

the condition of education 2003



INDICATOR 41

General and Categorical Funding in Elementary and Secondary Education

The indicator and corresponding tables are taken directly from *The Condition of Education 2003*. 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 2003*, visit the NCES web site (<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2003067>) or contact ED PUBs at 1-877-4ED-PUBS.

Suggested Citation:

U.S. Department of Education, National Center for Education Statistics, *The Condition of Education 2003*, NCES 2003-067, Washington, DC: U.S. Government Printing Office, 2003.

Financing for Elementary and Secondary Education

General and Categorical Funding in Elementary and Secondary Education

Districts with the highest levels of poverty received less local general revenues per student than districts with the lowest levels of poverty in 1999–2000. State general revenues and categorical revenues tend to compensate for these lower amounts.

Funds for school expenditures come from various local, state, and federal sources. For accounting purposes, these funds are grouped as either “general revenue” (revenues for any educational purpose) or “categorical revenue” (revenues for specific educational purposes, including for compensatory programs where resources to school districts are targeted for the needs of economically and educationally disadvantaged students). This indicator examines the extent to which state general revenues and categorical funds supplement local general funding as the percentage of poor children in the school district increases.

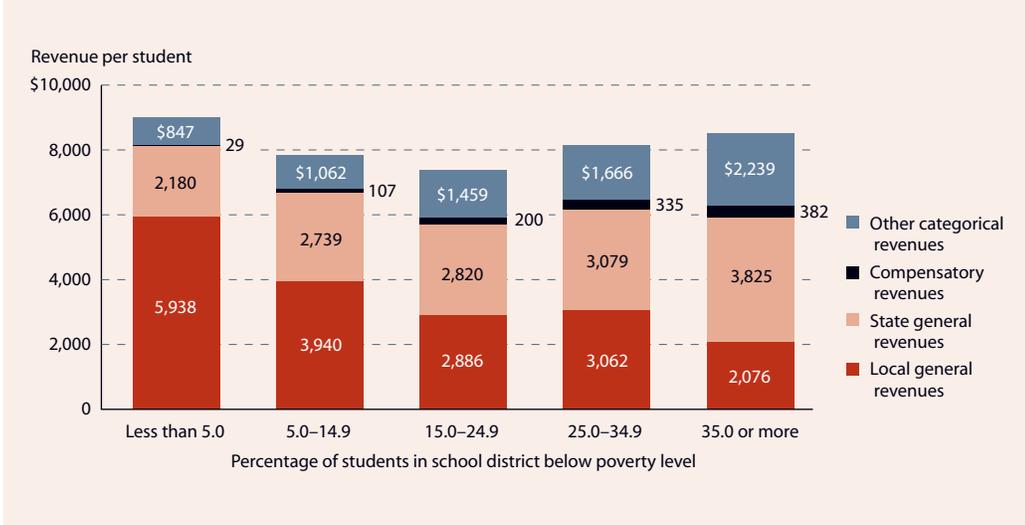
In 1999–2000, 81 percent of total school district funds came from general revenues, and 19 percent came from categorical revenues. Compensatory revenues accounted for 12 percent of categorical funding (see supplemental table 41-1).

Generally, local general revenue per student was lower for school districts with higher levels of poverty. For example, school districts with the lowest level of poverty (less than 5 percent of students) received three times more in local general revenue per student than districts with the highest level of poverty (35 percent or more of students).

In contrast, state general funds per student were generally higher for districts with higher levels of poverty. For example, school districts with the lowest level of poverty received almost two times less in state general revenue per student than districts with the highest level of poverty. Also, categorical funding per student from both noncompensatory and compensatory sources was higher in districts with higher levels of poverty. School districts with the highest level of students in poverty received three times more in categorical revenue per student than districts with the lowest level of students in poverty. About 15 percent of total categorical funding for districts with the highest level of poverty was compensatory.

State general revenues and categorical funds offset much, but not all, of the differential in local general funding across school districts. Total revenue per student in school districts with the lowest level of poverty was 6 percent lower than in districts with the highest level of poverty, while total revenue per student in districts with intermediate levels of poverty was up to 18 percent less.

