

Center for Public Education



2024 CUBE Report: How Urban School Districts Spend Education Dollars

AN **nsba** PUBLICATION



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Executive Summary

Public K-12 education in the United States is a vast and intricate system, serving millions of students across urban (including city, suburb, and town) and nonurban (i.e., rural) communities. Urban school districts (72%), which account for the majority of the student population (81%), face unique challenges in managing their financial resources. These districts must balance the rising costs of instruction, special education, transportation, and other essential services while navigating complex funding streams from federal, state, and local sources.

How We Define Urban

This report focuses specifically on urban school districts, with a separate report on rural school districts to follow. To provide a comprehensive overview of districts serving urban students, we use a broad definition of “urban” that includes all nonrural areas—cities, suburbs, and towns.

Why This Report

Public school expenditures have surged in recent years. According to the U.S. Census Bureau, average public school spending per pupil in elementary and secondary schools increased by 8.9% in fiscal year (FY) 2022, marking the largest annual rise in over 20 years (Anesta, 2024). In FY 2022, total expenditures for public K-12 schools exceeded \$857 million. Despite this, as Schneider (2024) notes, “The US Spends a Lot on Education—but We Don’t Know Enough About How It’s Spent.”

Understanding how urban school districts allocate their education dollars is of interest to parents, taxpayers, school board members, and policymakers. This knowledge can help school leaders and policymakers develop more effective budgeting policies and better align resources to support all students. It can also serve as a foundation for advocating for additional funding at the federal, state, and local levels when needed.

As the educational landscape continues to evolve, gaining insight into how public funds are spent in urban schools is crucial for all stakeholders. This report, created by the Center for Public Education (CPE) of the National School Boards Association (NSBA), provides some insights into the financial priorities of urban districts and highlights the importance of advocating for equitable and sustainable funding solutions to support all students.

Key Findings

Our report offers an overview of how urban school districts allocate their financial resources. By analyzing data from federal agencies and reviewing the 2024-25 budget documents of approximately 50 urban school districts, we identify key spending areas and explore current challenges, including budget deficits, the expiration of federal relief funds, and the need for strategic financial planning.

- Labor-Intensive Enterprise: 80% of School Funds Spent on Salaries and Benefits for Staff
- Focusing on Academic Achievement: 60% of School Funds Dedicated to Instruction-Related Activities
- Special Education: Districts Often Allocate Around 20% of Their Funds
- Transportation Costs: Inflation and Later Start Times Policies Impact Urban Schools’ Finances

Urban – City, Suburb, and Town

The Census Bureau uses urban-rural classification to delineate geographic areas. Urban areas represent densely developed territory, and encompass residential, commercial, and other nonresidential urban land uses. The boundaries of this urban footprint have been defined using measures based primarily on population counts and residential population density, but also through criteria that account for nonresidential urban land uses, such as commercial, industrial, transportation, and open space that are part of the urban landscape (NCES, 2019).

Either Urban or Rural

The National Center for Education Statistics (NCES) uses a locale classification, a general geographic indicator that describes the type of area where a school is located. The classifications rely on standard urban and rural designations defined by the U.S. Census Bureau. Although NCES classifies all territory in the U.S. into four types (i.e., Rural, Town, Suburban, and City), each type of locale is either urban or rural in its entirety. In other words, Town, Suburban, and City are urban.

Urban Covers Urbanized Areas and Urban Clusters

Urban area boundaries are constructed from qualifying census tracts and census blocks. To qualify as an urban area, the territory must encompass at least 2,500 people, of which at least 1,500 people reside outside institutional group quarters (Geverdt, 2019). Urban areas that contain 50,000 or more people are designated as Urbanized Areas (UAs); urban areas that contain at least 2,500 and less than 50,000 people are designated as Urban Clusters (UCs). The term “urban area” refers to both UAs and UCs.

It should be noted that the Census Bureau demarcates urban areas after each decennial census. Since the 1950 Census, the Census Bureau has reviewed and revised the urban criteria, as necessary, for each decennial census. Recently, the bureau updated the definition of urban area. Now, each urban area must encompass at least 2,000 housing units or at least 5,000 people (2020 Census Urban Areas FAQs, 2022).

Policy/Practice Discussion Box 1: Federal Data About School Finance**Adding Free Data Resources to School Boards' Toolkits**

"School board members love data," said [Patte Barth](#), the former CPE director. Although she passed away five years ago, the demand for data from board members has not waned. We frequently receive requests from board members seeking data, such as how school districts spend their education dollars and where they can find this information.

While not all federal data can directly answer their questions or resolve their challenges, knowing about free federal data sources is an asset. These sources can assist district leaders in identifying benchmarks that align with their district's visions and strategic goals.

U.S. Census Bureau: Annual Survey of School System Finances

Also known as [Census Bureau F-33](#), this survey offers financial statistics on elementary and secondary public school systems. The data include revenue by source, expenditures by function and object, indebtedness, and cash and investments for school systems across all states and the District of Columbia. On April 25, 2024, the Census Bureau released data files for the [FY 2022](#) Census of Governments-Survey of School System Finances.

NCES: Local Education Agency Finance Survey (F-33) Data

The [NCES](#) finance survey includes annual district-level data for all districts on expenditures and revenues by source, object, and function, and captures total current district spending. The database provides the following information on school districts:

- Revenues:
 - ✓ Local sources
 - ✓ State sources
 - ✓ Federal sources
- Specific expenditures on categories related to instruction:
 - ✓ Instruction-related salaries and employee benefits
 - ✓ Instructional staff support services
 - ✓ Pupil support services
 - ✓ General administration
 - ✓ School administration
 - ✓ Operations and maintenance
 - ✓ Student transportation
 - ✓ Other support services (such as central administration and business services)
 - ✓ Food services

Additionally, the [NCES](#) provides expenditures data on noninstructional categories, such as:

- ✓ Facilities acquisition and construction expenditures.
- ✓ Debt service expenditures, including debt at the beginning and at the end of the fiscal year, and the amount of debt retired during that period.

The database includes student membership data or the fall enrollment of each district. However, it's important to note that revenues and expenditures are audited after the close of the fiscal year and then submitted to NCES by each state education agency. As a result, NCES typically needs about two to three years to release the data publicly. The most recently available district financial data comes from [SY 2021–22 School District Finance Survey](#).

Civil Rights Data Collection (CRDC)

The Civil Rights Data Collection ([CRDC](#)) is a biennial initiative by the U.S. Department of Education that gathers data on key civil rights and education issues, with a primary focus on exploring inequities in selected areas across schools. Data are available every two years. Since the CRDC only requests certain expenditures (e.g., teacher salaries, aides), only those costs are reported. Notably, starting with the [2020-21](#) school year, the CRDC no longer collects data on school finance.

National Teacher and Principal Survey (NTPS)

The National Teacher and Principal Survey ([NTPS](#)) is a set of related questionnaires that provides descriptive data on the state of public and private elementary and secondary education in the U.S. It offers a range of statistics to local, state, and national policymakers about the condition of education. The surveys collect information from teachers and principals on various topics, including salaries, union membership, and professional development.

Access to certain databases, like NTPS, is restricted and requires special-use licenses. Federal agencies collect survey data containing individually identifiable information, which is confidential and protected by law. This data, referred to as "restricted-use data" or "subject data," is not publicly released.

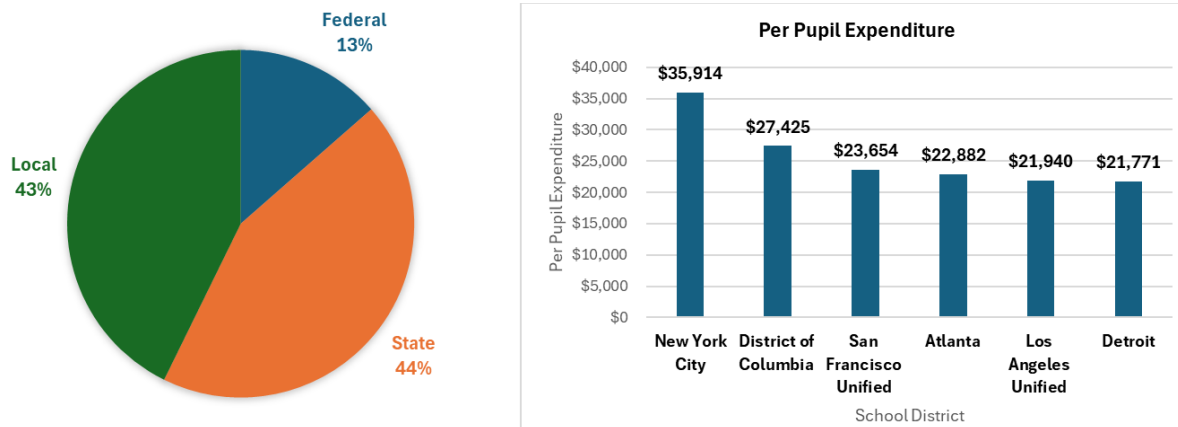
The Institute of Education Sciences (IES) uses a [restricted-use data license](#) to provide more detailed data to qualified researchers. Individual researchers must apply through an organization, such as a university, research institution, or company. To qualify, the organization must justify its need for access, submit the required legal documents, agree to secure the data against unauthorized disclosures, and participate in unannounced inspections to ensure compliance with the license terms and security plan.

