

the condition of education 2008



INDICATOR 34

Changes in Sources of Public School Revenue

The indicator and corresponding tables are taken directly from *The Condition of Education 2008*. Therefore, the page numbers may not be sequential.

Additional information about the survey data and supplementary notes can be found in the full report. For a copy of *The Condition of Education 2008*, visit the NCES website (<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2008031>) or contact ED PUBs at 1-877-4ED-PUBS.

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Finance

Changes in Sources of Public School Revenue

Federal, state, and local revenues all increased from 1989–90 to 2004–05, though at different rates.

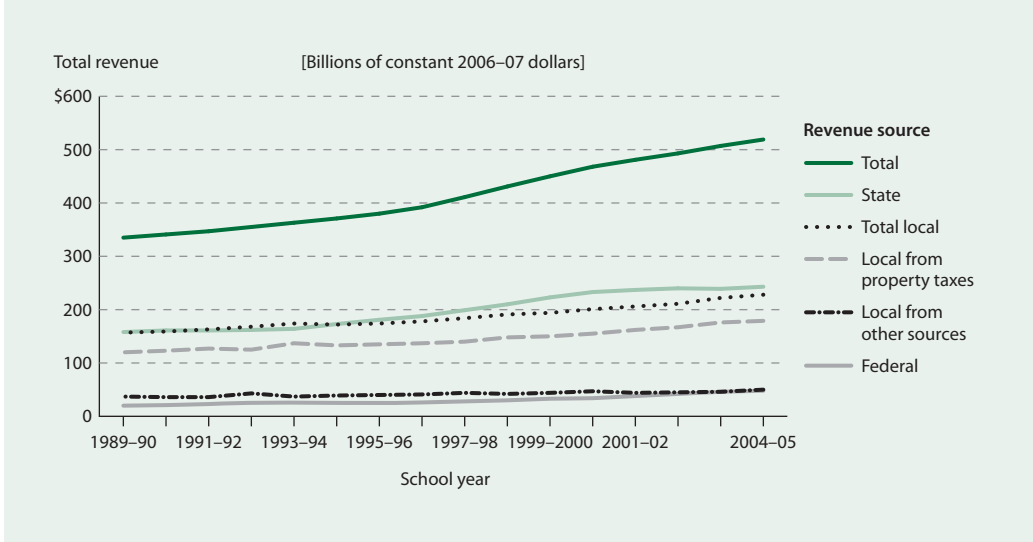
From 1989–90 to 2004–05, total elementary and secondary public school revenues increased 55 percent in constant dollars. During this period, the total amount from each revenue source (federal, state, and local) increased, though not at the same rate (see supplemental table 34-1). Federal and state revenues increased at a faster rate than all local revenues (both property tax revenue and other local revenue). Federal revenue increased 134 percent, compared with an increase of 54 percent for state revenue and 45 percent for local revenue. The total amount of revenue from each revenue source increased in each region as well.

The percentage of total revenue for public elementary and secondary education from local sources declined, from 47 percent in 1989–90 to 44 percent in 2004–05, while the percentage of total revenue flowing to public schools from federal sources increased from 6 percent in 1989–90 to 9 percent in 2004–05 (see supplemental table 34-2). The percentage from state sources was the same in 1989–90 as in 2004–05 (47 percent).

In each region, as in the nation, state and local sources were the two largest sources of revenue in 2004–05. There were, however, differences in the percentages contributed by these two revenue sources in the four regions. In the Northeast, a majority of all revenue was from local sources (52 percent) in 2004–05. Another 42 percent was from state sources. In the Midwest, about the same percentage of revenue was from local sources (45 percent) as from state sources (46 percent) in 2004–05. In the South, as in the Midwest, about the same percentage of revenue came from state sources (44 percent) and local sources (45 percent) in 2004–05. In the West, a majority of revenue was from state sources (56 percent) in 2004–05, with 33 percent from local sources.