REVENUE PER STUDENT: Revenues per student for public school districts according to the percentage of students in the school district below poverty level, by source of revenues: 1999–2000



NOTE: Only regular school districts are included, while vocational, special education, nonoperating districts, and educational service agencies are excluded.

SOURCE: U.S. Department of Education, NCES, Common Core of Data (CCD), “Local Education Agency (School District) Universe Survey,” 1999–2000, U.S. Department of Commerce, Bureau of the Census, “Elementary and Secondary School District Finance Data Files,” 1999–2000, and U.S. Department of Education, NCES, “Cost of Educational Inputs Data Set,” 1993–94.

FOR MORE INFORMATION:

Supplemental Notes 1, 3
Supplemental Tables 41-1, 41-2

NCES 95–300
NCES 98–210



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Table 41-1. Revenues per student for public school districts according to the percentage of students in the school district below poverty level, by source of revenues: 1999–2000

Source of revenues	Revenues per student						
	All districts	Percentage of students in school district below poverty level					
		Less than 5.0	5.0–14.9	15.0–24.9	25.0–34.9	35.0 or more	
Total, all sources	\$7,926	\$8,995	\$7,847	\$7,364	\$8,143	\$8,522	
Total general revenues	6,384	8,119	6,679	5,706	6,142	5,901	
State programs	2,854	2,180	2,739	2,820	3,079	3,825	
Local programs	3,530	5,938	3,940	2,886	3,062	2,076	
Total categorical revenues	1,542	876	1,168	1,659	2,001	2,621	
Compensatory revenues	188	29	107	200	335	382	
Federal programs	120	17	61	133	225	225	
State programs	69	12	46	66	110	157	
Other categorical revenues	1,353	847	1,062	1,459	1,666	2,239	
Federal programs	408	166	264	422	627	810	
State programs	946	681	797	1,036	1,039	1,429	
			Percentage of all students				
Distribution of students	100.0	9.5	36.5	28.1	18.3	7.7	

NOTE: Per student revenues are for regular school districts. Vocational, special education, nonoperating, and educational service agencies are excluded. Poverty is defined by the Bureau of the Census using a set of money-income thresholds for the 1996–97 school year. Students are considered to be in poverty if the family's total household income is below the threshold for their family size and composition. See *supplemental note 10* for details on poverty thresholds. See the Glossary for definitions of total general revenue and total categorical revenue. Detail may not sum to totals because of rounding.

SOURCE: U.S. Department of Education, NCES, Common Core of Data (CCD), "Local Education Agency (School District) Universe Survey," 1999–2000, U.S. Department of Commerce, Bureau of the Census, "Elementary and Secondary School District Finance Data Files," 1999–2000.

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Table 41-2. Revenues per student for public school districts according to the metropolitan area status of the school district, by source of revenues: 1999–2000

Source of revenues	Revenues per student			
	Metropolitan area status of school district			
	All districts	Primarily serves a central city	Serves a metropolitan area but not a central city	Does not serve a metropolitan area
Total, all sources	\$7,926	\$7,953	\$8,144	\$7,305
Total general revenues	6,384	6,188	6,666	5,889
State programs	2,854	2,993	2,627	3,281
Local programs	3,530	3,194	4,039	2,607
Total categorical revenues	1,542	1,765	1,478	1,417
Compensatory revenues	188	267	145	201
Federal programs	120	162	89	147
State programs	69	105	56	54
Other categorical revenues	1,353	1,498	1,333	1,216
Federal programs	408	545	322	454
State programs	946	953	1,011	762
		Percentage of all students		
Distribution of students	100.0	26.5	53.6	19.9

NOTE: Per student revenues are for regular school districts. Vocational, special education, nonoperating, and educational service agencies are excluded. See Glossary for definitions of total general revenue and total categorical revenue. Detail may not sum to totals because of rounding. See *supplemental note 1* for more details on metropolitan area status of school districts.

SOURCE: U.S. Department of Education, NCES, Common Core of Data (CCD), "Local Education Agency (School District) Universe Survey," 1999–2000, U.S. Department of Commerce, Bureau of the Census, "Elementary and Secondary School District Finance Data Files," 1999–2000.