Section 1: Labor-Intensive Enterprise

80% of School Funds Spent on Salaries and Benefits for Staff

On average, the funding sources for public schools comprised 14% from federal funds, 44% from state funds, and 43% from local funds (Figure 1). Among the nation’s [100 largest school systems](#) by enrollment, New York City Public Schools in New York spent the most per pupil at nearly \$36,000 in FY 2022, followed by District of Columbia Public Schools in Washington, D.C., San Francisco Unified School District in California, Atlanta Public Schools in Georgia, Los Angeles Unified School District in California, and Detroit Public Schools Community District in Michigan.

Figure 1. Public School Funding Sources and Districts with the Highest Per-Pupil Spending: FY2022



Note: Percentages do not total 100 due to rounding.

Source: [2022 Public Elementary-Secondary Education Finance Data \(census.gov\)](#)

Current expenditures refer to the specific services or commodities purchased. These expenditures include staff salaries, employee benefits, purchased services, tuition, supplies, and other costs, all of which can support both instructional and noninstructional activities. Most of these expenditures were allocated to salaries for both instructional and noninstructional staff ([NCES, 2024](#)).

In 2020–21, public schools spent an average of \$16,280 per pupil on current expenditures, adjusted to constant 2022–23 dollars. From 2010–11 to 2020–21, per-pupil current expenditures increased by 13% after adjusting for inflation. Nationwide, salaries and benefits for staff accounted for 79% of current expenditure costs in 2020–21 ([NCES, 2024](#)).

Compared to the national average, urban schools often allocate more funds to employee compensation, including salaries and benefits. The COVID-19 pandemic further drove these costs higher. According to U.S. Census Bureau data, in FY2021, 71 of the 100 largest school districts in the U.S. allocated 80% to 90% of their per-pupil expenditures for salaries and benefits. In FY2022, 66 districts maintained this level of spending, while 27 districts increased their spending on salaries and benefits compared to FY2021. (Please see Table 1 in Technical Notes for more details.)

“The education of students is a labor-intensive enterprise, as reflected in the personnel salary and benefit costs of the district” ([Mercer Island School District, 2024](#)). The Mercer Island School District in Washington budgeted 85% of its [General Fund](#) expenditures—the primary operating fund of the school district—for salaries and benefits for the 2024-2025 school year. Similarly, Fairfax County Public Schools ([FCPS](#)), a Virginia district serving a diverse student population of nearly 183,000 students who speak over 200 languages, has allocated 89.2% of its [FY2025 budget](#) to employee compensation.

Policy/Practice Discussion Box 2: How Urban Districts Budget by Priorities**Ensuring School Safety and Narrowing the Achievement Gap**

Many school districts create their budgets with a focus on strategic goals and priorities. District leaders regularly engage with community members and stakeholders, listening to their concerns and incorporating their feedback into the budget. The following are some examples:

School safety remains one of the top priorities.

An urban district in Florida emphasizes that its strategic plan serves as a roadmap for directing resources toward top priorities. "Safety, academic achievement, and employee retention remain paramount, while we strategically reduce funding in lower-priority areas to focus resources where they will have the greatest impact" ([Lee County School District, 2024](#)). The district's goal is to provide a safe and productive environment for every student and staff member while maximizing student learning. Its budget reflects these priorities, with an additional \$1.3 million in safe school funds from the state for 2024-25 compared to the previous year.

Ensuring that students' needs are met as fully and equitably as possible.

During budget season, Baltimore City Public Schools hosted both Priority Engagement Sessions focused on specific goals and a Community Budget Forum. These forums, held both in person and virtually, provided an opportunity to share information with its community about the district's adopted 2024-25 budget and to explain how input from the Priority Engagement Sessions shaped decision-making. To address the achievement gap, the district established key priorities and allocated resources accordingly in its budget for the 2024-25 school year:

- The district is investing \$12.7 million in high-dosage tutoring, benefiting approximately 130 schools.
- Schools receiving Concentration of Poverty funds will allocate \$100 per student for fine arts programming.
- \$4.5 million has been set aside for a new high-quality math curriculum tailored to the diverse needs of students. This curriculum will emphasize core mathematical concepts and enhance critical thinking, problem-solving, and analytical skills essential for the modern world.
- Over \$300,000 will be invested to expand algebra access for middle school students, including virtual algebra courses.
- The district has also reserved funds for several key categories, with a strong focus on supporting students with disabilities.

Enhancing Career and Technical Education pathways

The Oregon Department of Education requires community involvement as part of the integrated planning and budgeting process. One Oregon district emphasized the importance of reflection during the budget planning for the 2024-25 school year. "As we begin the budget process, it is essential to assess whether we have fulfilled our commitments as responsible stewards of taxpayer dollars" ([Bend-La Pine Schools, 2024](#)).

To align with community expectations, district leaders have engaged in meaningful discussions with students and families throughout the school system to evaluate progress toward student success. They are asking critical questions: "Are we prioritizing the right factors with the greatest impact on student success? Are we effectively preparing graduates for college, careers, and civic engagement? Are our systems operating as efficiently and effectively as possible to achieve the outcomes our families and community expect for our students?"

After conversations with their stakeholders, the district developed the 2024-25 budget with a focus on the following key priorities:

- Strengthening and adding Career Technical Education pathways.
- Protecting and maintaining class sizes.
- Recruiting and retaining teachers and support staff.
- Increasing advanced academic offerings for students.
- Improving support systems for struggling students.
- Enhancing elective offerings, including music, art, technology, business, and world languages.

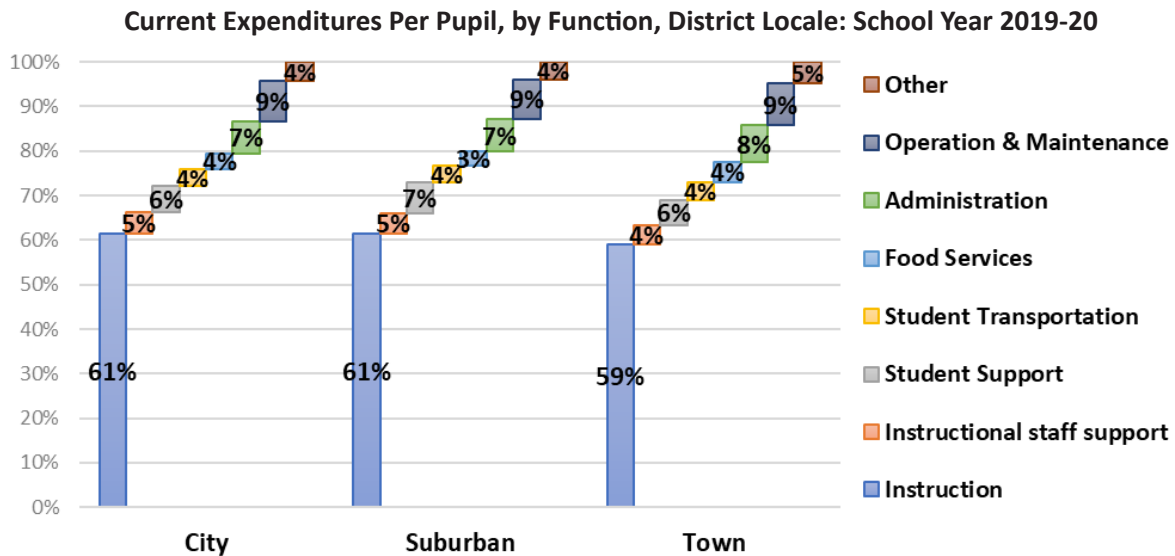
Section 2: Focusing on Academic Achievement

60% of School Funds Dedicated to Instruction-Related Activities

School expenditures can be categorized by their function, meaning the activity supported by the service or commodity purchased (NCES, 2024). By function, current expenditures include instruction, support services, transportation, etc. Below are key definitions of expenditures related to instruction.

- **Instruction and Instruction-Related Expenditures:** This is a very broad category. The expenditures include expenses directly related to providing instruction and activities that assist with classroom instruction¹. The category covers salaries and benefits only for instructional staff (e.g., teachers, teaching assistants, librarians, library aides, in-service teacher trainers). The instructional-related activities also include curriculum development, student assessment, and technology for students (but outside the classroom), as well as supplies and purchased services related to these activities.
- **Instruction Expenditures:** This more specific category focuses on expenses for activities directly involving teacher-student interaction. It includes salaries and benefits for teachers and teacher aides, as well as costs for textbooks, supplies, and purchased services. Additionally, it covers expenditures related to extracurricular and cocurricular activities.
- **Instructional Staff Support Services:** This category is even more specialized, covering activities such as instructional staff training, educational media (like library and audiovisual services), and other support services for instructional staff.