The percentage of revenue from federal sources increased in each region from 1989–90 to 2004–05. In 2004–05, the percentage of revenue from federal sources ranged from about 7 percent in the Northeast and 8 percent in the Midwest to 11 percent in the South and West.

REVENUES BY SOURCE: Total revenue for public elementary and secondary schools, by revenue source: School years 1989–90 to 2004–05



NOTE: Other local government revenue includes revenue from such sources as local nonproperty taxes, investments, and revenue from student activities, textbook sales, transportation and tuition fees, and food services. Property tax revenue and other local government revenues were imputed for Texas for 1992–93. See supplemental note 11 for information about revenue for public elementary and secondary schools. Estimates are revised from previous publications.

SOURCE: U.S. Department of Education, National Center of Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 1989–90 to 2004–05.

FOR MORE INFORMATION:
Supplemental Notes 1, 3, 11
Supplemental Tables 34-1,
34-2



Changes in Sources of Public School Revenue

Table 34-1. Total revenue for public elementary and secondary schools, by region and revenue source: Selected years, 1989–90 to 2004–05

[Billions of constant 2006–07 dollars]									
Region and revenue source	1989–90	1991–92	1993–94	1995–96	1997–98	1999–2000	2001–02	2003–04	2004–05
United States									
Total	\$335.3	\$346.5	\$363.2	\$380.1	\$411.4	\$449.7	\$480.6	\$506.8	\$519.4
Federal	20.4	22.9	25.6	25.2	28.0	32.7	38.0	46.0	47.7
State	157.9	160.7	164.0	180.6	199.0	222.6	236.6	238.5	243.4
Local	156.9	162.9	173.6	174.3	184.4	194.4	206.0	222.4	228.3
From property taxes	120.4	126.8	136.5	134.5	140.3	150.4	161.6	176.2	178.8
From other sources	36.6	36.1	37.1	39.8	44.0	44.0	44.4	46.2	49.5
Northeast									
Total	82.4	84.2	86.8	89.7	93.3	102.1	109.1	118.0	122.8
Federal	3.8	4.3	4.6	4.5	4.7	5.6	6.4	8.1	8.2
State	33.1	33.2	33.3	34.8	36.3	43.7	48.4	48.8	51.2
Local	45.4	46.6	48.9	50.5	52.3	52.8	54.2	61.1	63.3
From property taxes	40.1	41.4	43.7	44.7	46.4	46.3	47.9	54.1	56.0
From other sources	5.3	5.2	5.2	5.8	5.9	6.5	6.4	7.0	7.3
Midwest									
Total	78.8	81.8	87.4	92.1	99.7	106.4	113.3	117.0	118.3
Federal	4.2	4.8	5.2	5.3	6.0	6.8	7.8	9.2	9.6
State	31.2	31.0	34.1	43.0	47.0	51.1	55.2	55.9	55.0
Local	43.4	45.9	48.1	43.8	46.7	48.5	50.3	52.0	53.7
From property taxes	35.4	37.7	40.2	35.5	37.2	38.3	40.2	42.6	43.7
From other sources	7.9	8.3	7.9	8.3	9.5	10.2	10.2	9.3	10.0
South									
Total	103.8	107.3	113.4	120.3	130.4	143.8	151.6	159.3	164.8
Federal	7.6	8.4	9.5	9.2	10.4	12.0	14.0	16.7	17.5
State	51.0	52.0	54.5	58.9	64.3	71.7	71.8	72.3	73.2
Local	45.2	47.0	49.4	52.2	55.7	60.2	65.8	70.4	74.1
From property taxes	28.1	30.3	31.3	33.4	34.9	41.9	47.2	49.9	51.9
From other sources	17.1	16.6	18.0	18.8	20.8	18.2	18.7	20.5	22.2
West									
Total	70.3	73.2	75.7	78.1	88.0	97.4	106.6	112.5	113.6
Federal	4.8	5.4	6.2	6.3	7.0	8.3	9.8	12.0	12.4
State	42.6	44.4	42.2	44.0	51.3	56.2	61.2	61.5	64.0
Local	22.9	23.4	27.3	27.8	29.7	32.9	35.6	38.9	37.2
From property taxes	16.7	17.4	21.3	20.9	21.8	23.8	26.4	29.6	27.1
From other sources	6.2	6.0	6.0	6.9	7.9	9.1	9.2	9.4	10.1

