

RESOURCES: SPENDING

Correction: Quality Counts 2005 included incorrect information in the "Resources: Spending" table. Corrected data are displayed here in red text.

	Education spending per student, adjusted for regional cost differences (2002)				Percent of students in districts with per-pupil expenditures at or above the U.S. average (\$6,503) ¹	Spending index (2002) ¹		Percent of total taxable resources spent on education (2002) ²	
	State average		Percent of U.S. average	Percent change from 2001		RANK	RANK	RANK	RANK
		RANK							
Alabama	\$6,755	43	87.3	2.4	10.9	90.6	37	3.8	32
Alaska	\$7,549	30	97.6	3.8	23.6	88.3	41	4.2	12
Arizona	\$6,010	50	77.7	13.0	3.5	74.2	50	3.8	29
Arkansas	\$7,203	37	93.1	12.7	20.4	90.3	38	4.2	11
California	\$6,659	44	86.1	6.4	4.4	85.8	45	3.5	39
Colorado	\$7,041	40	91.0	5.7	27.8	92.7	32	3.2	45
Connecticut	\$9,188	6	118.8	4.4	99.0	100.0	4	3.9	27
Delaware	\$9,072	7	117.3	3.6	94.5	99.9	6	2.6	50
District of Columbia	\$11,269	1	145.7	0.5	100.0	100.0	1	NA ³	NA ³
Florida	\$6,492	47	83.9	0.7	0.8	83.2	48	3.3	43
Georgia	\$7,923	21	102.4	6.5	61.7	98.0	16	4.0	22
Hawaii	\$7,326	35	94.7	10.8	0.0	99.2	10	3.9	25
Idaho	\$6,532	45	84.5	5.0	23.6	85.1	47	4.1	17
Illinois	\$7,710	28	99.7	4.1	34.6	92.3	33	3.6	36
Indiana	\$8,274	18	107.0	1.4	67.1	97.6	19	4.4	10
Iowa	\$8,319	17	107.6	5.9	61.6	98.4	15	4.2	14
Kansas	\$8,206	19	106.1	6.0	67.6	97.6	17	4.1	15
Kentucky	\$7,296	36	94.3	7.3	30.0	93.0	30	3.5	40
Louisiana	\$7,349	34	95.0	8.8	31.2	94.5	27	3.1	46
Maine	\$8,986	9	116.2	7.1	85.0	99.1	11	5.0	4
Maryland	\$8,517	15	110.1	5.3	95.4	99.9	8	4.0	21
Massachusetts	\$8,727	13	112.8	7.6	73.4	98.4	14	3.6	37
Michigan	\$8,521	14	110.2	4.5	63.2	97.6	18	5.1	3
Minnesota	\$7,889	23	102.0	1.2	44.5	95.8	26	4.0	23
Mississippi	\$6,143	49	79.4	3.5	3.0	81.7	49	3.8	28
Missouri	\$7,515	32	97.2	7.2	27.0	90.7	36	3.8	31
Montana	\$7,772	25	100.5	5.0	37.1	90.0	39	4.5	7
Nebraska	\$8,741	12	113.0	7.2	49.6	96.6	21	4.0	24
Nevada	\$6,380	48	82.5	4.7	7.5	86.1	44	3.1	47
New Hampshire	\$7,571	29	97.9	8.9	52.7	94.3	28	3.7	34
New Jersey	\$10,235	2	132.3	4.8	98.9	99.9	5	4.5	6
New Mexico	\$7,407	33	95.8	9.0	18.6	87.0	42	4.0	19
New York	\$10,002	3	129.3	4.7	100.0	100.0	1	4.0	20
North Carolina	\$7,086	39	91.6	2.4	16.5	92.8	31	3.1	48
North Dakota	\$7,868	24	101.7	9.5	33.7	93.9	29	3.6	38
Ohio	\$8,165	20	105.6	6.6	53.3	96.6	22	4.4	8
Oklahoma	\$6,908	41	89.3	3.5	14.0	86.8	43	3.9	26
Oregon	\$7,909	22	102.3	1.5	33.6	95.8	25	3.6	35
Pennsylvania	\$8,328	16	107.7	4.0	54.2	96.5	24	4.1	18
Rhode Island	\$8,800	10	113.8	4.2	87.1	99.0	12	4.2	13
South Carolina	\$7,751	26	100.2	5.8	42.5	97.2	20	4.4	9
South Dakota	\$7,519	31	97.2	3.8	32.3	91.6	35	3.3	44
Tennessee	\$6,530	46	84.4	4.8	3.5	85.5	46	2.9	49
Texas	\$7,183	38	92.9	3.5	21.3	92.1	34	3.8	30
Utah	\$5,132	51	66.4	4.8	1.2	70.1	51	3.8	33
Vermont	\$9,915	4	128.2	7.1	84.2	98.5	13	5.4	1
Virginia	\$7,735	27	100.0	3.0	44.2	96.5	23	3.3	42
Washington	\$6,779	42	87.7	4.3	14.8	89.0	40	3.4	41
West Virginia	\$8,756	11	113.2	4.1	93.1	99.8	9	5.2	2
Wisconsin	\$9,027	8	116.7	4.7	97.1	99.9	7	4.5	5
Wyoming	\$9,439	5	122.1	10.3	100.0	100.0	1	4.1	16
U.S.	\$7,734	—	100.0	4.9	39.2	92.4	—	3.8	—