Figure 2. Proportion in Per Pupil Expenditure, by Function and Urban School District Locale: SY2019-20



Source: NCES [Table 236.85](#) prepared in 2023.

¹It should be noted that the previous section said that 80% of school expenses go to salaries, which refer to salaries of all school staff, both instructional and noninstructional.)

Figure 2 shows that during the 2019-20 school year, city and suburban districts spent an average of 61% of their education dollars on instruction, while districts in towns spent 59%. Urban districts typically allocated 4% to 5% of their current expenditures for instructional staff support.

Nationwide, between 2010-11 and 2020-21, average instructional expenditures per pupil increased by 12%, from \$8,841 to \$9,885. Meanwhile, average expenditures on support services per pupil increased by 17%, from \$5,023 to \$5,878. Throughout the decade, instruction consistently accounted for 60% to 61% of current expenditures, while support services accounted for 35% to 36%.

The [Wenatchee School District](#) in Washington has set a budget reduction target of \$8 million to \$9 million for the 2024-2025 academic year due to declining enrollment and the expiration of federal COVID-19 funds (i.e., ESSER). Despite these cuts, the district has allocated 83% of its expenditures to instruction-related programs (e.g., regular instruction, special education, vocational instruction), with 75% of the total funds specifically for teaching activities and teaching support.

When communicating with the community and stakeholders about their 2024-25 school budget, the district states the following:

“We teach, support, and challenge students to excel through high-quality instruction and social-emotional learning. Wenatchee is home to thousands of students from preschool to high school, all preparing for their futures. Everyone from district leadership to teachers and staff is committed to seeing students become future-ready. Our budget is a values statement. We prioritize partnering with our stakeholders to be good stewards of the financial resources allotted to us.”

Policy/Practice Discussion Box 3: How Urban Districts Manage Budget Deficits

Increasing Teacher Salaries While Cutting Noninstructional Costs

“All school districts face ongoing budgetary challenges and influences that can include an individual state's own budget crisis, declining enrollment, changes in federal revenue allocations, and the timing out of grants or special funding. These issues mean the district's Business Services team must monitor state and school district finance issues on a constant basis.” — Orland Unified School District, California

Among the 50 urban districts we reviewed, nearly half reported budget cuts, shortfalls, deficits, or declining revenues for the 2024-25 school year. The most cited factors contributing to these deficits include the expiration of federal COVID relief funding, continued enrollment decline, rising inflation, labor shortages that required higher compensation to attract and retain top educators, and inadequate state funding.

Despite these financial challenges, nearly half of the urban districts have still managed to increase teacher salaries or add new instructional staff. For instance, according to the Long Beach United School District in California, the 2024-25 school year marks the district's first year of deficit spending since 2013-14, driven by a tightening state budget, declining enrollment, and rising costs. Despite this, salary rates for teachers and instructional staff, including a 4% salary increase negotiated for 2023-24, remain in place.

In Maryland, Baltimore City Public Schools anticipated budget cuts due to the expiration of federal COVID funding, minimal year-over-year growth from the Blueprint for Maryland's Future education reform plan, and rising costs of commodities and consumer goods. Despite this, the district added nine teacher positions and 25 paraeducator positions, representing a total additional investment of \$2.8 million.

(Please see Table 4 in Technical Notes for more details. Table 4 provides examples of how districts have adjusted their 2024-25 budgets to meet the instructional needs of all students.)

Section 3: Special Education

Urban Districts Often Allocate Around 20% of Their Funds

“From its inception in 1974, IDEA [The Individuals with Disabilities Education Act] authorized federal funding for up to 40% of average per-pupil spending nationwide to pay a portion of what it costs to provide special education services for students with disabilities. Yet, in the more than four decades since the law was originally enacted, federal funding has never reached this target” ([Kolbe et al., 2022](#)). In the 2018-19 school year, public schools in both urban and rural areas only received 5% to 6% of the state-allocated money for special education ([CPE, 2024](#)). As of October 2022, the second most common area in teacher shortages was special education; 28% of city schools, 21% of suburban schools, and 17% of schools in towns needed to fill at least one teaching position in special education.

While efforts to address the teacher supply issue continue, one key factor contributing to the shortage of special education teachers in urban schools is inadequate funding. “Unlike the federal Title I program, which sends money directly to districts with high-need students, the federal government provides funding for students with disabilities to states, which then distribute it to districts” ([Lieberman, 2022](#)). Researchers have found that this funding formula leads to significant disparities among states, disproportionately disadvantaging large states and those with higher numbers of poor, disabled, and non-white children ([Kolbe et al., 2022](#)).

In addition to districts receiving inadequate funding for special education services, there is also ambiguity around accurate funding numbers. “As hard as it may be to believe, there is little information available about how much funding school districts in the U.S. are expending on the education of students with disabilities” ([Griffith, 2015](#)). There is no central data source tracking the amount of local funding provided for special education, as education officials generally lack the statutory authority to collect such data ([GAO, 2024](#)).

After reviewing the 2024-25 budget documents of 50 urban school districts, we found that only 20 of them provided a relatively clear breakdown of the percentage of their budgets allocated to special education on their websites (Please see Table 2 in Technical Notes for more details). It is also important to note that school districts often categorize special education differently in their budget documents. For example, [Briarcliff Manor Union Free School District](#) in New York uses the term “Special/Pupil Services” to describe this allocation, which accounted for 10.42% of their budget.

Based on the available information, we identified the following funding patterns in special education:

Nearly half of the urban districts allocated 16%–20% of their budgets to special education instruction and support services.

The proportion of special education expenditures in the 2024–25 school budgets varied between 10% and 27% among the 20 school districts reviewed. Large city districts may allocate more funds to special education, while suburban districts with smaller student populations may budget less, depending on the number of students requiring these services. Additionally, districts in different states budget special education expenditures differently, relying on varying state funding sources.

Examples:

- New Hampshire: Twenty-six of the state's 162 school districts allocated more than 25% of their educational expenditures to special education, with an average cost per student of \$21,534, including transportation. In [Winchester](#) (a rural school district), special education costs represented 45.6% of total expenditures in 2022, the highest proportion in the state ([Kitch, 2023](#)). According to the [New Hampshire School Funding Fairness Project](#), during the 2022-2023 school year, only 17.47% of the actual costs were covered by state and federal governments, which is 1% less than the previous year ([Prescott, 2024](#)).

- New Jersey: [The state's](#) special education costs were 40% higher than the national average. In 2022–23, New Jersey funded all districts 15.9% for special education students ([Krengel, 2024](#)). Since 2008, the state government adopted the census model to allocate state funds for special education ([Farrie and Ciullo, 2024](#)). The model assumes that all districts serve a proportionate number of special education students and that the average spending per pupil in each district is equal to the state average. This method disregards variations in classification rates and the uneven distribution of high- and low-cost disabilities.
- Mississippi: As one of two states that allocate the smallest portion of their education budget, the state provides around 8% to meet the needs of special education students. Yet, it also is one of four states where children with disabilities perform the highest on the reading portion of the National Assessment of Educational Progress ([Hawkins, 2024](#)).
- Minnesota: The 20,000-student Osseo Area Schools district northwest of Minneapolis spent \$28 million (9%) of its roughly \$300 million general fund on special education services the state didn't cover ([Lieberman, 2023](#)). The only expense the state fully reimburses is the cost of transportation, according to the district's executive director of finance and operations.

Most of the urban districts plan to increase their spending on special education in the upcoming school year.

All the urban districts we reviewed have increased funding for special education in 2024–25 compared with 2023–24, with the exception of one district for which no clear data was available. Seventeen of the 19 districts allocated 5% to 17% more to special education. Even while facing budget deficits, these school districts have still prioritized increasing the proportion of their budgets dedicated to special education. (Please see Table 2 in Technical Notes for more details.)

Recent news reports provide some insight into why school districts are investing more in special education. For example, Revere School District, just north of Boston, has been overwhelmed by an influx of unexpected special education challenges far beyond anything administrators have previously encountered ([Lieberman, 2023](#)). Diagnoses of dyslexia, autism, and other similar conditions are on the rise, and many students now have needs that district staff struggle to manage on their own. Additionally, the cost of transporting these students to private providers, either nearby or elsewhere in the state, has skyrocketed due to rising fuel prices.

Federal funds cover less than 15% of special education expenditures.

IDEA allows school districts to provide early intervention, special education, and related services to youth within their communities. Districts use IDEA grants to develop special education programs and deliver services tailored to each student's Individualized Education Program (IEP). However, any additional costs of educating students with disabilities that exceed IDEA grant funding must be covered by the states and school districts.

