



## A Second Look at K-12 Cash: Updating the Facts about Per-Pupil Spending in Colorado

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June 2008  
Issue Backgrounder 2008-B

In March 2006, the Independence Institute published an issue backgrounder to provide needed context to claims made about the state of K-12 education funding in Colorado. Among the observations in the report were as follows:

- A comprehensive analysis of relevant research overwhelmingly showed no link between education spending and student performance, with several studies even showing a negative relationship
- From 1992 to 2003, 27 of 42 states with available testing data increased per-pupil spending more than Colorado: of the 27 states, only Delaware also showed greater gains than Colorado in 4<sup>th</sup>-grade reading scores
- Colorado’s real growth in total per-pupil expenditures outpaced most states in the 1970s but grew less quickly than most states in the 1980s and 1990s, but both Colorado and the nation roughly doubled per-pupil spending between 1970 and 2000

Since the initial release of “Counting the Cash,” updated statistical reports have added to the clarifying picture of education funding in Colorado. In terms of **total per-pupil spending**, which includes all costs related to elementary and secondary education, Colorado has grown at a pace close to the national average and retains its 26<sup>th</sup> ranking. Colorado’s **current per-pupil spending**—which excludes costs for capital construction and debt financing—ranks higher by one measure and lower by two others. The gap has grown between the highest and lowest rankings (see table 1).

**Table 1. Different Measurements for Colorado Per-Pupil Spending (2005-06)**

Source	Measurement Type	National Average	Colorado	Colorado Rank
U.S. Department of Education	Total	\$10,615	\$9,897	26th
U.S. Department of Education	Current	\$9,154	\$8,166	35th
U.S. Census Bureau	Current	\$9,138	\$8,057	36th
National Education Association	Current	\$9,100	\$8,861	24th

Some of the more pertinent facts are as follows:

- **The most complete picture of resources spent ranked Colorado 26<sup>th</sup> in total expenditures per pupil: \$9,897 in 2005-06**
- Three different sources for current expenditures per pupil, which exclude debt financing and capital construction costs, place Colorado anywhere from 24<sup>th</sup> to 36<sup>th</sup> in 2005-06
- The assertion that Colorado ranks 49<sup>th</sup> in school spending is based on a measurement of spending “per \$1,000 of personal income.” The 49<sup>th</sup> figure not only is outdated (47<sup>th</sup> is current) but also is based on the assumption that the more money taxpayers earn, the more they should spend on K-12 education: New Mexico ranks in the top 10 in this category, but spends almost exactly the same amount per pupil as Colorado
- From 1992-93 to 2005-06 Colorado’s total per-pupil spending grew by nearly 17 percent, adjusted for inflation, despite limitations on taxation and government growth set by the Taxpayer’s Bill of Rights (TABOR)
- The Colorado General Assembly appropriated more real dollars per pupil in the 2006-07 fiscal year than at any previous point in state history

The latest round of data provides further proof that many interest groups continue to distort the facts surrounding funds for K-12 public education. It is time to reward the taxpayers’ generosity with true financial accountability, rather than endless pleas of poverty.

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For more information, see *Counting the Cash for K-12: The Facts about Per-Pupil Spending in Colorado*, [http://www.i2i.org/articles/IB\\_2006\\_A\\_web.pdf](http://www.i2i.org/articles/IB_2006_A_web.pdf)