Note: A dash (—) indicates data were not available or, in U.S. row, that a total was not appropriate.

³The District of Columbia does not have a state revenue source.

¹Figures were adjusted to reflect regional cost differences and weighted for student needs. Students in poverty equal 1.2, and students in special education equal 1.9.

²Gross-state-product figures from the U.S. Department of Commerce's Bureau of Economic Analysis for 2002 were not released in time for this analysis. *Education Week* used the 2001 gross-state-product figures to calculate each state's total taxable resources dedicated to education.

Graded Ungraded

	Average annual rate of change in expenditures per pupil, adjusted for inflation (1992-2002)	Percent of students in districts with per-pupil expenditures at or above (2002): ¹				Unadjusted education spending per student (2002)
		\$5,000	National median (\$6,208)	\$7,000	\$8,000	
Alabama	3.2%	100.0	28.4	4.0	0.0	\$6,029
Alaska	-0.5%	95.8	28.6	23.2	15.7	\$9,563
Arizona	1.7%	30.2	7.5	2.6	0.4	\$5,964
Arkansas	2.6%	98.2	29.6	8.6	0.6	\$6,276
California	2.3%	87.3	13.5	1.6	0.5	\$7,434
Colorado	1.5%	98.8	36.5	16.5	1.6	\$6,941
Connecticut	0.8%	100.0	100.0	86.6	33.3	\$10,577
Delaware	2.6%	100.0	100.0	91.2	56.5	\$9,284
District of Columbia	1.4%	100.0	100.0	100.0	100.0	\$12,102
Florida	0.0%	94.0	1.0	0.3	0.0	\$6,213
Georgia	3.4%	100.0	78.7	36.0	6.8	\$7,380
Hawaii	1.2%	100.0	100.0	0.0	0.0	\$7,306
Idaho	3.3%	74.2	26.0	7.0	3.5	\$6,011
Illinois	2.2%	92.3	42.6	21.3	8.9	\$7,956
Indiana	2.4%	100.0	79.2	39.0	7.6	\$7,734
Iowa	1.8%	100.0	85.7	29.8	3.0	\$7,338
Kansas	2.3%	100.0	74.2	34.9	10.1	\$7,339
Kentucky	1.9%	100.0	43.6	17.0	0.2	\$6,523
Louisiana	2.5%	100.0	47.9	6.0	1.9	\$6,567
Maine	2.9%	100.0	91.2	64.9	27.2	\$8,818
Maryland	1.3%	100.0	100.0	70.0	17.4	\$8,692
Massachusetts	3.0%	99.9	84.0	57.6	27.1	\$10,232
Michigan	1.6%	100.0	77.2	41.9	6.7	\$8,653
Minnesota	1.7%	99.8	65.1	28.4	8.4	\$7,736
Mississippi	3.2%	70.1	8.3	1.2	0.5	\$5,354
Missouri	2.6%	94.0	36.6	16.2	6.7	\$7,135
Montana	1.3%	96.8	39.2	21.3	8.7	\$7,062
Nebraska	2.0%	100.0	59.6	30.1	13.1	\$7,741
Nevada	0.4%	100.0	10.3	1.8	1.0	\$6,079
New Hampshire	1.7%	99.4	60.6	29.5	14.5	\$7,935
New Jersey	0.5%	100.0	99.6	89.2	56.4	\$11,793
New Mexico	3.2%	92.4	21.6	9.2	4.9	\$6,882
New York	1.6%	100.0	100.0	99.9	92.7	\$11,218
North Carolina	1.8%	100.0	36.6	5.8	1.6	\$6,501
North Dakota	2.3%	98.3	46.7	14.6	5.3	\$6,709
Ohio	2.1%	99.9	70.0	34.3	9.5	\$8,069
Oklahoma	2.3%	90.1	22.1	7.8	2.5	\$6,229
Oregon	1.2%	100.0	59.4	19.6	2.6	\$7,642
Pennsylvania	0.8%	99.9	65.5	31.9	8.0	\$8,537
Rhode Island	2.2%	100.0	92.2	57.3	11.4	\$9,703
South Carolina	2.9%	100.0	74.3	21.4	2.7	\$7,017
South Dakota	2.5%	100.0	36.3	20.7	8.3	\$6,424
Tennessee	3.1%	77.8	12.4	1.6	0.0	\$5,959
Texas	2.2%	98.2	37.0	9.4	3.2	\$6,771
Utah	3.0%	17.0	1.9	1.2	0.9	\$4,900
Vermont	2.1%	98.0	90.9	75.2	52.5	\$9,806
Virginia	1.7%	100.0	70.8	29.8	3.7	\$7,496
Washington	1.1%	94.9	25.0	2.9	1.2	\$7,039
West Virginia	2.7%	100.0	98.3	80.4	3.0	\$7,844
Wisconsin	1.8%	100.0	99.6	90.7	29.8	\$8,634
Wyoming	2.4%	100.0	100.0	100.0	49.6	\$8,645
U.S.	1.8%	94.0	50.0	27.7	12.7	\$7,734