In FY2022, the total appropriation for IDEA Part B, which mandates schools to provide assessments and specialized instruction for individuals with disabilities ages 3 to 21, was approximately \$13.8 billion. According to a recent study by the U.S. Government Accountability Office ([GAO, 2024](#)), federal IDEA Part B funding per student varied significantly across states, ranging from \$1,450 in Pennsylvania to \$2,832 in Louisiana during the 2021–22 school year. Under IDEA, the federal government committed to paying 40% of the average per-pupil expenditure for special education ([Lieberman, 2023](#)). However, that pledge has never been met, and current federal funding covers approximately 14.7% of the costs ([Gorczyński, 2024](#)).

To understand how much schools receive in federal funds for special education, we calculated the percentage of federal contributions within a district's total special education expenditures. For districts that only reported total expenditures on special education instruction, we used the ratio between federal funds

allocated to special education instruction and the district's total special education instruction expenditures. Overall, the proportion of federal funds in total special education expenditures ranges from 4% to 16%. In more than half of the urban districts with available data (7 out of 13), federal funds account for less than 10% of total special education expenditures.

In summary, as [Baltimore City Public Schools](#) (2024) points out, the cost of providing special education for students with disabilities varies widely depending on their individual needs and the services available to them. This can range from just a few hundred dollars more than the average in a general education classroom to tens of thousands of dollars or more for nonpublic placement. Researchers suggest that “simply adding increasing federal funding without considering the formula used to calculate state grants will perpetuate existing funding disparities” ([Kolbe et al., 2022](#)).

Policy/Practice Discussion Box 4: How Special Education Is Funded at State and Local Levels

Different State and Local Funding Methods for Special Education in the U.S.

The amount of local funding for K-12 education varies widely across school districts, leading to significant differences in funding for special education (GAO, 2024). The following are some examples:

Washington State:

In Washington, special education was a key focus in the 2024 state legislative session. The state provides special education funding as a percentage of total student enrollment, and in 2024, this percentage was increased from 15% to 16%. According to [Seattle Public Schools](#), the special education population is projected to account for 16% of total students in the 2024-25 school year. However, in previous years, the district has enrolled more special education students than state funding covers, leaving a shortfall for students exceeding the state's allocated percentage.

Similarly, the [Washougal School District](#) has made fully funding special education one of its top priorities. District leaders have noted that, although the state legislature increased the funding cap for special education by 1 percentage point, which provides some additional support for students with disabilities, a significant funding gap remains. The increase is insufficient to keep pace with the district's rising costs.

Massachusetts:

In Massachusetts, the Special Education Circuit Breaker program, managed as a grant, reimburses local school districts for a portion of the costs associated with educating high-needs special education students. The state aims to reimburse, subject to budget appropriations, 75% of district costs that exceed a per-pupil threshold, as calculated by the state. The Circuit Breaker budget for any given year reflects the district's reimbursement for expenses incurred in the previous year.

In general, special education requires a higher expenditure of education dollars. For example, [Cambridge Public Schools](#)' FY 2025 special education budget totals \$73.5 million. This includes approximately 55% allocated for school-based personnel, 24% for out-of-district tuition, 10% for transportation for students with disabilities (both out-of-district and in-district), and 3% for services such as medical, mental health/diagnostic support, home instruction, a summer program, and materials and supplies.

Special Education Funding Approaches Across States

According to the Education Commission of the States (ECS, 2023), all 50 states and the District of Columbia provide additional state funding to support services for students with a disability. Many states have multiple funding streams—at least 21 states use a hybrid approach that incorporates more than one funding mechanism. These state funds are provided in addition to the federal IDEA dollars.

Because this is a complex student population that may require a wide range of different services depending on the student’s diagnosis, many states have adapted their funding models to differentiate funding based on the intensity of services the student will receive. Therefore, many states have more than one mechanism. The following are some examples:

- Single-Student Weight in Nine States: HI, LA, MD, MO, NH, NY, NC, ND, and OR
- A single weight or dollar amount allocated by the state for students or districts that qualify based on certain factors or student needs. Allocations determined by single weights do not differentiate based on the 13 IDEA disability categories, including dyslexia, autism, deafness, blindness, intellectual disability, or students with multiple disabilities.
- Multiple-Student Weights in 21 States and the District of Columbia: AK, AZ, CO, FL, GA, IN, IA, KY, ME, MN, NV, NM, OH, OK, PA, SC, SD, TN, TX, UT, and WA
- The most common model for distributing special education funding to districts is through the use of multiple student weights. In the funding formula, students are assigned a different weight or dollar amount based on certain factors. The weights can be assigned based on the severity of disability (e.g., “mild,” “moderate,” or “severe”); on specific disability (e.g., visually impaired students receive X amount and students with autism receive Y amount); or on the placement of the student (e.g., students who are educated out-of-district or in a private facility receive X amount).
- High-Cost Student System in 17 states: AL, AR, CO, CT, ME, MA, MN, MI, MT, NH, NJ, NY, ND, OR, RI, WV, and WI
- Some states provide additional funding for very high-cost students. This is often coupled with another funding mechanism to help offset the cost of some services. For example, districts are responsible for the cost of special education services up to a certain threshold. If costs exceed that threshold, that state would then provide additional funding to the district.

In summary, complex funding formulas pose significant challenges for school districts nationwide. While some states and districts have made progress in increasing financial support for students with disabilities, disparities in funding often result in gaps that affect the quality and consistency of services. As educational needs and costs continue to rise, it is crucial for policymakers, educators, and communities to advocate for more equitable and adequate funding solutions.

Section 4: Transportation Costs

The Impact of Inflation and Later Start Times Policies on Urban Schools

In 2018, the Urban Institute published a report analyzing travel times between the homes and schools of nearly 190,000 students in five large U.S. cities known for offering significant educational choices: Denver, Detroit, New Orleans, New York City, and Washington, D.C. Researchers found that, despite differences in student transportation policies across these cities, similar patterns emerged. Most students live within a 20-minute drive of their school, with older students traveling farther than younger ones. Black students typically travel farther than White or Hispanic students, and non-low-income students tend to travel farther than their low-income peers.

One reason student groups spend varying amounts of time on transportation is the unequal access to high-quality education. While the criteria for defining school quality differ, ninth-grade students typically live about a 10-minute drive from a "high-quality" high school, according to the Urban Institute. To ensure all students have equal access to quality education and to support the most disadvantaged students, many urban districts have introduced policies like offering transportation vouchers for low-income families, using yellow buses on circulating routes, or reassessing school locations.

Inflation and Transportation Costs

A current challenge for school districts is the rising cost of transportation. "Like many other school districts in the state, Washougal is facing a budget shortfall," the suburban district in Washington stated on its budget information [webpage](#). The district has been notified of substantial cost increases for the coming year, including a 31% rise in insurance rates, along with higher utility, food, and fuel expenses due to inflation.

Gasoline costs have risen significantly. According to news reports, Lincoln Public Schools in Nebraska orders 20,000 gallons of diesel fuel every two to three weeks. In February 2022, the order cost \$62,800, or \$3.14 per gallon. Just one month later, the same quantity cost \$90,400, or \$4.52 per gallon ([Lieberman, 2022](#)).

Due to inflation, the cost of new school buses also has increased ([Albert, 2024](#)). Since 2022, school bus production costs have risen by over 4.5%, as reported by the Gregory Poole Equipment Company. With transportation expenses continuing to climb, over 12% of schools across the U.S. have turned to purchasing used buses to cut costs.

Later Start Times and School Transportation

In 2019, California became the first state to mandate later start times for middle and high schools, aiming to address research showing the negative effects of early start times on adolescent sleep and well-being ([Anderson, 2024](#)). This practice is increasingly being adopted by urban schools. However, adjusting school start times can significantly disrupt existing bus schedules ([Meisner, 2023](#)).

Without additional funding to support this mandate, many districts are struggling to meet the financial demands. A district leader in California estimated the cost of additional transportation at around \$200,000. According to a recent study by the California School Boards Association ([CSBA, 2024](#)), 36% of school board presidents reported increased transportation expenses due to later start times, and 93% of district chief business officers who responded cited transportation as the leading cost associated with the mandate.

Our research indicates a trend of urban districts adjusting their budgets to increase funding for student transportation. Many of the urban districts we studied are raising transportation expenditures by 5% to 20% for the 2024-25 school year. [Seattle Public Schools](#), for instance, attributes the increase in its 2024-25 student transportation budget to rising vendor costs for buses and other contracted transportation services. (Please see Table 3 in Technical Notes for more details.)

Policy/Practice Discussion Box 5: How Urban Districts Invest in Revenue Growth**Strategies to Invest in Revenue Growth**

The final round of federal Elementary and Secondary School Emergency Relief (ESSER) funds is set to expire in September 2024. These funds represent a relatively large portion of current education budgets, leaving schools vulnerable to financial shortfalls once they are no longer available. Nationwide, school districts have received considerably less federal funding for the 2024-25 school year compared to the 2023-24 school year. (Please see Table 5 in Technical Notes for more details.)

