocrev20; predicted_source20; predicted_source30; year
A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all 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.
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Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Minnesota effort**: 3.56%
- **U.S. average**: 3.45%

  - In FY 2019, total direct state and local K-12 spending in MN was equivalent to 3.56% of the state’s economic capacity (GSP).
  - This was 0.11 percentage points higher than the unweighted national average of 3.45%.
  - MN’s effort level ranks #21 in the nation (out of 49).

### Adequacy

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in MN’s highest poverty districts are below adequate.
- Spending in these districts is $2,792 PP lower than the adequacy target ($17,472), a difference of -16.0%.
- This ranks #22 in the U.S. (out of 49).
- Across the entire state, 17.7% of MN students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- **School funding in MN is progressive.**
- **Higher-poverty (30%) districts receive 34.8% more revenue than zero-poverty districts.**
- This level of progressivity ranks #6 in the nation (out of 49).

### Effort trend, 2004-2019

- There was an increase of 0.15 percentage points in MN’s effort during the “K-12 recovery” period of 2012-2019.

### Adequacy trend (pov. Q5), 2009-19

- Adequacy in MN’s highest-poverty districts improved between 2009 (-25.1%) and 2019 (-16.0%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.
General

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- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axes ranges for this graph may vary between states.
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NOTES ON DATA AND MEASURES


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Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

Mississippi effort 4.05 %
U.S. average 3.45 %

- In FY 2019, total direct state and local K-12 spending in MS was equivalent to 4.05% of the state’s economic capacity (GSP).
- This was 0.60 percentage points higher than the unweighted national average of 3.45%.
- MS’s effort level ranks #8 in the nation (out of 49).

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in MS’s highest poverty districts are severely inadequate.
- Spending in these districts is $16,009 PP lower than the adequacy target ($26,440), a difference of -60.5%.
- This ranks #49 in the U.S. (out of 49).
- Across the entire state, 99.3% of MS students attend districts with spending below estimated adequate levels.

Progressivity is the degree to which states provide greater resources to districts serving higher-need students. The center graph is the percentage difference in 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in MS is moderately progressive.
- Higher-poverty (30%) districts receive 3.6% more revenue than zero-poverty districts.
- This level of progressivity ranks #25 in the nation (out of 49).

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>MS</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.07</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.32</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.36</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort increased during the three years before the recession, going from 4.41% in 2004 to 4.48% in 2007.
- MS’s effort was 0.36 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

Adequacy in MS’s highest-poverty districts improved between 2009 (-66.0%) and 2019 (-60.5%).

During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

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- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percent equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.

**NOTES ON DATA AND MEASURES**

<table>
<thead>
<tr>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-SFID data sources</strong> (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.</td>
</tr>
</tbody>
</table>

**Fiscal effort**

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending to that required by the NECM, which is part of the SFID. The NECM calculates required spending based on the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SFID’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state and (D.U.S. average) in the center graph, but between 2009-19.

**Progressivity**

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/middle/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

www.schoolfinancedata.org
MISSOURI

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Missouri scores 27 out of 100, which ranks 38th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- Missouri effort 3.38%
- U.S. average 3.45%

- In FY 2019, total direct state and local K-12 spending in MO was equivalent to 3.38% of the state’s economic capacity (GSP).
- This was 0.07 percentage points lower than the unweighted national average of 3.45%.
- MO’s effort level ranks #28 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in MO’s highest poverty districts are severely inadequate.
- Spending in these districts is $7,394 PP lower than the adequacy target ($19,323), a difference of -38.3%.
- This ranks #40 in the U.S. (out of 49).
- Across the entire state, 44.7% of MO students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in MO is regressive.
- Higher-poverty (30%) districts receive 19.4% less revenue than zero-poverty districts.
- This level of progressivity ranks #44 in the nation (out of 49).

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>MO</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.18</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.16</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.15</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort increased during the three years before the recession, going from 3.53% in 2004 to 3.71% in 2007.
- MO’s effort was 0.15 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

- Adequacy in MO’s highest-poverty districts was roughly similar between 2009 (-37.3%) and 2019 (-38.3%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

- MO’s funding was more regressive in 2019 (-19.4%) vs. 2002 (-1.2%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

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- **Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.**
- **The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.**
- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- **The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles equivalent, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).**
- **D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.**
- **State rankings may reflect differences in unreported rounds.**
- **Non-SFID data sources (“Contextual Stats” table):** 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) SIF documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

**Fiscal effort**

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 provide the same amount of money.

- **U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.**
- **The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.**
- **Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.**

**Adequacy**

Adequacy is defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much states would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SFID website. Adequacy estimates are not available for D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.

- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentiles). Estimates for D.C. are sorted into quintile ranges for this graph may vary between states.**
- **The graph in the right panel presents the same estimates as the “highest poverty” section, in which district states are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -3%) and “above adequate” (greater than 0%).**
- **The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregates of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.**
- **The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.**
- **The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.**

**Progressivity**

Progressivity is a measure of how much more resources than their counterparts are allocated to serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts are allocated to serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts are allocated to serving larger shares of disadvantaged students (all else equal). 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 are allocated to serving larger shares of disadvantaged students (all else equal). 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.

- **Progressivity estimates are not available for D.C. and Hawaii (single-district states).**
- **In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).**
- **The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.**
- **The graph in the right panel presents the trend in percentage poverty groups between high (30%) and zero poverty districts, both for this state and on average across the U.S. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.**
**STATE SCHOOL FINANCE PROFILE**

**2018-19 SCHOOL YEAR**

**MONTANA**

**Summary:** This 2018-19 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. On a weighted average of these three measures (see back), Montana scores 57 out of 100, which ranks 16th out of the 48 states with possible ratings.

**FISCAL EFFORT**

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Montana effort:** 3.57 %
- **U.S. average:** 3.45 %

- In FY 2019, total direct state and local K-12 spending in MT was equivalent to 3.57% of the state’s economic capacity (GSP).
- This was 0.13 percentage points higher than the unweighted national average of 3.45%.
- MT’s effort level ranks #20 in the nation (out of 49).

**ADEQUACY**

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in MT’s highest poverty districts are below adequate.
- Spending in these districts is $591 PP lower than the adequacy target ($16,028), a difference of -3.7%.
- This ranks #13 in the U.S. (out of 49).
- Across the entire state, 19.2% of MT students attend districts with spending below estimated adequate levels.

**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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in MT is progressive.
- Higher-poverty (30%) districts receive 26.8% more revenue than zero-poverty districts.
- This level of progressivity ranks #9 in the nation (out of 49).

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

<table>
<thead>
<tr>
<th>Period</th>
<th>MT</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>-0.42</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.27</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.81</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort decreased during the three years before the recession, going from 4.38% in 2004 to 3.96% in 2007.
- MT’s effort was 0.81 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

- Adequacy in MT’s highest-poverty districts improved between 2009 (-22.8%) and 2019 (-3.7%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

**MT’s funding was more progressive in 2019 (26.8%) vs. 2002 (20.6%).**
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
General

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Fiscal effort

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- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel graph are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty quintiles. 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

NOTES ON DATA AND MEASURES

www.schoolfinancedata.org
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

NEBRASKA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Nebraska scores 81 out of 100, which ranks 6th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

- **Nebraska effort**: 3.60%
- **U.S. average**: 3.45%

- In FY 2019, total direct state and local K-12 spending in NE was equivalent to 3.60% of the state's economic capacity (GSP).
- This was 0.15 percentage points higher than the unweighted national average of 3.45%.
- NE's effort level ranks #17 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in NE's highest poverty districts are above adequate.
- Spending in these districts is $3,921 PP higher than the adequacy target ($12,992), a difference of 30.2%.
- This ranks #4 in the U.S. (out of 49).
- Across the entire state, 19.1% of NE students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in NE is progressive.
- Higher-poverty (30%) districts receive 47.3% more revenue than zero-poverty districts.
- This level of progressivity ranks #5 in the nation (out of 49).

