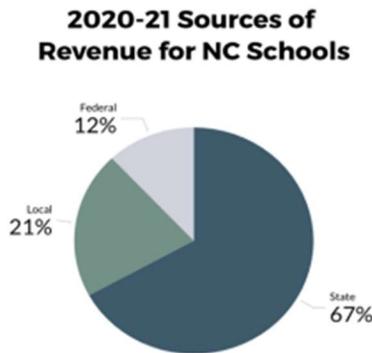


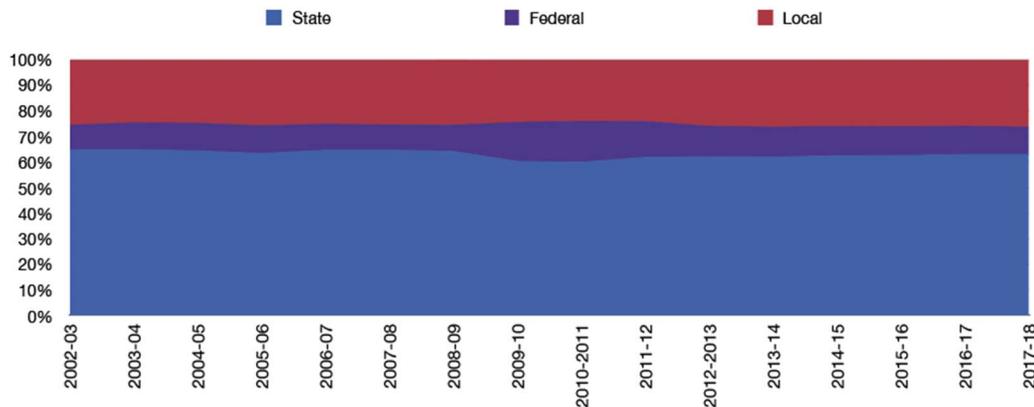
North Carolina public schools spent nearly \$14.5 billion in the 2020-21 school year using a combination of state, federal, and local resources

- North Carolina funds a higher percentage of school funding than the national average (see chart below for distribution). Nationally in 2020-21, an estimated 46.8% of funding for public schools came from state governments, 44.5% from local governments, and 8.8% from the federal governments. (NEA Research 2022)
- North Carolina schools received \$5.8 billion in federal COVID-19 stimulus funds, most of which last only through Sept. 30, 2024. The funds are meant to help schools buy extra safety supplies, purchase equipment for more digital and remote learning, and pay for staff and supplies needed help students whose learning has been disrupted by the pandemic. (WRAL March 2022)



Source: [NC DPI Statistical Profile, Table 22 – Current Expense Expenditure by Source of Funds.](#)

Distribution of federal, state, and local dollars in North Carolina Public Education (2002 – 2018)



Concern: The current revenue system is not adequate in the long term to meet the state’s needs for schools

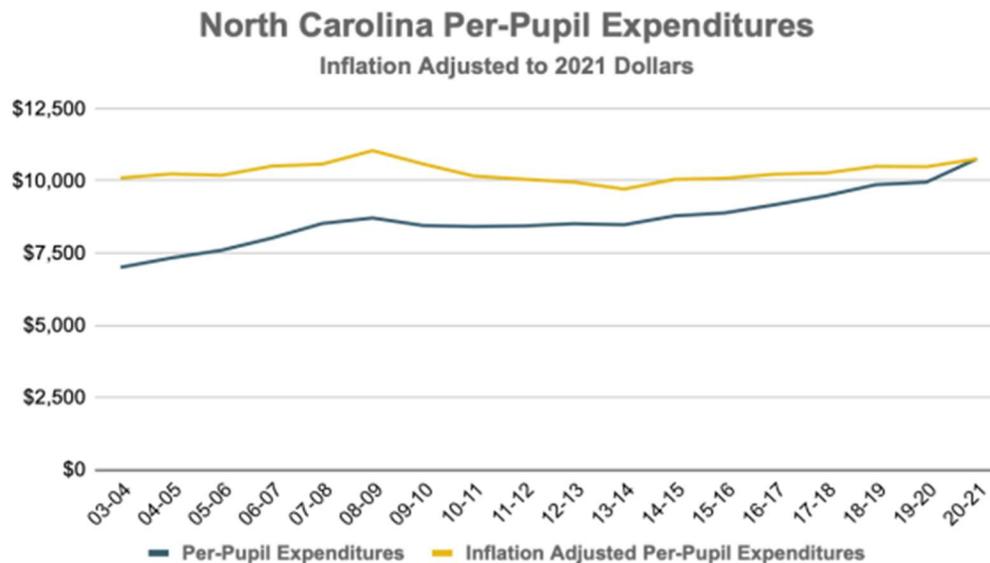
State	Local	Federal
<p>Operational expenses, including personnel</p> <p>Supplemental funding to small county school systems and low wealth school systems</p> <p><i>Some capital expenditures. State increased its capital funding in last year.</i></p>	<p>Capital expenses (Buildings, maintenance)</p> <p><i>May also include COLA adjustments, additional teachers or assistants, supplies, special courses, etc. Counties spend over \$3B per year on non-capital education costs, a quarter of all non-capital spending in NC.</i></p>	<p>Child nutrition</p> <p>Grant funds targeted to special populations or programs: Largest two are ESEA for districts with large populations of children from low-income families; and IDEA funds for special education services for students with disabilities.</p> <p><i>May cover part or whole, with local funds supplementing requirements</i></p> <p><i>May require state plan or application or grant application</i></p>
<p>Source of state funds: General Fund (93%), Lottery (4%), Fines and Forfeitures, Sales Tax refund to school districts, Indian Gaming Fund</p>	<p>Based on local property tax</p>	

North Carolina’s population is growing at a faster rate compared to the nation overall and is projected to gain approximately one million residents in each decade through 2040

- Population growth is driven by urban areas such as Raleigh and Charlotte, while 51 counties (primarily rural) decreased in population between 2010-2020.
- Currently 76% of all public schools are in one of NC’s 80 rural counties.
- By 2050, NC will reach 13.8 million people, including 2.7 million children (20% of the population). At the same time, more significant growth is expected amongst older adults, with the growth of adults over 65 outpacing population growth of children in the state. (See Carolina Demography, Starting School...in 2050 at ncdemography.org)

While actual spending on education has increased over time in NC, adjusted for inflation, spending has been fairly flat and the student population has grown.

- According to a 2022 report, North Carolina was estimated to have spent \$11,052 per student in 2020-21, compared with the national average of \$14,360. North Carolina’s per-pupil spending was ranked 41st nationally, in comparison with all 50 states and the District of Columbia, based on data from the 2020-21 school year. (NEA Research 2022)
- The average salary of teachers and instructional staff in NC is \$53,458 in 2020-21. North Carolina ranks 46th in the country for instructional staff pay and 38th in the country when only comparing teacher salaries. (NEA Research 2022)



Useful resources:

Carolina Demography, [Starting School...in 2050](#).

Hunt Institute, [Making Sense of NC School Funding: Local, State and Federal Funding of Public Education in NC](#) (March 2020).

National Education Association, [2022 Rankings and Estimates Report](#)

NC DPI K-12 Education Budget [Guidance Documents](#)

Public School Forum, [Education Policy Primer 2022](#)