Here's how some districts are addressing the challenges posed by the expiration of federal funding:

- [Long Beach United School District](#) in California notes in its 2024-25 budget book, "Restricted expenditures for 2024-25 are lower by approximately \$90 million due to the expiration of one-time ESSER funding."
- [Anchorage School District](#) in Alaska heavily relied on fund balances and federal ESSER funds to balance its 2023-24 budget.
- [Arlington Public Schools](#) in Virginia reports that "Federal revenue is expected to decline by 33.7%, primarily due to the removal of one-time [American Rescue Plan–ARP] funds in FY 2023."

While many urban districts face the above challenges, they also show resilience when meeting financial challenges. Here are some strategies they use to drive revenue growth:

1. Strategic Planning

Maintaining a sustainable balance between school revenues and expenditures each year is challenging and requires strategic planning. [Bend-La Pine Schools](#) in Oregon, for example, used one-time ESSER funds to employ 30-40 positions. To avoid losing these employees once federal funding expires, the district shifted approximately \$6 million in costs from the general fund to ESSER for FY2023-24. This strategy frees up space in the general fund to cover compensation increases in new employee agreements and allows the district to carry funds into FY2024-25 to help balance the budget.

2. Communications and Community Engagement

Most urban school districts rely on at least half of their revenue from local taxpayers, making effective communication essential for passing levies ([ASBJ, 2024](#)). According to an article in *American School Boards Journal* ([ASBJ, 2023](#)), ideally, school districts would hire communications staff to ensure that the district's story is told and the community's voice is heard. While many smaller districts may lack the resources or community backing for dedicated public relations efforts, they often still have alternative options.

In 2020, a 700-student district in Minnesota faced a financial crisis with a negative 12% fund balance, and voters had rejected operating levies twice in the previous three years. In response, district leaders hired a public relations firm to develop an engagement campaign, which included home visits and meetings at local diners in the three small communities the district serves. The superintendent also met with the media, city officials, and local legislators. As a result of the 41-day community engagement effort, the 2020 tax increase passed with 53% support, just three years after 81% of voters had rejected the operating levy.

3. Pursuing Grants

Pursuing federal, state, and private grants is another effective way to increase school revenues. In Virginia, [Arlington Public Schools](#)' governing board has proposed adding hourly grant writers to the 2024-25 budget at a cost of \$94,500 (calculated at \$63 per hour for 1,500 hours annually). Similarly, [Fairfax County Public Schools](#),

also in Virginia, has a “Grants and Self-Supporting Programs Fund.” This fund manages federal, state, nonprofit, and private industry grants that support instructional programs, as well as the summer school program, which is funded by the School Operating Fund, state revenue, and tuition.

Examples of Grants Awarded to Urban Districts:

- Education Innovation and Research (EIR) Federal Competitive Grants. In 2023, the School Board of Duval County in Jacksonville, Florida, received a \$4 million grant for the [Duval IDEAS](#) project (Inclusion Diversifies Education for All Students). The Osborn School District #8 in Maricopa County, Arizona, was awarded nearly \$4 million for a project focused on educator recruitment and retention, titled “[Nurturing Responsive Connections: Recruiting, Preparing, Supporting, and Retaining Diverse Teachers to Meaningfully Connect with and Serve High-Needs Students](#).”
- Career and Technical Education (CTE) Grants. “Each year under Perkins V, Congress appropriates roughly \$1.4 billion in state formula grant funds under Title I (Basic State Grants) for the development and implementation of career and technical education programs” ([PCRN, 2024](#)). States disperse these federally funded grant awards. In Ohio, Marion City Schools, along with 56 other schools, received [Career Technical Education Equipment Program grants](#) to purchase updated equipment to help students become career-ready upon graduation in 2024.

As a resource, the [RTI Center for Education Services](#)—a research organization that partners with school districts—offers free grant writing services. In 2024, the Center participated in [NSBA’s annual conference](#) in New Orleans, where they outlined their approach to partnering on grants and supporting school improvement in the districts they work with.

4. Investing in Legal Services

Although investing in legal services does not directly increase school revenues, it helps districts protect education funds by ensuring compliance with the increasing number of federal and state regulations affecting local governance bodies. According to NSBA’s Council of School Attorneys ([COSA](#)), “A school board attorney helps district officials navigate the complex web of state and federal regulations affecting schools and avoid costly litigation.” For instance, in New York, the [Long Beach City School District](#) has proposed a 36% increase in its 2024-25 budget for legal professional/technical services compared to the 2023-24 budget.

In summary, school districts have various ways to invest in revenue growth. Common practices include strategic planning, seeking public and private grants, and enhancing communication with constituents.

Conclusions

“Each year, school boards must develop a balanced school budget proposal for the following school year and put it to a public vote on the third Tuesday in May. In New York, this requirement for a balanced, voter-approved annual budget is unique to public schools. The school budget is the only government spending plan that residents can impact directly by voting.” — [Schoharie Central School District](#), New York

As the district points out, school budgets are one of the few government spending plans presented directly to constituents for approval, with local districts providing timely data on their expenditures ([Indiana Department of Education, 2023](#)). In contrast, the federal government, despite the transparency and reporting mandates of the 2015 Every Student Succeeds Act (ESSA), often faces delays of two or more years before publishing information that allows the public to track school expenditures ([Schneider, 2024](#)).

While some organizations, such as [Georgetown University's Edunomics Laboratory](#), help bridge this gap by providing school financial data, further analysis is needed to uncover national trends and identify strategies to enhance the effectiveness and efficiency of the nation's growing investment in education ([Schneider, 2024](#)). District budget documents provide detailed information on how each education dollar is spent, but variations in calculations and categorization make it challenging to compare spending patterns across districts.

Our limited study found that many urban districts use priority-based budgeting, aligning their expenditures with their visions, missions, and strategic goals. Most districts focus on student achievement, future-focused curricula, safe learning environments, and the physical and mental health of students.

We also found that many urban districts are exploring innovative approaches to sustainable budgeting, such as investing in revenue growth. However, it is concerning that only a few districts are investing in program evaluation and research. This is crucial because districts often invest heavily in curricula and programs, and without a systematic assessment of their effectiveness, the return on investment (ROI) becomes uncertain ([Hanover Research, 2024](#); [Parker III and Wren, 2023](#); [Neitzel, 2023](#)).

Lastly, it is widely recognized that school boards are the cornerstone of our democracy, and local governance is the foundation of our public school system ([Pierce, 2020](#)). However, with increasing regulations from federal and state governments, public schools are being tasked with more responsibilities. When states implement universal policies without providing adequate funding—such as mandating later school start times, [installing carbon monoxide \(CO\) alarms](#), [requiring lockers or lockable pouches for students' phones](#)—they not only limit the flexibility of schools and teachers but also place additional financial burdens on schools.

In conclusion, approximately 80% of K-12 students in the U.S. attend public schools in urban or nonrural areas, where the student population is demographically, culturally, and economically diverse ([CPE, 2023](#)). While this diversity is a strength, it also presents challenges. Urban districts must work to close the learning opportunity gap by providing high-quality programs, effective educators, and safe, supportive learning environments for all students. To achieve these goals, urban district leaders are continually striving to maintain sustainable budgets that align with their visions, missions, and strategic objectives.

Policy/Practice Discussion Box 6: New Tools to Learn How States Leverage the ESSER Set-Aside**How State Education Agencies are Leveraging the ESSER Set-Aside**

Between March 2020 and March 2021, Congress allocated nearly \$190 billion for pandemic relief and recovery in K-12 schools through the Elementary and Secondary School Emergency Relief (ESSER) fund. ESSER is a one-time program with a final funding deadline of September 30, 2024. Notably, states were permitted to reserve 10% of the ESSER funds—approximately \$19 billion nationwide—for their state education agencies (SEAs).

We have not found a universal tool to track the use of ARP/ESSER Funds in urban school districts. In 2021, the Center on Reinventing Public Education (CRPE) conducted research on how 100 large urban districts were wrapping family and community input into plans for spending federal emergency school relief funds. About a fifth of districts (21%) communicated their intent to invest ESSER dollars in amplifying family and community engagement long term. Only 14% of districts have communicated a commitment to strengthening support for English learners, 23% to better-serving students with special needs, and 37% to investing in teacher capacity.

The Council of the Great City Schools (2023) reported that Saint Paul Public Schools in Minnesota received approximately \$207 million in federal funds to be used over three years. These funds were invested in various strategies and initiatives, and after the first full year of spending, the district is beginning to see positive results. According to a 2023 report from the U.S. Department of Education, Office of Inspector General, urban districts—particularly those serving low-income communities—have heavily relied on ESSER funds over the past three years.

The expiration of this funding poses a significant challenge for urban schools in maintaining high-quality curricula and extracurricular programs. By understanding how their states use and reserve ESSER funds, urban districts can advocate for funding support and explore opportunities to apply for relevant grants. The Council of Chief State School Officers (CCSSO) has developed data tools to help stakeholders understand how states are utilizing ESSER funds.