RESOURCES: SPENDING

Interpretation

Spending index: While no consensus exists about how much money is necessary to provide an "adequate" education, it is clear that districts with certain characteristics tend to require more aid. Specifically, districts enrolling more students with special needs require more money. The National Center for Education Statistics estimates that students in poverty, for example, need 1.2 times as much funding as other students do. The Center for Special Education Finance estimates that students with disabilities need 1.9 times as much money.

After adjusting per-student-spending figures for each school district in the United States to reflect regional cost differences and student needs, the Education Week Research Center found that the average per-pupil expenditure in the nation for the 2000-01 school year (the most recent data available at the district level) was \$6,503. We use that amount as a benchmark against which to gauge each state's spending.

Our spending index takes into account both the number (or percent) of students in a state enrolled in districts with spending at the national average, and the degree to which spending is below that benchmark in districts where per-pupil expenditures fall below the national average.

Each district in which the per-pupil-spending figure (adjusted for student needs and cost differences) was equal to or exceeded the national average received a score of 1 times the number of students in the district. A district whose adjusted spending per pupil was below the national average received a score equal to its per-pupil spending divided by the national average and then multiplied by the number of pupils in the district.

The spending index is the sum of district scores divided by the total number of students in the state. If all districts spent above the U.S. average, the state attained a perfect index of 100.

Example:

District	Enrollment	Per-pupil spending
1	400	\$8,000
2	450	\$7,000
3	500	\$6,000
4	300	\$5,000
5	350	\$4,000
Total: 2,000		

Districts 1 and 2 are the only ones providing at least an average level of spending on education (i.e., equal to or above \$6,503). Scores for those districts are equal to their respective student enrollments.

District Score

1	400
2	450

Then the number of students attending schools in these districts, 850, is divided by 2,000. This indicates that 42.5 percent of students in the state attend schools in districts spending at least the national average. That figure, however, does not account for how close spending is to average in the remaining three districts, a problem that is corrected in the calculations below.

Districts 3 through 5 have spending below the U.S. average, so assigning a score to each district will tell us how "far" it is from average spending across the nation. The score is equal to the district's average spending, divided by the U.S. average, and multiplied by the number of pupils in the district.

District Score

3	461.33 = (\$6,000 / \$6,503) * 500
4	230.66 = (\$5,000 / \$6,503) * 300
5	215.29 = (\$4,000 / \$6,503) * 350

Total: 1,757.28 (for all five districts)

$$\text{Spending index} = 1,757.28 / 2,000 = 87.86$$

That value represents an index against which we can compare the relative spending of the 50 states and the District of Columbia. This year, values for the spending index range from 66.6 to 100.