Public education supports California's economic growth and creates opportunities for the state's youth. Given that, it is important for Californians to understand how much the state is investing in its schools and how that money is being spent. Comparing California with the nation and other similar states can provide a useful perspective in answering these questions, but such comparisons are complex and different organizations frequently pick and choose among the data for the numbers that best support their position.

EdSource examined the available data sources and interpretations with care and also consulted extensively with experts when we encountered questions or inconsistencies. Throughout this report, you will find straightforward explanations of what we found and—as necessary—notes about the data we chose and why we chose it. Based on our research, we feel confident in reporting the following:

- California's public schools serve the country's largest student population, one that is quite diverse and faces substantial challenges. *(Page 3)*

- California's effort to support its schools financially does not quite match its capacity. *(Pages 4-6)*

- California's per-pupil expenditure lags the national average, and the gap grows if labor costs are considered. *(Page 7)*

- California's high labor costs and modest per-pupil expenditures mean that its school districts have low staff-to-pupil ratios compared with the country as a whole, with some staff categories particularly low. *(Page 8)*

- California school districts are for the most part similar to the rest of the country in their spending patterns, with about two-thirds of funds going to instruction. *(Page 9)*

*These conclusions are largely based on data from the 2007-08 school year, the most recent year for which reliable data are available. Significant cuts to education in California and many other states that began in fall 2008 are not reflected in these figures or comparisons.*
EdSource thanks The James Irvine Foundation for its investment in our core work.

**Also of Interest**

**How California Ranks—Frequently Asked Questions Regarding California's Support of its Schools:**
EdSource press release for the *How California Ranks* report.

**Related Charts**

- [How does California’s per-pupil expenditure compare with that of other states?](http://www.edsource.org/pub10-how-ca-ranks.html)
- [Per-Pupil Spending in 2007–08 Unadjusted and Adjusted Using Comparable Wage Index](http://www.edsource.org/pub10-how-ca-ranks.html)
- [How do California school district expenditures compare with those of districts in other states?](http://www.edsource.org/pub10-how-ca-ranks.html)
- [California Rankings 2007-08](http://www.edsource.org/pub10-how-ca-ranks.html)
- [Staff-Per-Pupil Ratios in California 2007-08](http://www.edsource.org/pub10-how-ca-ranks.html)