A Dashboard on How States Are Investing ESSER Funds

CCSSO developed a [dashboard](#) to provide the public and stakeholders with insights into how states are prioritizing and committing ESSER funds. The dashboard highlights spending priorities, examples from various states, and more. Academic recovery is the top priority for SEAs, with significant investments in tutoring, accelerated learning, out-of-school time programs, and high-quality curriculum and instruction. Other key priorities include the recruitment, retention, and support of school staff, as well as the well-being of both students and staff.

A Dashboard About the Impact of ESSER Investments

This [dashboard](#) focuses on ESSER state set-aside funds and how they are making an impact across the country. Early evidence from state recovery efforts shows that state investments are paying off, according to CCSSO.

The statewide programs supported by set-aside funds benefit all students, including students in urban schools. For example:

- The Indiana Department of Education launched the Crossing the Finish Line initiative in partnership with other state agencies and institutions of higher education. In a city district, Elkhart Community

Schools, at least 20 students were able to earn associate's degrees or complete the College Core curriculum through [Crossing the Finish Line, the district's counseling director said in an interview](#). "We're a huge manufacturing town. So if you have students graduating with no credentials and no focus for the future, a lot of them just leave and work at a base level factory position," the director said. "We are teaching them and helping them see that even if they choose to go into the manufacturing field, there are better jobs for them if they get those credentials done."

- [New Mexico](#) state government partnered with Graduation Alliance to locate and reenroll disengaged high school students. In an evaluation of the [Hobbs School District](#), a remote town district, 82% of targeted students improved attendance, at an overall cost-per-outcome of \$294. In [Las Cruces Public Schools](#), a city school district, more students are going to class because of prevention and intervention efforts, including the statewide partnership with the national organization Graduation Alliance and community partnerships with New Mexico State University social workers who provide attendance data, interns managing family caseloads and home visits with parents of absent students who were unreachable three times.

Source: [States Leading: How State Education Agencies are Leveraging the ESSER Set-Aside | \(ccsso.org\)](#)

Technical Notes

In this report, we used multiple credible data sources to conduct a comprehensive research review. Most of the data were drawn from recently published tables by the National Center for Education Statistics (NCES), federal reports from the Census Bureau, industry reports, and academic research papers. We have provided links to these sources for readers interested in our data collection and estimation methodology.

Additionally, to support this study, we analyzed data from the 2024-25 budget documents of approximately 50 urban school districts. Although the districts were selected randomly, the sample may not be nationally representative. Additionally, states and local districts categorize expenditures differently, so caution is advised when comparing spending across districts.

While our data come from reliable sources, the research has limitations. Though we employed various algorithms to search for qualitative data and cited numerous examples, this does not imply endorsement of any products, researchers, or organizations mentioned. The views in the cited research do not necessarily reflect our own. Our aim is to present a broad range of data for readers to analyze and consider. We encourage readers to exercise their own judgment when interpreting the information provided.

Table 1. Proportion of Salaries and Benefits in Per Pupil Spending for the 100 Largest Public School Districts in the United States: FY2022 vs. FY2021

Rank	School District	State	Enrollment	Per Pupil Expenditure (\$)	FY 2022		Salaries & Benefits		
					Salaries & Wages	Benefits	FY 22	FY 21	Change (% Point)
1	New York City	New York	859,514	35,914	44%	24%	68%	73%	-4
2	Los Angeles Unified	California	435,958	21,940	50%	26%	77%	80%	-4
3	Chicago	Illinois	329,836	21,050	44%	28%	72%	73%	-2
4	Miami-Dade County	Florida	328,589	12,258	50%	18%	68%	70%	-2
5	Clark County	Nevada	315,787	11,565	56%	23%	78%	84%	-5
6	Broward County	Florida	256,037	11,419	52%	17%	69%	72%	-3
7	Hillsborough County	Florida	224,149	9,835	54%	18%	71%	75%	-4
8	Orange County	Florida	203,224	11,578	51%	20%	71%	72%	-1
9	Houston	Texas	194,607	12,031	58%	13%	71%	76%	-5
10	Palm Beach County	Florida	187,943	12,727	53%	18%	71%	74%	-3
11	Gwinnett County	Georgia	179,581	13,113	58%	23%	81%	91%	-10
12	Fairfax County	Virginia	178,479	17,977	63%	28%	91%	84%	7
13	Hawaii Public Schools	Hawaii	173,178	17,420	53%	26%	79%	83%	-4
14	Wake County	North Carolina	160,099	11,859	65%	24%	89%	90%	-1
15	Montgomery County	Maryland	158,231	18,101	68%	22%	90%	90%	0
16	Dallas	Texas	143,558	12,650	71%	11%	82%	82%	0
17	Charlotte/Mecklenburg	North Carolina	143,244	11,853	62%	23%	85%	87%	-1

Rank	School District	State	Enrollment	FY 2022			Salaries & Benefits		
				Per Pupil Expenditure (\$)	Salaries & Wages	Benefits	FY 22	FY 21	Change (% Point)
18	Duval County	Florida	128,948	10,696	44%	17%	60%	85%	-25
19	Prince Georges County	Maryland	128,770	19,234	57%	25%	83%	61%	22
20	Philadelphia	Pennsylvania	118,053	17,892	45%	31%	76%	83%	-7
21	Cypress-Fairbanks	Texas	117,217	10,232	74%	11%	85%	84%	1
22	Baltimore County	Maryland	111,136	16,538	62%	23%	85%	86%	-1
23	Cobb County	Georgia	106,970	13,203	64%	25%	89%	77%	11
24	Shelby County	Tennessee	105,596	13,650	55%	16%	71%	91%	-20
25	Polk County	Florida	105,422	11,454	45%	18%	63%	86%	-24
26	Northside	Texas	102,377	10,615	71%	14%	85%	67%	18
27	Lee County	Florida	97,264	10,788	53%	18%	70%	87%	-17
28	Pinellas County	Florida	95,446	11,582	59%	21%	80%	80%	0
29	San Diego Unified	California	95,233	18,665	53%	30%	83%	92%	-9
30	Jefferson County	Kentucky	94,393	17,376	59%	29%	88%	72%	17
31	DeKalb County	Georgia	93,473	15,594	62%	20%	82%	86%	-5
32	Fulton County	Georgia	90,355	13,999	61%	22%	83%	86%	-3
33	Prince William County	Virginia	90,070	13,913	64%	22%	87%	87%	0
34	Denver	Colorado	88,911	15,336	68%	16%	84%	85%	-1
35	Katy	Texas	88,368	11,068	71%	14%	84%	86%	-1
36	Alpine	Utah	86,275	8,458	55%	29%	84%	82%	2

Rank	School District	State	Enrollment	FY 2022			Salaries & Benefits		
				Per Pupil Expenditure (\$)	Salaries & Wages	Benefits	FY 22	FY 21	Change (% Point)
37	Anne Arundel County	Maryland	83,163	16,620	58%	24%	81%	82%	0
38	Albuquerque	New Mexico	81,762	12,964	61%	21%	82%	85%	-3
39	Pasco County	Florida	81,157	9,640	54%	20%	74%	87%	-13
40	Loudoun County	Virginia	81,131	18,953	62%	28%	90%	78%	12
41	Nashville-Davidson County	Tennessee	80,381	15,421	56%	21%	77%	86%	-10
42	Baltimore	Maryland	77,807	18,272	56%	18%	74%	78%	-4
43	Fort Bend	Texas	77,545	10,893	71%	14%	85%	75%	10
44	Greenville County	South Carolina	76,939	11,859	58%	25%	83%	83%	0
45	Jefferson County	Colorado	76,904	13,124	64%	22%	86%	84%	2
46	Fort Worth	Texas	74,850	12,874	68%	11%	79%	83%	-4
47	Austin	Texas	74,602	12,492	64%	17%	81%	87%	-6
48	Davis County	Utah	74,486	9,252	58%	25%	83%	86%	-3
49	Brevard County	Florida	72,497	10,368	54%	17%	71%	76%	-5
50	Osceola County	Florida	72,427	9,818	46%	16%	62%	74%	-12
51	Fresno Unified	California	69,873	18,783	54%	28%	82%	85%	-3
52	Guilford County	North Carolina	69,173	13,036	59%	22%	81%	79%	2
53	Milwaukee	Wisconsin	69,115	17,847	44%	25%	69%	90%	-21
54	Conroe	Texas	67,761	9,973	72%	13%	85%	65%	20
55	Long Beach Unified	California	67,292	16,028	56%	29%	85%	77%	8