CONTEXUAL STATS

<table>
<thead>
<tr>
<th></th>
<th>NE</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child (5-17yo) poverty rate (%)</td>
<td>10.3</td>
<td>15.8</td>
</tr>
<tr>
<td>Public school coverage (%)</td>
<td>84.1</td>
<td>87.6</td>
</tr>
<tr>
<td>Percent revenue from state sources</td>
<td>32.3</td>
<td>47.6</td>
</tr>
<tr>
<td>Total enrollment (U.S. rank)</td>
<td>329,900 (37)</td>
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</tr>
</tbody>
</table>

www.schoolfinancedata.org

NEBRASKA SCHOOL FINANCE PROFILE 2018-19
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous years, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources from state (U.S. Census Bureau Annual Survey of School System Finances); 4) total state public elementary and secondary school enrollment (Fall 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0% and -20%) and "above adequate" (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile were released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity

Progressivity is a progressive school finance system in 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
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NEVADA

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- Nevada effort: 2.78%
- U.S. average: 3.45%

In FY 2019, total direct state and local K-12 spending in NV was equivalent to 2.78% of the state’s economic capacity (GSP).

- This was 0.67 percentage points lower than the unweighted national average of 3.45%.
- NV’s effort level ranks #45 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in NV’s highest poverty districts are severely inadequate.
- Spending in these districts is $5,102 PP lower than the adequacy target ($14,114), a difference of -36.1%.
- This ranks #37 in the U.S. (out of 49).
- Across the entire state, 88.9% of NV students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in NV is regressive.
- Higher-poverty (30%) districts receive 35.1% less revenue than zero-poverty districts.
- This level of progressivity ranks #49 in the nation (out of 49).

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GENERAL

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**Fiscal effort**

Fiscal effort indicates how much of a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state's economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

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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 in each state).
- In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are “below average” (between 0% and -20%) and “above adequate” (greater than 0%).
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NOTES ON DATA AND MEASURES


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NEW HAMPSHIRE

**FISCAL EFFORT**

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th></th>
<th>New Hampshire</th>
<th>U.S. average</th>
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</thead>
<tbody>
<tr>
<td>New Hampshire effort</td>
<td>3.66%</td>
<td>3.45%</td>
</tr>
<tr>
<td>U.S. average</td>
<td>3.66%</td>
<td>3.45%</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in NH was equivalent to 3.66% of the state’s economic capacity (GSP).
- This was 0.21 percentage points higher than the unweighted national average of 3.45%.
- NH's effort level ranks #14 in the nation (out of 49).

**ADEQUACY**

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in NH's highest poverty districts are above adequate.
- Spending in these districts is $4,206 PP higher than the adequacy target ($11,929), a difference of 35.3%.
- This ranks #3 in the U.S. (out of 49).
- Across the entire state, 0.1% of NH students attend districts with spending below estimated adequate levels.

**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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in NH is regressive.
- Higher-poverty (30%) districts receive 25.1% less revenue than zero-poverty districts.
- This level of progressivity ranks #47 in the nation (out of 49).

**Effect trend, 2004-2019**

- There was a decrease of 0.42 percentage points in NH's effort during the "K-12 recovery" period of 2012-2019.

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

<table>
<thead>
<tr>
<th>Period</th>
<th>NH</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.14</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.42</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.15</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort increased during the three years before the recession, going from 3.80% in 2004 to 3.95% in 2007.
- NH's effort was 0.15 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.
General

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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 in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. average is represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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 smaller 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

NEW JERSEY

Summary: This 2018-19 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. On a weighted average of these three measures (see back), New Jersey scores 88 out of 100, which ranks 4th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

New Jersey effort: 4.48%
U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in NJ was equivalent to 4.48% of the state's economic capacity (GSP).
- This was 1.03 percentage points higher than the unweighted national average of 3.45%.
- NJ's effort level ranks #1 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in NJ's highest poverty districts are above adequate.
- Spending in these districts is $2,656 PP higher than the adequacy target ($17,018), a difference of 15.6%.
- This ranks #6 in the U.S. (out of 49).
- Across the entire state, 5.1% of NJ students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%) and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in NJ is moderately progressive.
- Higher-poverty (30%) districts receive 4.5% more revenue than zero-poverty districts.
- This level of progressivity ranks #22 in the nation (out of 49).

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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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

**Fiscal effort**
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- **U.S. effort averages are unweighted and do not include D.C.** (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- **The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
- **Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 estimates in this profile are from the National Education Cost Outcomes model (NECM), which is part of the SFID. The NECM calculates required spending based on the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

- **Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- **In the first bullet of the left panel, states with QS ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0 and -20%) and "above adequate" (greater than 0%).
- **The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- **The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- **The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.**

**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.

- **Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- **In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- **The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- **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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.**
NEW MEXICO

Summary: This 2018-19 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. On a weighted average of these three measures (see back), New Mexico scores 34 out of 100, which ranks 30th out of the 48 states with possible ratings.

### Fiscal Effort

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **New Mexico effort:** 3.62 %
- **U.S. average:** 3.45 %

- In FY 2019, total direct state and local K-12 spending in NM was equivalent to 3.62% of the state’s economic capacity (GSP).
- This was 0.17 percentage points higher than the unweighted national average of 3.45%.
- NM’s effort level ranks #16 in the nation (out of 49).

### Adequacy

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in NM’s highest poverty districts are severely inadequate.
- Spending in these districts is $9,013 PP lower than the adequacy target ($20,622), a difference of -43.7%.
- This ranks #43 in the U.S. (out of 49).
- Across the entire state, 93.9% of NM students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in NM is moderately progressive.
- Higher-poverty (30%) districts receive 7.8% more revenue than zero-poverty districts.
- This level of progressivity ranks #16 in the nation (out of 49).

- **Effort trend, 2004-2019**
  - There was a decrease of 0.42 percentage points in NM’s effort during the “K-12 recovery” period of 2012-2019.

- **Adequacy trend (pov. Q5), 2009-19**
  - Adequacy in NM’s highest-poverty districts worsened between 2009 (-38.1%) and 2019 (-43.7%).
  - During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

- **Progressivity trend (30v0%), 2002-19**
  - NM’s funding was more regressive in 2019 (7.8%) vs. 2002 (15.8%).
  - Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averaged expressed as percentiles, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the score cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources from state’s U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 amount each state contributes as a percentage of how much it contributes.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.

Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- The in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states)
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poor 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 districts are sorted into quintiles by poverty. Axes ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

NEW YORK

Summary: This 2018-19 profile of New York’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. On a weighted average of these three measures (see back), New York scores 32 out of 100, which ranks 3rd out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- New York effort: 4.22%
- U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in NY was equivalent to 4.22% of the state’s economic capacity (GSP).
- This was 0.77 percentage points higher than the unweighted national average of 3.45%.
- NY’s effort level ranks #5 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in NY’s highest poverty districts are above adequate.
- Spending in these districts is $5,084 PP higher than the adequacy target ($21,561), a difference of 23.6%.
- This ranks #5 in the U.S. (out of 49).
- Across the entire state, 3.7% of NY students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in NY is moderately regressive.
- Higher-poverty (30%) districts receive 8.8% less revenue than zero-poverty districts.
- This level of progressivity ranks #36 in the nation (out of 49).

Effort trend, 2004-2019

- There was an increase of 0.03 percentage points in NY’s effort during the “K-12 recovery” period of 2012-2019.
- Effort increased during the three years before the recession, going from 4.30% in 2004 to 4.32% in 2007.
- NY’s effort was 0.08 percentage points lower in 2018 than in 2014, compared with a U.S. average decrease of 0.30 points during this time period.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>NY</th>
<th>U.S.</th>
</tr>
</thead>
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<td>2004-2007</td>
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<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>0.03</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2014</td>
<td>-0.08</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

Adequacy trend (pov. Q5), 2009-19

- Adequacy in NY’s highest-poverty districts improved between 2009 (4.5%) and 2019 (23.6%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

Progressivity trend (30v0%), 2002-19

- NY’s funding was less regressive in 2019 (-8.8%) vs. 2002 (-33.4%).
- Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

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- **Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.**
- **Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.**
- **The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.**
- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- **The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses):**
  1. adequacy gap (%) in highest-poverty district quintile (40%); 2. adequacy gap (%) in the high-poverty quintile (20%); 3. GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- **D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.**
- **State rankings may reflect differences in unrounded scores.**
- **Non-SFID data sources (“Contextual Stats” table):** 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) SID documentation for sources used in the SFID database; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

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- **The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.**
- **Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- **Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.**
- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).**
- **In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).**
- **The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.**
- **The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.**
- **The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.**

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.

- **Progressivity estimates are not available for D.C. and Hawaii (single-district states).**
- **In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).**
- **The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.**
- **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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/0 progression in the typical state in a given year. Axis ranges for this graph may vary between states.**

www.schoolfinancedata.org
**STATE SCHOOL FINANCE PROFILE**

**2018-19 SCHOOL YEAR**

**NORTH CAROLINA**

Summary: This 2018-19 profile of North Carolina’s public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. On a weighted average of these three measures (see back), North Carolina scores 18 out of 100, which ranks 46th out of the 48 states with possible ratings.

**FISCAL EFFORT**

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- North Carolina effort: 2.77%
- U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in NC was equivalent to 2.77% of the state’s economic capacity (GSP).
- This was 0.68 percentage points lower than the unweighted national average of 3.45%.
- NC’s effort level ranks #46 in the nation (out of 49).

**ADEQUACY**

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in NC’s highest poverty districts are severely inadequate.
- Spending in these districts is $7,017 PP lower than the adequacy target ($17,589), a difference of -39.9%.
- This ranks #42 in the U.S. (out of 49).
- Across the entire state, 84.4% of NC students attend districts with spending below estimated adequate levels.

**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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in NC is moderately progressive.
- Higher-poverty (30%) districts receive 7.2% more revenue than zero-poverty districts.
- This level of progressivity ranks #18 in the nation (out of 49).

**Effort trend, 2004-2019**

- There was a decrease of 0.24 percentage points in NC’s effort during the “K-12 recovery” period of 2012-2019.

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

<table>
<thead>
<tr>
<th>Period</th>
<th>NC</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.11</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.24</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.30</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort increased during the three years before the recession, going from 3.07% in 2004 to 3.17% in 2007.
- NC’s effort was 0.30 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

**Adequacy trend (pov. Q5), 2009-19**

- Adequacy in NC’s highest-poverty districts improved between 2009 (-46.9%) and 2019 (-39.9%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

**Progressivity trend (30v0%), 2002-19**

- NC’s funding was more progressive in 2019 (7.2%) vs. 2002 (-14.6%).
- Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

• The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
• Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
• Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
• The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
• Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
• The scores are calculated as a weighted average of z-scores (final averaged expressions as percent equivalent indices, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).
• D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
• State rankings may reflect differences in unrounded scores.

Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 or higher graduation rates.

• U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
• The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
• Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

Adequacy

Adequacy is defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

• Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
• The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
• In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below average” (between 0 and -20%) and “above adequate” (greater than 0%).
• The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
• The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
• The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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.

• Progressivity estimates are not available for D.C. and Hawaii (single-district states).
• In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
• The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
• 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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NORTH DAKOTA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), North Dakota scored 70 out of 100, which ranks 10th out of the 48 states with possible ratings.

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- North Dakota effort: 3.20%
- U.S. average: 3.45%

In FY 2019, total direct state and local K-12 spending in ND was equivalent to 3.20% of the state’s economic capacity (GSP).

- This was 0.25 percentage points lower than the unweighted national average of 3.45%.
- ND’s effort level ranks #34 in the nation (out of 49).

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent ND’s effort was higher than the unweighted national average of 3.45%).

- Resources in ND’s highest poverty districts are above adequate.
- Spending in these districts is $2,048 PP higher than the adequacy target ($15,337), a difference of 13.4%.
- This ranks #8 in the U.S. (out of 49).
- Across the entire state, 4.7% of ND students attend districts with spending below estimated adequate levels.

Progressivity is the degree to which states provide greater resources to districts serving higher-need students. The center graph in the percentage difference in 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in ND is progressive.
- Higher-poverty (30%) districts receive 26.9% more revenue than zero-poverty districts.
- This level of progressivity ranks #7 in the nation (out of 49).

The graph to the right shows the progression trend for North Dakota.

- ND’s funding was more progressive in 2019 (26.9%) vs. 2002 (0.7%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.

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STATE SCHOOL FINANCE PROFILE 2018-19 SCHOOL YEAR

NORTH DAKOTA SCHOOL FINANCE PROFILE 2018-19
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- **The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018–19).**
- **Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.**
- **Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.**
- **The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.**
- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments by the SFID research team.
- **The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses):**
  - **adequacy gap (%) in highest-poverty district quintile (40%);**
  - **minimum/acceptable funding in the typical state persisted for a recovery period”**
  - **progressivity estimates are not available for D.C. and Hawaii (single state) and Vermont (single district).**

Fiscal effort

Fiscal effort indicates how much of a state’s total effort goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- **U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.**
- **The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof).**
- **Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates of what the state’s education dollar. The National Education Cost Model (NECM), which is part of the SFID. The NECM calculates required spending based on the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- **Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities).**
- **Estimates for D.C. are only available for the highest-poverty quintile.**
- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).**
- **In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20%) and “above adequate” (greater than 0%).**
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- **The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to the U.S. average (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/progressively in the typical state in a given year.**

Progressivity

Progressivity estimates are not available for D.C. and Hawaii (single-district states)

- **Progressivity estimates are not available for D.C. and Hawaii (single-district states) and so as to keep a consistent set of states across quintiles.**
- **The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamonds (U.S. average) in the center graph, but between 2009-19.**

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

OHIO

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Ohio scores 54 out of 100, which ranks 19th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Ohio effort**: 3.76%
- **U.S. average**: 3.45%

- In FY 2019, total direct state and local K-12 spending in OH was equivalent to 3.76% of the state’s economic capacity (GSP).
- This was 0.31 percentage points higher than the unweighted national average of 3.45%.
- OH’s effort level ranks #13 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in OH’s highest poverty districts are severely inadequate.
- Spending in these districts is $5,059 PP lower than the adequacy target ($19,490), a difference of -26.0%.
- This ranks #28 in the U.S. (out of 49).
- Across the entire state, 33.6% of OH students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- **School funding in OH is moderately progressive.**
- Higher-poverty (30%) districts receive 7.5% more revenue than zero-poverty districts.
- This level of progressivity ranks #17 in the nation (out of 49).