NOTE: Detail may not sum to totals because of rounding. Estimates are revised from previous publications. Revenues are in constant 2006–07 dollars, adjusted using the Consumer Price Index (CPI). See *supplemental note 11* for information about the CPI and also information about revenue types. *Supplemental note 1* identifies the states in each region. See *supplemental note 3* for more information about the Common Core of Data (CCD).

SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 1989–90 to 2004–05.

Changes in Sources of Public School Revenue

Table 34-2. Percentage distribution of total revenue for public elementary and secondary schools, by region and revenue source: Selected years, 1989–90 to 2004–05

Region and revenue source	1989–90	1991–92	1993–94	1995–96	1997–98	1999–2000	2001–02	2003–04	2004–05
United States									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Federal	6.1	6.6	7.1	6.6	6.8	7.3	7.9	9.1	9.2
State	47.1	46.4	45.2	47.5	48.4	49.5	49.2	47.1	46.9
Local	46.8	47.0	47.8	45.9	44.8	43.2	42.9	43.9	44.0
From property taxes	35.9	36.6	37.6	35.4	34.1	33.4	33.6	34.8	34.4
From other sources	10.9	10.4	10.2	10.5	10.7	9.8	9.2	9.1	9.5
Northeast									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Federal	4.6	5.1	5.3	5.0	5.0	5.4	5.9	6.9	6.7
State	40.2	39.5	38.4	38.7	38.9	42.8	44.4	41.4	41.7
Local	55.1	55.4	56.3	56.3	56.0	51.7	49.7	51.8	51.6
From property taxes	48.7	49.2	50.3	49.8	49.8	45.4	43.9	45.8	45.7
From other sources	6.5	6.2	6.0	6.5	6.3	6.3	5.8	5.9	5.9
Midwest									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Federal	5.4	5.9	6.0	5.7	6.0	6.4	6.9	7.8	8.1
State	39.6	37.9	39.0	46.7	47.2	48.0	48.7	47.8	46.5
Local	55.0	56.2	55.0	47.6	46.9	45.6	44.4	44.4	45.4
From property taxes	45.0	46.1	46.0	38.6	37.4	36.0	35.5	36.4	37.0
From other sources	10.1	10.1	9.0	9.0	9.5	9.6	9.0	8.0	8.4
South									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Federal	7.3	7.8	8.4	7.6	8.0	8.3	9.2	10.5	10.6
State	49.1	48.5	48.0	49.0	49.3	49.8	47.3	45.4	44.4
Local	43.6	43.8	43.5	43.4	42.7	41.8	43.4	44.2	45.0
From property taxes	27.1	28.3	27.6	27.7	26.8	29.1	31.1	31.3	31.5
From other sources	16.5	15.5	15.9	15.7	15.9	12.7	12.3	12.9	13.4
West									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Federal	6.8	7.3	8.2	8.1	7.9	8.6	9.2	10.7	10.9
State	60.6	60.7	55.7	56.3	58.3	57.6	57.4	54.7	56.4
Local	32.6	32.0	36.1	35.6	33.7	33.8	33.4	34.6	32.7
From property taxes	23.8	23.8	28.1	26.8	24.7	24.5	24.8	26.3	23.9
From other sources	8.8	8.2	8.0	8.8	9.0	9.3	8.6	8.3	8.9

NOTE: Detail may not sum to totals because of rounding. Estimates are revised from previous publications. *Supplemental note 1* identifies the states in each region. See *supplemental note 11* for further information about revenue types. See *supplemental note 3* for more information about the Common Core of Data (CCD).

SOURCE: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey," 1989–90 to 2004–05.