Rank	School District	State	Enrollment	FY 2022			Salaries & Benefits		
				Per Pupil Expenditure (\$)	Salaries & Wages	Benefits	FY 22	FY 21	Change (% Point)
56	Seminole County	Florida	66,729	9,352	56%	18%	74%	87%	-13
57	Frisco	Texas	65,825	9,891	73%	12%	84%	86%	-2
58	Washoe County	Nevada	65,538	10,957	60%	25%	85%	87%	-3
59	Virginia Beach	Virginia	65,450	14,118	62%	23%	86%	86%	-1
60	Douglas County	Colorado	63,596	11,848	59%	22%	81%	87%	-6
61	Volusia County	Florida	62,666	9,863	59%	18%	77%	78%	-1
62	Granite	Utah	62,544	10,325	59%	27%	86%	83%	2
63	Chesterfield County	Virginia	62,445	12,207	57%	29%	86%	82%	4
64	Elk Grove Unified	California	62,229	14,134	56%	27%	83%	78%	5
65	Aldine	Texas	61,633	11,863	69%	12%	80%	87%	-6
66	Knox County	Tennessee	60,426	10,538	64%	17%	81%	83%	-3
67	North East	Texas	59,830	10,753	66%	15%	80%	84%	-4
68	Jordan	Utah	59,363	8,709	61%	23%	84%	85%	-1
69	Mesa Unified	Arizona	58,859	10,892	62%	19%	81%	88%	-7
70	Howard County	Maryland	57,325	17,971	63%	23%	86%	86%	0
71	Arlington	Texas	56,311	11,489	74%	11%	85%	86%	-1
72	Garland	Texas	53,674	11,092	69%	11%	80%	88%	-8
73	Cherry Creek	Colorado	53,587	14,137	66%	22%	88%	88%	1
74	Klein	Texas	53,294	10,704	70%	14%	85%	81%	3
75	Forsyth County	Georgia	52,757	10,928	59%	25%	84%	87%	-2

Rank	School District	State	Enrollment	FY 2022			Salaries & Benefits		
				Per Pupil Expenditure (\$)	Salaries & Wages	Benefits	FY 22	FY 21	Change (% Point)
76	Winston-Salem/Forsyth	North Carolina	52,681	13,036	60%	23%	83%	78%	5
77	Mobile County	Alabama	52,614	12,163	51%	20%	71%	82%	-11
78	Clayton County	Georgia	52,335	12,136	61%	21%	82%	72%	10
79	Omaha	Nebraska	51,626	14,202	55%	23%	78%	87%	-9
80	Seattle	Washington	51,443	20,430	62%	22%	84%	88%	-4
81	Corona-Norco Unified	California	50,889	13,711	59%	22%	82%	83%	-2
82	El Paso	Texas	50,769	12,216	69%	16%	85%	87%	-2
83	Manatee County	Florida	50,248	10,900	53%	17%	70%	76%	-6
84	Atlanta	Georgia	49,994	22,882	49%	20%	69%	82%	-13
85	Henrico County	Virginia	49,991	12,658	61%	24%	85%	86%	-1
86	Plano	Texas	49,400	11,203	71%	11%	82%	89%	-8
87	Charleston County	South Carolina	49,331	16,421	54%	22%	75%	85%	-10
88	Pasadena	Texas	49,326	13,221	71%	12%	84%	83%	1
89	Rutherford County	Tennessee	49,253	10,141	59%	21%	80%	82%	-3
90	Lewisville	Texas	49,205	11,526	66%	11%	77%	87%	-10
91	San Francisco Unified	California	49,204	23,654	51%	31%	82%	71%	11
92	Cumberland County	North Carolina	48,860	12,412	62%	22%	84%	74%	10
93	Washington Schools	District Of Columbia	48,635	27,425	66%	13%	80%	75%	4
94	Detroit	Michigan	48,536	21,771	43%	25%	67%	87%	-19

Rank	School District	State	Enrollment	FY 2022			Salaries & Benefits		
				Per Pupil Expenditure (\$)	Salaries & Wages	Benefits	FY 22	FY 21	Change (% Point)
95	Humble	Texas	48,112	10,343	74%	12%	86%	73%	13
96	St Johns County	Florida	48,032	9,233	60%	23%	83%	81%	2
97	Collier County	Florida	47,617	12,737	55%	19%	74%	81%	-7
98	Socorro	Texas	47,278	10,745	67%	15%	82%	81%	1
99	Round Rock	Texas	47,167	10,505	71%	14%	85%	86%	-1
100	Jefferson Parish	Louisiana	46,896	16,675	40%	20%	60%	84%	-24

Source: [2021 Public Elementary-Secondary Education Finance Data \(census.gov\)](#); [2022 Public Elementary-Secondary Education Finance Data \(census.gov\)](#)

Table 2. Estimated Percentage of Special Education (SPED) Expenditures in the 2024-25 Budgets of 20 Urban School Districts

District	State	Locale	District Enrollment ¹	SPED Expenditures (Estimated Percentage of All Expenditures) ²	Increase 24-25 vs. 23-24 ³	Federal Funds (Estimated Share in the Total SPED Expenditures or SPED Instruction Expenditure)
Cambridge Public Schools	MA	City	6,746	27%	7%	10%
Boston Public Schools	MA	City	46,367	26%	11%	—
Seattle Public Schools	WA	City	51,238	22%	10%	8%
Barre Unified Union School District	VT	Town	2,221	20%	8.1%	—
Madison Metropolitan School District	WI	City	25,237	20%	8.2%	13%
Anchorage School District	AK	City	43,727	19%	0.2%	—
Renton School District	WA	City	15,230	18%	13%	9%
Ravenswood City School District	CA	Suburb	1,489	17%	—	—
Marysville School District 25	WA	Suburb	10,196	17%	3.9%*	11%
Edmonds School District	WA	City	20,459	17%	13.5%	6%
Bethlehem Area School District	PA	City	12,973	17%	13.5%	4%

District	State	Locale	District Enrollment ¹	SPED Expenditures (Estimated Percentage of All Expenditures) ²	Increase 24-25 vs. 23-24 ³	Federal Funds (Estimated Share in the Total SPED Expenditures or SPED Instruction Expenditure)
Highline Public Schools	WA	Suburb	18,048	16%	11.3%	7%
Wenatchee School District	WA	City	7,347	14%	16.7%	8%
Long Beach School District	NY	Suburb	3,590	14%	5.3%	—
Mequon Thiensville School District	WI	Suburb	3,562	13%	6.9%	8%
Baltimore City Public Schools	MD	City	75,995	12%	2.1%	12%
Mercer Island School District	WA	Suburb	4,057	12%	2.2%	—
Newport News School District	VA	City	26,531	12%	1.8%	16%
Briarcliff Manor Union Free School District	NY	Suburb	1,350	10%	12.1%	—
York County School District	VA	Suburb	12,640	10%	15.7%	15%

Note:

¹District student enrollment data are from NCES [Search for Public School Districts \(ed.gov\)](https://nces.ed.gov/ipeds/datasearch/).

²Estimated percentage = special education expenditures/total budget

³Estimated percentage = (2024-25 special education expenditures—2023-24 special education expenditures)/2023-24 special education expenditures

— Data unavailable

*The total dollar amount decreased, but the percentage of special education expenditures in the budget increased from 16.62% in 2023-24 to 17.27% in 2024-25. The calculation is based on the percentage change.

Table 3. Examples of School Districts Adjusting Budgets for Student Transportation Funding

District	State	Locale	Student Transportation Funding
Long Beach Unified School District	CA	City, large	Increase 10%
Boston Public Schools	MA	City, large	Increase \$12M (7%)
York County School District	VA	Suburb, large	Increase \$100,000 (7%)
Long Beach School District	NY	Suburb, large	Increase 8%; contractors increase by 9.4%; transportation staffing shortage; increase because of an IEP student
Bethlehem Area School District	PA	City, small	Increase 9%
Cambridge Public Schools	MA	City, midsize	Student Transportation and Out-of-District Tuition: Student transportation is projected to increase by roughly \$1.6 million (11%)
Edgemont Union Free School District	NY	Suburb, large	Increase by more than 20%
Trumbull Public Schools	CT	Suburb, large	Transportation budget based on estimated 4.5% increase; Increase in transportation costs (\$500,000) for potential Late School Start
Seattle Public Schools	WA	City, large	The budget for Student Transportation has increased by \$9.7 million due to rising vendor costs for buses and other contracted student transportation.
South Orangetown Central School District	NY	Suburb, large	Maintains current transportation services, late buses (SOMS/TZHS), extracurricular and athletics busing. The difference in actual expenditures is approximately \$3.48 million, for which transportation, health insurance, and contractual obligations continue to be key cost drivers.
Canandaigua City School District	NY	Suburb, large	Purchase of Buses = \$ 1,524,755 <ul style="list-style-type: none"> ● Three 60 Passenger Buses ● Five 74 Passenger Buses ● One 66 Passenger Wheelchair Bus Use of Transportation Reserve and Fund Balance No new increase to taxes