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>OH</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>-0.01</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.39</td>
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</tr>
<tr>
<td>2004-2019</td>
<td>-0.45</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort decreased during the three years before the recession, going from 4.21% in 2004 to 4.20% in 2007.
- OH’s effort was 0.45 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

- Adequacy in OH’s highest-poverty districts improved between 2009 (-35.8%) and 2019 (-26.0%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

- OH’s funding was more regressive in 2019 (7.5%) vs. 2002 (7.6%).
- Since the 2007-09 recession, funding in the typical state (orange 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

**Fiscal effort**

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- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much states would spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 estimates in this profile are from the National Education Cost Model (NECM), which is part of the SID. The NECM calculates required spending based on the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 “highest-poverty” gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

**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.

- Progressivity scores are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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STATE SCHOOL FINANCE PROFILE  
2018-19 SCHOOL YEAR

OKLAHOMA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Oklahoma scores 29 out of 100, which ranks 36th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- Oklahoma effort: 3.33%
- U.S. average: 3.45%

In FY 2019, total direct state and local K-12 spending in OK was equivalent to 3.33% of the state’s economic capacity (GSP).

- This was 0.12 percentage points lower than the unweighted national average of 3.45%.
- OK’s effort level ranks #29 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in OK’s highest poverty districts are severely inadequate.
- Spending in these districts is $4,790 PP lower than the adequacy target ($14,862), a difference of -32.2%.
- This ranks #34 in the U.S. (out of 49).
- Across the entire state, 57.2% of OK students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in OK is moderately progressive.
- Higher-poverty (30%) districts receive 4.0% more revenue than zero-poverty districts.
- This level of progressivity ranks #23 in the nation (out of 49).

www.schoolfinancedata.org  OKLAHOMA SCHOOL FINANCE PROFILE 2018-19
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- **Fiscal effort**: The overall scope provides a very simple summary of states' combined "performance" on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team. The scores are calculated as a weighted average of z-scores (final averages expressed as percent equivalent indices, with a score of 0 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).

- **Adequacy**: Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a certain level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SFID user's guide.

- **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 portions 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.

**General**

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users' manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.

**Overall state scores**: The overall scope provides a very simple summary of states' combined "performance" on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team. The scores are calculated as a weighted average of z-scores (final averages expressed as percent equivalent indices, with a score of 0 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).

- **State rankings may reflect differences in unrounded scores.**
- **Non-SFID data sources** ("Contextual Stats" table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources from state from sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

**Fiscal effort**

- **SID variables used in this section: effort year**

Fiscal effort indicates how much of a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state's economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing state's reinvestment (or lack thereof). Trends, however, vary by state.

- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

**Adequacy**

- **SID variables used in this section: necm_predcost_q1 — necm_predcost_q5; necm_ppcost_q1 — necm_ppcost_q5; necm_earnq1 — necm_earnq2; year**

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SFID user's guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q6 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0 and -20%) and "above adequate" (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the "highest poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

**Progressivity**

- **SID variables used in this section: predicted_slocrev0; — predicted_slocrev10; predicted_slocrev20; — predicted_slocrev30; year**

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 portions 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 (revenue +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
**STATE SCHOOL FINANCE PROFILE**

**OREGON**

**Summary:** This 2018-19 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. On a weighted average of these three measures (see back), Oregon scores 56 out of 100, which ranks 18th out of the 48 states with possible ratings.

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### Fiscal Effort

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- **Oregon effort:** 3.59 %
- **U.S. average:** 3.45 %

  - In FY 2019, total direct state and local K-12 spending in OR was equivalent to 3.59% of the state’s economic capacity (GSP).
  - This was 0.15 percentage points higher than the unweighted national average of 3.45%.
  - OR’s effort level ranks #18 in the nation (out of 49).

---

### Adequacy

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in OR’s highest poverty districts are **below adequate**.
- Spending in these districts is $467 PP lower than the adequacy target ($14,351), a difference of -3.3%.
- This ranks #12 in the U.S. (out of 49).
- Across the entire state, 34.3% of OR students attend districts with spending below estimated adequate levels.

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### 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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in OR is **moderately regressive**.
- Higher-poverty (30%) districts receive 6.2% less revenue than zero-poverty districts.
- This level of progressivity ranks #33 in the nation (out of 49).

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**Ongoing Trends:**

- Effort trend, 2004-2019
  - There was an increase of 0.16 percentage points in OR's effort during the “K-12 recovery” period of 2012-2019.
  - Net change by period (% pts.)
    - Period | OR | U.S.
    - 2004-2007 | -0.11 | -0.01
    - 2012-2019 | 0.16 | -0.15
    - 2004-2019 | 0.14 | -0.30
- Effort decreased during the three years before the recession, going from 3.46% in 2004 to 3.35% in 2007.
- OR's effort was 0.14 percentage points higher in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

---

**Adequacy trend (pov. Q5), 2009-19**

- Adequacy in OR's highest-poverty districts improved between 2009 (-31.2%) and 2019 (-3.3%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

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**PROGRESSIVITY**

**Progressivity trend (30v0%), 2002-19**

- OR's funding was more regressive in 2019 (-6.2%) vs. 2002 (12%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.

---

**Net Enrollment**

- Total enrollment (U.S. rank): 3,510,200 (29)
- Child (5-17yo) poverty rate (%): 15.8
- Public school coverage (%): 87.9
- Percent revenue from state sources: 47.6
- Total enrollment (U.S. rank): 610,200 (29)
- Child (5-17yo) poverty rate (%): 15.8
- Public school coverage (%): 87.9
- Percent revenue from state sources: 47.6

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**STATE SCHOOL FINANCE PROFILE**

**2018-19 SCHOOL YEAR**

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**OREGON SCHOOL FINANCE PROFILE 2018-19**
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.

**Non-SFID data sources**:
- “Contextual Stats” table: 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) See SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

**Fiscal effort**

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates of how much state’s would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

**Progressivity**

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of district progressivity in this section, which are based on poverty rates (0, 10, 20, and 30%), vary from those in the “Adequacy” section, in which districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

- Pennsylvania effort: 3.94%
- U.S. average: 3.45%

In FY 2019, total direct state and local K-12 spending in PA was equivalent to 3.94% of the state's economic capacity (GSP).

- This was 0.49 percentage points higher than the unweighted national average of 3.45%.
- PA's effort level ranks #11 in the nation (out of 49).

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in PA's highest poverty districts are below adequate.
- Spending in these districts is $3,333 PP lower than the adequacy target ($17,849), a difference of -18.7%.
- This ranks #25 in the U.S. (out of 49).
- Across the entire state, 18.5% of PA students attend districts with spending below estimated adequate levels.

Progressivity is the degree to which states provide greater resources to districts serving higher-need students. The center graph is the percentage difference in 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in PA is regressive.
- Higher-poverty (30%) districts receive 22.4% less revenue than zero-poverty districts.
- This level of progressivity ranks #46 in the nation (out of 49).