Table 4. Examples of How Districts Adjusted Their 2024-25 School Budgets

District	State	Locale	Enrollment	2024-25 Budget Adjustment
Houston Independent School District	TX	City, large	189,934	<p>FY24 revenue decreased by \$528 million, prompting difficult decisions to address the shortfall. The following three key budget shifts account for most of the \$528 million reduction in expenditures:</p> <ul style="list-style-type: none"> • Rightsizing Central Office: From November 2023 to June 2024, approximately 1,500 Central Office positions were eliminated, aligning the office's size with a school district serving around 178,000 students. • Reduction in Contracted Services: Expenditures for contracted services were reduced by approximately \$27 million. • Evolving Central Office Programs: Due to the expiration of ESSER funding, shifts in Central Office programs and ESSER-funded positions were necessary. This included difficult decisions, such as reorganizing student support teams and reducing funding for after-school programs.
Baltimore City Public Schools	MD	City, large	75,995	<p>Budget cuts were anticipated due to the expiration of federal COVID funding, minimal year-over-year growth from the Blueprint for Maryland's Future, and rising costs of commodities and consumer goods. Despite this, the district added nine teacher positions and 25 paraeducator positions, representing a total additional investment of \$2.8 million.</p>
Long Beach Unified School District	CA	City, large	65,554	<p>The 2024-25 school year marks the district's first year of deficit spending since 2013-14, driven by a tightening state budget, declining enrollment, and rising costs. Despite this, salary rates for teachers and instructional staff, including a 4% salary increase negotiated for 2023-24, remain in place.</p>
Elk Grove Unified School District	CA	Suburb, large	62,061	<p>Total revenues decreased by 13.4% compared to the 2023-24 school year. Despite this, teacher salaries and employee benefits rose, with benefits increasing by 9.5%. To balance the budget, the</p>

District	State	Locale	Enrollment	2024-25 Budget Adjustment
				district reduced spending on books, materials, services, and operating expenses.
Seattle Public Schools	WA	City, large	51,238	Due to the pandemic, declining enrollment, and persistent underfunding, the district is facing a significant structural deficit. To move towards long-term financial sustainability, the district has implemented substantial budget reductions, focusing on areas least impactful to students, and has employed several one-time internal borrowing strategies. For 2024-25, 72.9% of the district's budget is spent on the state-required activity for Teaching and Teaching Support. This includes teachers, nurses, librarians, counselors, instructional assistants, textbooks, and student supplies.
Anchorage School District	AK	City, large	43,727	The district is projecting a \$63.48 million (10.39%) decrease in total General Fund revenue from the FY 2023-24 budget to the FY 2024-25 Pro Forma, excluding the use of the fund balance. This decrease is primarily due to reductions in local taxes and user fees, declines in state formula funding tied to enrollment, and the elimination of one-time state funds appropriated by the Legislature. To prioritize improvements in third-grade reading proficiency and eighth-grade math proficiency and ensure students graduate college-, career-, and life-ready, the district has increased the number of full-time teachers (<i>FTEs</i>) in middle schools, high schools, and alternative schools.
Madison Metropolitan School District	WI	City, large	25,237	For the 2024-25 school year, the district's total revenues decreased by 6.12% compared to 2023-24, with the largest reduction coming from federal funding sources (-67.32%). To balance the budget, the district reduced administration expenditures, cutting business administration expenses by 15.4% and districtwide costs by 2.45%. However, the district increased spending in key areas: vocational curriculum by 11.79%, physical curriculum (health and PE) by 7.45%, and special needs programs by 8.6%.

District	State	Locale	Enrollment	2024-25 Budget Adjustment
Edmonds School District	WA	City, large	20,459	The district planned a \$10.6 million (2.65%) budget reduction for the 2024-25 school year, including a 15% (\$3 million) cut in central office expenditures. Additionally, several staff bargaining groups have agreed to salary and professional development reductions to help alleviate the district's budget challenges.
Marysville SD25	WA	Suburb, midsize	10,196	The district is facing a budget shortfall for the 2024-25 school year due to multiple factors, including a double levy failure in spring 2022, the expiration of COVID emergency funds (ESSER), declining enrollment, and insufficient state funding. In response, the district has reduced administrative positions at both the district and school levels, as well as cut back on teachers, instructional programs, technology, and online learning. However, schools will still retain supervision, safety, and support professionals. Paraprofessional hours are being restructured and reallocated across schools.
Wenatchee School District	WA	City, small	7,347	Enrollment has been declining since 2015, resulting in the loss of 916 full-time equivalents (FTEs) from the district. Since school districts are funded based on enrollment, fewer students mean fewer funds available to cover staffing costs, which account for approximately 85% of the district's budget. As a result, the district must make reductions to align staffing levels with the decreased enrollment.
Redmond School District	OR	Town, distant	7,081	For the 2024-25 school year, the district faced a \$4 million deficit due to four key factors: 1) The expiration of federal COVID relief funding. 2) Ongoing enrollment declines. 3) Rising inflation and labor shortages, which necessitated increased compensation to attract and retain top educators. 4) Inadequate school funding in Oregon. Despite these challenges, the district implemented essential and well-merited salary increases for teachers in both the 2023-24 and 2024-25 school years.

District	State	Locale	Enrollment	2024-25 Budget Adjustment
Mequon Thiensville School District	WI	Suburb, large	3,562	The district reports that the state government continues to provide insufficient sustainable funding while expecting districts to do more with less. Despite high needs for students' academic and social-emotional development, the district does not receive significant revenue increases each year, even as costs rise due to inflation. For the 2024-25 school year, the district adopted a zero-based budgeting approach. This method requires buildings and departments to start from zero and build their budgets based solely on the necessities for operating, ensuring that every line item has a clear purpose.
Washougal School District	WA	Suburb, large	2,865	The district has set a budget reduction target between \$8 million to \$9 million for the 2024-2025 academic year. To reach this target and balance staffing with enrollment, the district has proposed a reduction strategy that includes making staffing reductions at the elementary, middle, and high school levels. The plan also includes additional districtwide staffing reductions and reductions in materials, supplies, and operational costs.
Hazlet Township Public School District	NJ	Suburb, large	2,703	The district is facing a \$5,132,654 budget gap due to declining enrollment, the end of ESSER funds, reduced state aid, and other factors. To address this deficit, the district sought additional revenue sources, such as land sales and increased bank interest, while also cutting expenditures. These reductions included staff eliminations, a 10% cut to supply budgets, the reduction of certain clubs and activities, the elimination of some academic programs, and the potential elimination of athletic busing.
Orland Unified School District	CA	Town, distant	2,262	The district's federal funding decreased by 25.6% between the 2023-24 and 2024-25 school years, with state funding also declining by 3%. However, due to changes in student demographics, the Title III Immigrant Student Program saw a 24.2% increase, and the EL program grew by 11.7%. To balance the budget, the district reduced operating

District	State	Locale	Enrollment	2024-25 Budget Adjustment
				expenditures, including a 44.1% decrease in travel and conferences, a 23.2% reduction in dues and memberships, and a 57.4% cut in communication expenses.

Table 5. Examples of School Districts Facing Significant Decreases in Federal Funding

District	State	Locale	Enrollment	Federal Revenue (24-25 vs. 23-24)
Elk Grove Unified School District	CA	Suburb, large	62,061	-75%
Madison Metropolitan School District	WI	City, large	25,237	-67%
Cambridge Public Schools	MA	City, midsize	6,746	-61%
Fairfax County Public Schools	VA	Suburb, large	179,858	-56%
The School District of Lee County	FL	Suburb, large	99,354	-55%
Long Beach Unified School District	CA	City, large	65,554	-50%
San Juan Unified School District	CA	Suburb, large	38,119	-48%
Hazlet Township Public School District	NJ	Suburb, large	2,703	-39%
Highline Public Schools	WA	Suburb, large	18,048	-30%
Orland Unified School District	CA	Town, distant	2,262	-26%
York County School District	VA	Suburb, large	12,640	-9%
Anchorage School District	AK	City, large	43,727	-4%

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About CPE

The National School Boards Association (NSBA) believes that accurate, objective information is essential to building support for public schools and creating effective programs to prepare all students for success. As NSBA's research branch, the Center for Public Education (CPE) provides objective and timely information about public education and its importance to the well-being of our nation. Launched in 2006, CPE emerged from discussions between NSBA and its member state school boards associations about how to inform the public about the successes and challenges of public education. To serve a wide range of audiences, including parents, teachers, and school leaders, CPE offers research, data, and analysis on current education issues and explores ways to improve student achievement and engage support for public schools.

About NSBA

Founded in 1940, the National School Boards Association's (NSBA) purpose is to ensure each student everywhere has access to excellent and equitable public education governed by high-performing school board leaders and supported by the community. With members spread across the United States, the Virgin Islands, and Canada, NSBA is the only national organization representing school boards. Along with its member state associations and member public school districts representing locally elected school board officials serving millions of public school students, NSBA believes that public education is a civil right necessary to the dignity and freedom of the American people and that each child, regardless of their ability, ethnicity, socioeconomic status, identity, or citizenship, deserves equitable access to an education that maximizes their individual potential.

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