Effort trend, 2004-2019
- There was an increase of 0.17 percentage points in PA's effort during the “K-12 recovery” period of 2012-2019.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>PA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>-0.02</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>0.17</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.18</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort decreased during the three years before the recession, going from 4.12% in 2004 to 4.10% in 2007.
- PA's effort was 0.18 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

Adequacy in PA's highest-poverty districts improved between 2009 (-30.1%) and 2019 (-18.7%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles equal vs. above or below the average). For a score of 0 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unaccounted rounds.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the ”official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

Adequacy
Adequacy is defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0% and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states)
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300 progression in the typical state in a given year. Axis ranges for this graph may vary between states.
RHODE ISLAND

**Summary:** This 2018-19 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. On a weighted average of these three measures (see back), Rhode Island scored 81 out of 100, which ranks 7th out of the 48 states with possible ratings.

### Fiscal Effort

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th></th>
<th>Rhode Island</th>
<th>U.S. average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effort</td>
<td>4.28%</td>
<td>3.45%</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in RI was equivalent to 4.28% of the state’s economic capacity (GSP).
- This was 0.83 percentage points higher than the unweighted national average of 3.45%.
- RI's effort level ranks #3 in the nation (out of 49).

### Adequacy

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in RI's highest poverty districts are below adequate.
- Spending in these districts is $726 PP lower than the adequacy target ($16,958), a difference of -4.3%.
- This ranks #14 in the U.S. (out of 49).
- Across the entire state, 31.0% of RI students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in RI is regressive.
- Higher-poverty (30%) districts receive 13.5% less revenue than zero-poverty districts.
- This level of progressivity ranks #38 in the nation (out of 49).

### Effort Trend, 2004-2019

- There was an increase of 0.00 percentage points in RI's effort during the "K-12 recovery" period of 2012-2019.

<table>
<thead>
<tr>
<th>Period</th>
<th>RI</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>0.16</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.15</td>
<td></td>
</tr>
<tr>
<td>2004-2019</td>
<td>0.10</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort increased during the three years before the recession, going from 4.18% in 2004 to 4.34% in 2007.
- RI's effort was 0.10 percentage points higher in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

- Adequacy in RI's highest-poverty districts was roughly similar between 2009 (-2.8%) and 2019 (-4.3%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

**Rhode Island School Finance Profile 2018-19**

www.schoolfinancedata.org
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

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- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles equivalent, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) See SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.
- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates based on 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.
- Adequacy estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

SOUTH CAROLINA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), South Carolina scores 35 out of 100, which ranks 29th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

South Carolina effort 3.95 %
U.S. average 3.45 %

- In FY 2019, total direct state and local K-12 spending in SC was equivalent to 3.95% of the state’s economic capacity (GSP).
- This was 0.50 percentage points higher than the unweighted national average of 3.45%.
- SC’s effort level ranks #9 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in SC’s highest poverty districts are severely inadequate.
- Spending in these districts is $10,333 less than the adequacy target ($22,348), a difference of -46.2%.
- This ranks #45 in the U.S. (out of 49).
- Across the entire state, 87.1% of SC students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in SC is moderately progressive.
- Higher-poverty (30%) districts receive 5.8% more revenue than zero-poverty districts.
- This level of progressivity ranks #20 in the nation (out of 49).
General

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- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
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www.schoolfinancedata.org
SOUTH DAKOTA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), South Dakota scores 47 out of 100, which ranks 24th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- South Dakota effort: 2.91%
- U.S. average: 3.45%
  - In FY 2019, total direct state and local K-12 spending in SD was equivalent to 2.91% of the state’s economic capacity (GSP).
  - This was 0.54 percentage points lower than the unweighted national average of 3.45%.
  - SD’s effort level ranks #42 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in SD’s highest poverty districts are below adequate.
- Spending in these districts is $873 PP lower than the adequacy target ($14,520), a difference of -6.0%.
- This ranks #15 in the U.S. (out of 49).
- Across the entire state, 15.1% of SD students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in SD is progressive.
- Higher-poverty (30%) districts receive 53.0% more revenue than zero-poverty districts.
- This level of progressivity ranks #4 in the nation (out of 49).

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NOTES ON DATA AND MEASURES

General
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- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles equivalent, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.

Non-SFID data sources (‘Contextual Sts’ table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.
- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds run out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

Adequacy
Adequacy is defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.
- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as those with the highest-poverty “bar” (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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.
- Progressivity estimates are not available for D.C. and Hawaii (single-district states)
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 percentage points higher than that in zero poverty districts); moderately progressive (between +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

TENNESSEE

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Tennessee scores 22 out of 100, which ranks 42nd out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

- **Tennessee effort**: 2.78%
- **U.S. average**: 3.45%

> In FY 2019, total direct state and local K-12 spending in TN was equivalent to 2.78% of the state's economic capacity (GSP).

- This was 0.67 percentage points lower than the unweighted national average of 3.45%.

> TN's effort level ranks #44 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in TN's highest poverty districts are severely inadequate.

> Spending in these districts is $4,198 PP lower than the adequacy target ($13,675), a difference of -30.7%.

> This ranks #33 in the U.S. (out of 49).

> Across the entire state, 63.8% of TN students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- **School funding in TN is moderately regressive.**

> Higher-poverty (30%) districts receive 3.5% less revenue than zero-poverty districts.

> This level of progressivity ranks #30 in the nation (out of 49).

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TN's funding was more regressive in 2019 (-3.5%) vs. 2002 (5.9%). Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.
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 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 of all the measures presented in this profile, as well other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentage equivalents, where a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect definitions in unrounded scores.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel presents the same estimates as the “highest-effort” districts, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

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 smaller portions 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.

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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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

TEXAS

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Texas scores 22 out of 100, which ranks 43rd out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- Texas effort: 3.21%
- U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in Texas was equivalent to 3.21% of the state’s economic capacity (GSP).
- This was 0.24 percentage points lower than the unweighted national average of 3.45%.
- Texas’s effort level ranks #33 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (%) difference are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in TX’s highest poverty districts are severely inadequate.
- Spending in these districts is $9,514 PP lower than the adequacy target ($19,904), a difference of -47.8%.
- This ranks #47 in the U.S. (out of 49).
- Across the entire state, 89.5% of TX students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in Texas is moderately regressive.
- Higher-poverty (30%) districts receive 7.0% less revenue than zero-poverty districts.
- This level of progressivity ranks #34 in the nation (out of 49).

Effort trend, 2004-2019

- There was an increase of 0.04 percentage points in TX’s effort during the “K-12 recovery” period of 2012-2019.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>TX</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>-0.33</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>0.04</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.61</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort decreased during the three years before the recession, going from 3.82% in 2004 to 3.49% in 2007.
- TX’s effort was 0.61 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

Adequacy trend (pov. Q5), 2009-19

- Adequacy in TX’s highest-poverty districts was roughly similar between 2009 (-48.9%) and 2019 (-47.8%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

Progressivity trend (30v0%), 2002-19

- TX’s funding was more regressive in 2019 (-7.0%) vs. 2002 (-6.1%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.

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NOTES ON DATA AND MEASURES

General

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Fiscal effort

Fiscal effort indicates how much of a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state's economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 amount of funding for schools.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.

Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are large states' school finance systems.

Adequacy

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
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- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national averages of actual spending. Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity

A progressive school finance system is one in which districts serving larger shares of disadvantaged students (all equal) are allocated more resources than their counterparts serving lower portions 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate presented in the bottom bar of the center panel graph). The designations are assigned as follows: progressive (revenue in high poverty districts at least 10% greater than that in zero poverty districts); moderately progressive (between +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/middle/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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**STATE SCHOOL FINANCE PROFILE**

**2018-19 SCHOOL YEAR**

**UTAH**

**Summary:** This 2018-19 profile of Utah's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. On a weighted average of these three measures (see back), Utah scores 49 out of 100, which ranks 21st out of the 48 states with possible ratings.

### FISCAL EFFORT

**Fiscal effort** is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

<table>
<thead>
<tr>
<th></th>
<th>Utah</th>
<th>U.S. average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utah effort</td>
<td>3.03 %</td>
<td>3.45 %</td>
</tr>
</tbody>
</table>

- In FY 2019, total direct state and local K-12 spending in UT was equivalent to 3.03% of the state’s economic capacity (GSP).
- This was 0.42 percentage points lower than the unweighted national average of 3.45%.
- UT’s effort level ranks #38 in the nation (out of 49).

### ADEQUACY

**Adequacy** compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in UT’s highest poverty districts are below adequate.
- Spending in these districts is $1,755 PP lower than the adequacy target ($11,612), a difference of -15.1%.
- This ranks #20 in the U.S. (out of 49).
- Across the entire state, 33.0% of UT students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between: 1) lower- (10%) Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in UT is progressive.
- Higher-poverty (30%) districts receive 64.0% more revenue than zero-poverty districts.
- This level of progressivity ranks #3 in the nation (out of 49).

### Effort trend, 2004-2019

- There was a decrease of 0.25 percentage points in UT’s effort during the "K-12 recovery" period of 2012-2019.

### Adequacy trend (pov. Q5), 2009-19

- Adequacy in UT’s highest-poverty districts improved between 2009 (-33.2%) and 2019 (-15.1%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

### Progressivity trend (30v0%), 2002-19

- UT’s funding was more progressive in 2019 (64.0%) vs. 2002 (42.2%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.

**UTAH SCHOOL FINANCE PROFILE 2018-19**

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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.

### Overall state scores
The overall scores provide a very simple summary of states' combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.

- The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.

### Non-SFID data sources
- (Contextual Stats’ table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

### Fiscal effort
Fiscal effort indicates how much of a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these measures are features of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.

- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

### Progressivity

Progressivity estimates are not available for D.C. and Hawaii (single-district states).

- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
- 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
State score: N/A

**Summary:** This 2018-19 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. An overall state score is not calculated for Vermont, as estimates are not available for all measures.

**CONTEXTUAL STATS**

<table>
<thead>
<tr>
<th></th>
<th>VT</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child (5-17yo) poverty rate (%)</td>
<td>9.8</td>
<td>15.8</td>
</tr>
<tr>
<td>Public school coverage (%)</td>
<td>91.8</td>
<td>87.6</td>
</tr>
<tr>
<td>Percent revenue from state sources</td>
<td>90.8</td>
<td>47.6</td>
</tr>
<tr>
<td>Total enrollment (U.S. rank)</td>
<td>87,000 (51)</td>
<td></td>
</tr>
</tbody>
</table>

**FISCAL EFFORT**

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

Effort estimates are not available in Vermont in 2018 or 2019 due to data irregularities.

The graph to the right presents the trend in Vermont up to 2017.

**ADEQUACY**

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

Adequacy estimates are not available for Vermont in 2017-19 due to data irregularities.

The graph to the right presents the trend in Vermont up to 2016.

**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 2019 state and local revenue between: 1) lower- (10% Census poverty), middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in VT is **moderately progressive**.
- Higher-poverty (30%) districts receive 5.8% more revenue than zero-poverty districts.
- This level of progressivity ranks #21 in the nation (out of 49).

VT’s funding was **more progressive** in 2019 (5.8%) vs. 2002 (-14.7%).

Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.

www.schoolfinancedata.org
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- **The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).**
- **Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.**
- **Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.**
- **The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.**
- **Overall state scores:** The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- **The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).**
- **D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.**
- **State rankings may reflect differences in unrounded scores.**
- **Non-SFID data sources (“Contextual Stats” table):** 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort
Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 estimate in the fourth bullet of the left panel is calculated using our District Cost Database.**
- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).**
- **In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0 and -20%) and "above adequate" (greater than 0%).**
- **The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.**

Adequacy
Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- **Adequacy estimates are not available for Hawaii for all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities).**
- **The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).**
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- **The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.**
- **The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.**
- **The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.**

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.

- **Progressivity estimates are not available for D.C. and Hawaii (single-district states).**
- **In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).**
- **The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of district poverty measures in this section, which are based on poverty rates (0, 10, 20, and 30%), vary from those in the "Adequacy" section, in which districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.**
- **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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are (do not include D.C. or Hawaii) and can be interpreted as 30/0 progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.**

www.schoolfinancedata.org
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

VIRGINIA

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Virginia scores 28 out of 100, which ranks 37th out of the 48 states with possible ratings.

### Fiscal Effort

Fiscal effort is direct and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

- **Virginia effort**: 3.31%
- **U.S. average**: 3.45%

In FY 2019, total direct and local K-12 spending in VA was equivalent to 3.31% of the state's economic capacity (GSP).

- This was 0.13 percentage points lower than the unweighted national average of 3.45%.
- VA's effort level ranks #30 in the nation (out of 49).

### Adequacy

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in VA's highest poverty districts are severely inadequate.
- Spending in these districts is $7,118 PP lower than the adequacy target ($19,656), a difference of -36.2%.
- This ranks #36 in the U.S. (out of 49).
- Across the entire state, 45.3% of VA students attend districts with spending below estimated adequate levels.

### 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 2019 state and local revenue between: 1) lower (10% Census poverty), middle (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in VA is moderately regressive.
- Higher-poverty (30%) districts receive 3.7% less revenue than zero-poverty districts.
- This level of progressivity ranks #31 in the nation (out of 49).

### Effort trend, 2004-2019

- There was a decrease of 0.07 percentage points in VA's effort during the "K-12 recovery" period of 2012-2019.
- Effort increased during the three years before the recession, going from 3.36% in 2004 to 3.62% in 2007.
- VA's effort was 0.05 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

### Adequacy trend (pov. Q5), 2009-19

- Adequacy in VA's highest-poverty districts was roughly similar between 2009 (-35.2%) and 2019 (-36.2%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

### Progressivity trend (30v0%), 2002-19

- VA's funding was less regressive in 2019 (-3.7%) vs. 2002 (-8.4%).
- Since the 2007-09 recession, funding in the typical state (orange line) is generally neither progressive nor regressive.

www.schoolfinancedata.org
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 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 of all the measures presented in this profile, as well as other SID datasets, 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 they present:
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• D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
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• U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
• The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
• Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

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• The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
• The U.S. averages represented by the gold diamonds in the center-panel figure are national averages differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
• The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and (U.S. average) in the center graph, but between 2009-19.

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.
• Progressivity estimates are not available for D.C. and Hawaii (single-district states).
• In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
• The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) poverty districts and zero-poverty districts. Note that the definitions of district groups in this section, which are based on poverty rates (0, 10, 20, and 30%), vary from those in the “Adequacy” section, in which districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
• 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.
STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

WASHINGTON

Summary: This 2018-19 profile of Washington's public K-12 school finance system focuses on three core indicators from the School Finance Indicators Database: fiscal effort, adequacy, and progressivity. On a weighted average of these three measures (see back), Washington scores 47 out of 100, which ranks 23rd out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- Washington effort: 3.23%
- U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in WA was equivalent to 3.23% of the state’s economic capacity (GSP).
- This was 0.22 percentage points lower than the unweighted national average of 3.45%.
- WA’s effort level ranks #32 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (%) difference are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in WA’s highest poverty districts are below adequate.
- Spending in these districts is $2,622 PP lower than the adequacy target ($16,620), a difference of -15.8%.
- This ranks #21 in the U.S. (out of 49).
- Across the entire state, 15.6% of WA students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in WA is regressive.
- Higher-poverty (30%) districts receive 16.1% less revenue than zero-poverty districts.
- This level of progressivity ranks #40 in the nation (out of 49).

CONSTRUCTUAL STATS

- Child (5-17yo) poverty rate (%): 11.2 vs. 15.8
- Public school coverage (%): 88.1 vs. 87.6
- Percent revenue from state sources: 69.2 vs. 47.6
- Total enrollment (U.S. rank): 1,116,400 (13)

Effort trend, 2004-2019

- There was an increase of 0.29 percentage points in WA’s effort during the “K-12 recovery” period of 2012-2019.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>WA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>-0.34</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>0.29</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.08</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

Effort decreased during the three years before the recession, going from 3.30% in 2004 to 2.96% in 2007.

- WA’s effort was 0.08 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

- Adequacy in WA’s highest-poverty districts improved between 2009 (-30.9%) and 2019 (-15.8%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.

WASHINGTO N SCHOOL FINANCE PROFILE 2018-19

www.schoolfinancedata.org
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculated annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are 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 minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much that state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and costs factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregates of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.

Progressivity

A progressivity 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 smaller 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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 +5% and +10%); neither progressive nor regressive (within three percentage points of zero); moderately regressive (between -3% and -10%); regressive (lower than -10%).
- The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.

- The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

www.schoolfinancedata.org
FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

- West Virginia effort: 3.94%
- U.S. average: 3.45%

- In FY 2019, total direct state and local K-12 spending in WV was equivalent to 3.94% of the state's economic capacity (GSP).
- This was a 0.49 percentage point higher than the unweighted national average of 3.45%.
- WV's effort level ranks #10 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in WV's highest poverty districts are above adequate.
- Spending in these districts is $966 PP higher than the adequacy target ($10,955), a difference of 8.8%.
- This ranks #9 in the U.S. (out of 49).
- Across the entire state, 5.6% of WV students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in WV is moderately regressive.
- Higher-poverty (30%) districts receive 4.1% less revenue than zero-poverty districts.
- This level of progressivity ranks #32 in the nation (out of 49).

Effort trend, 2004-2019

- There was a decrease of 0.67 percentage points in WV's effort during the "K-12 recovery" period of 2012-2019.

Net change by period (% pts.)

<table>
<thead>
<tr>
<th>Period</th>
<th>WV</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-2007</td>
<td>-0.23</td>
<td>-0.01</td>
</tr>
<tr>
<td>2012-2019</td>
<td>-0.67</td>
<td>-0.15</td>
</tr>
<tr>
<td>2004-2019</td>
<td>-0.95</td>
<td>-0.30</td>
</tr>
</tbody>
</table>

- Effort decreased during the three years before the recession, going from 4.89% in 2004 to 4.65% in 2007.
- WV's effort was 0.95 percentage points lower in 2019 than in 2004, compared with a U.S. average decrease of 0.30 points during this time period.

- Adequacy in WV's highest-poverty districts worsened between 2009 (13.2%) and 2019 (8.8%).
- During this period, U.S. average adequacy in these districts (orange line) improved from -29.1% to -17.3%.
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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

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- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we've excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state's data.
- Overall state scores: The overall scores provide a very simple summary of states' combined "performance" on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states' school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of "good" or "bad"), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averaged expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
- D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources ("Contextual Stats" table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state's total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state's economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

- U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
- The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the "K-12 recovery period") is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the "official recession" ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states' reinvestment (or lack thereof). Trends, however, vary by state.
- Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

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Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID's primary measure of adequacy compares, by poverty quintile, a state's actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., "required" or "adequate" spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user's guide.

- Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
- The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
- In the first bullet of the left panel, states with Q5 ("highest-poverty") gaps lower than -20% are assigned the designation "severely inadequate." The remaining designations are "below adequate" (between 0% and -20%) and "above adequate" (greater than 0%).
- The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
- The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
- The graph in the right panel presents the same estimates as the "highest-poverty" bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity

Progressivity is a progressive school finance system in one in which districts serving larger shares of disadvantaged students (all else equal) are allocated more resources than their counterparts serving lower portions 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.

- Progressivity estimates are not available for D.C. and Hawaii (single-district states).
- In the left panel (first bullet), the progressivity of each state's system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
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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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 30% progressivity in the typical state in a given year. Axis ranges for this graph may vary between states.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

WISCONSIN

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Wisconsin scores 52 out of 100, which ranks 20th out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its “economic capacity,” which we measure here in terms of gross state product (GSP).

- Wisconsin effort: 3.52 %
- U.S. average: 3.45 %

In FY 2019, total direct state and local K-12 spending in WI was equivalent to 3.52% of the state’s economic capacity (GSP).

- This was 0.07 percentage points higher than the unweighted national average of 3.45%.
- WI’s effort level ranks #24 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in WI’s highest poverty districts are below adequate.
- Spending in these districts is $2,971 PP lower than the adequacy target ($16,642), a difference of -17.9%.
- This ranks #23 in the U.S. (out of 49).
- Across the entire state, 15.1% of WI students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in WI is neither progressive nor regressive.
- Higher-poverty (30%) districts receive 0.2% more revenue than zero-poverty districts.
- This level of progressivity ranks #27 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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

• The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
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• Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
• The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
• Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
• The scores are calculated as a weighted average of z-scores (final averages expressed as percentile equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0% revenue progressivity (10%).
• D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the scores cannot be calculated for these states.
• State rankings may reflect differences in unrounded scores.
• Non-SFID data sources (“Contextual States” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) see SID documentation for sources used for public school coverage estimates; 3) percent of total (FY 2019) revenue from state sources from state from sources from the U.S. Census Bureau Annual Survey of School System Finances; 4) total state public elementary and secondary school enrollment (Fall 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

SIDs variables used in this section: effort, year

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding.

• U.S. effort averages are unweighted and do not include D.C. (effort not calculated in any year) or Vermont (effort not available in 2018/2019 due to data irregularities), so as to keep a consistent set of states across all years.
• The table in the right panel summarizes the center-panel graph, with a focus on effort trends before and after the 2007-09 recession. The 2012-19 period (the “K-12 recovery period”) is highlighted in the table (rather than, say, 2009-2019) because the direct impact of the recession on K-12 funding in the typical state persisted for a few years after the “official recession” ended, and also because federal stimulus funds ran out after 2011. 2012 is therefore a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.
• Note that even seemingly small changes or differences in effort levels represent large revenue amounts, as the denominators are entire state economies.

Adequacy

SIDs variables used in this section: necm_predcost, q1 — necm_predcost, q5; necm_predenroll, q1; necm_predenroll, q5; necm_predcost, q5; year

Adequacy is typically defined as the extent to which the amount of funding for schools is sufficient for students to reach a minimum/acceptable level of educational outcomes. The SFID’s primary measure of adequacy compares, by poverty quintile, a state’s actual spending levels to estimates from cost models of how much state would have to spend in order to achieve national average test scores (i.e., “required” or “adequate” spending). The 2009-2019 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 the relationship between outcomes and cost factors such as regional wage variation, district size, and student characteristics. For more information about the NECM, see the SID user’s guide.

• Adequacy estimates are not available for Hawaii in all years (due to it being a geographically isolated, single-district state), and Vermont in 2018 and 2019 (due to data irregularities). Estimates for D.C. are only available for the highest-poverty quintile.
• The district poverty categories (e.g., lowest, low, medium, high, highest) are defined in terms of quintiles (i.e., 20 percentile increments in each state).
• In the first bullet of the left panel, states with Q5 (“highest-poverty”) gaps lower than -20% are assigned the designation “severely inadequate.” The remaining designations are “below adequate” (between 0 and -20%) and “above adequate” (greater than 0%).
• The estimate in the fourth bullet of the left panel is calculated using our District Cost Database (our state adequacy measures are aggregations of these district-level estimates). You can download or analyze this dataset at the SFID website; the 2019 estimates used for this profile will be released in early 2022.
• The U.S. averages represented by the gold diamonds in the center-panel figure are national average differences between actual and required spending (weighted by enrollment). Note, however, that poverty quintiles are defined state by state, and so the U.S. averages represent an approximation of the national situation. In addition to Hawaii and Vermont, D.C. is excluded from these averages to keep a consistent set of states across quintiles. Axis ranges for this graph may vary between states.
• The graph in the right panel presents the same estimates as the “highest-poverty” bar (state) and diamond (U.S. average) in the center graph, but between 2009-19.

Progressivity

SIDs variables used in this section: predicted_slocrev, q0 - predicted_slocrev, q3; predicted_slocrev, q0; predicted_slocrev, q3; year

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.

• Progressivity estimates are not available for D.C. and Hawaii (single-district states)
• In the left panel (first bullet), the progressivity of each state’s system is characterized based on the adjusted revenue gap between high (30%) and 0% poverty districts (this is also the estimate 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%).
• The estimates in the center-panel graph are percentage differences in adjusted state and local revenue between low/medium/high (10/20/30%) 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 districts are sorted into quintiles by poverty. Axis ranges for this graph may vary between states.
• 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. (for each state in 2019, this is the same figure as the bottom bar in the center panel graph). The U.S. averages are unweighted (do not include D.C. or Hawaii) and can be interpreted as 300/300 progressive in the typical state in a given year. Axis ranges for this graph may vary between states.

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STATE SCHOOL FINANCE PROFILE
2018-19 SCHOOL YEAR

WYOMING

Summary: This 2018-19 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. On a weighted average of these three measures (see back), Wyoming scores 99 out of 100, which ranks 2nd out of the 48 states with possible ratings.

FISCAL EFFORT

Fiscal effort is direct state and local K-12 expenditures in each state as a percentage of its "economic capacity," which we measure here in terms of gross state product (GSP).

| Wyoming effort | 4.24% |
| U.S. average   | 3.45% |

- In FY 2019, total direct state and local K-12 spending in WY was equivalent to 4.24% of the state's economic capacity (GSP).
- This was 0.79 percentage points higher than the unweighted national average of 3.45%.
- WY's effort level ranks #4 in the nation (out of 49).

ADEQUACY

Adequacy compares actual per-pupil (PP) spending in each state to cost model estimates of the amount required to achieve U.S. average test scores. These comparisons (% difference) are presented for 2019, by district poverty quintile, in the center graph (the gold diamonds represent U.S. averages).

- Resources in WY's highest poverty districts are above adequate.
- Spending in these districts is $9,625 PP higher than the adequacy target ($11,529), a difference of 83.5%.
- This ranks #1 in the U.S. (out of 49).
- Across the entire state, 0.0% of WY students attend districts with spending below estimated adequate levels.

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 2019 state and local revenue between: 1) lower- (10%) Census poverty, middle- (20%), and higher-poverty (30%) districts and; 2) zero-poverty districts, controlling for labor costs, size, and population density.

- School funding in WY is progressive.
- Higher-poverty (30%) districts receive 65.9% more revenue than zero-poverty districts.
- This level of progressivity ranks #2 in the nation (out of 49).

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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 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 of all the measures presented in this profile, as well as other SFID datasets, 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 they present:

- The years in the profile refer to the spring semester of the school year (e.g., 2019 is 2018-19).
- Estimates may differ slightly from previous profiles, as some measures are improved each year, and all years are recalculate annually with updated data.
- Due to rounding, changes and differences published in this profile may vary slightly from users’ manual calculations.
- The total number of states assigned rankings varies slightly by measure, as not all measures are available in D.C. and Hawaii, and we’ve excluded Vermont from our 2019 effort and adequacy calculations due to irregularities in that state’s data.
- Overall state scores: The overall scores provide a very simple summary of states’ combined “performance” on the three core indicators featured in the profiles. They do not represent comprehensive evaluations of states’ school finance systems. Each state is scored entirely relative to other states (i.e., rather than based on some absolute standard of “good” or “bad”), and the selection/weighting of components entails subjective judgments on the part of the SFID research team.
- The scores are calculated as a weighted average of z-scores (final averages expressed as percentiles equivalents, with a score of 50 = z-score of 0) of the following measures (weights in parentheses): 1) adequacy gap (%) in highest-poverty district quintile (40%); 2) adequacy gap (%) in the high-poverty quintile (20%); 3) GSP-based fiscal effort (15%); 4) personal income-based fiscal effort (15%); and 5) 30/0 revenue progressivity (10%). D.C., Hawaii, and Vermont are not included, as one or more of the measures that constitute the score cannot be calculated for these states.
- State rankings may reflect differences in unrounded scores.
- Non-SFID data sources (“Contextual Stats” table): 1) Child (5-17 year old) poverty (2019) from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) program; 2) SFID documentation for scores used in public school coverage estimates; 3) percent of total (FY 2019) 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 2018) from the 2019 Digest of Education Statistics, published by the National Center for Education Statistics.

Fiscal effort

Fiscal effort indicates how much of a state’s total capacity goes toward K-12 schools. It is calculated in the SFID by dividing direct state and local K-12 expenditures by either Gross State Product (GSP) or aggregate state personal income. Both of these are measures of a state’s economic capacity. In this sense, effort measures how much each state contributes as a percentage of how much it might contribute. 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 funding (due to it being a good starting point for assessing states’ reinvestment (or lack thereof). Trends, however, vary by state.

Adequacy

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Progressivity

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.

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$$(\ln) \text{SCHOOL} = \beta_0 + \beta_1 \text{State}_i + \beta_2 \text{LaborMarket}_{ij} + \beta_3 \text{CWI}_{ij} + \beta_4 \text{FINANCE}_{ij} + \beta_5 \text{PopulationDensity}_{ij} + \beta_6 \text{Enrollment}_{ij} + \beta_7 \text{INDICATORS}_{ij} + \beta_8 \text{Scale}_{ij} + \beta_9 \text{Poverty}_{ij} + \beta_{10} \text{SchlType}_{ij} + \beta_{11} \text{DATABASE}_{ij} + \varepsilon$$