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How Alabama Education Spending Compares

By Charles Vaughan on September 22, 2026

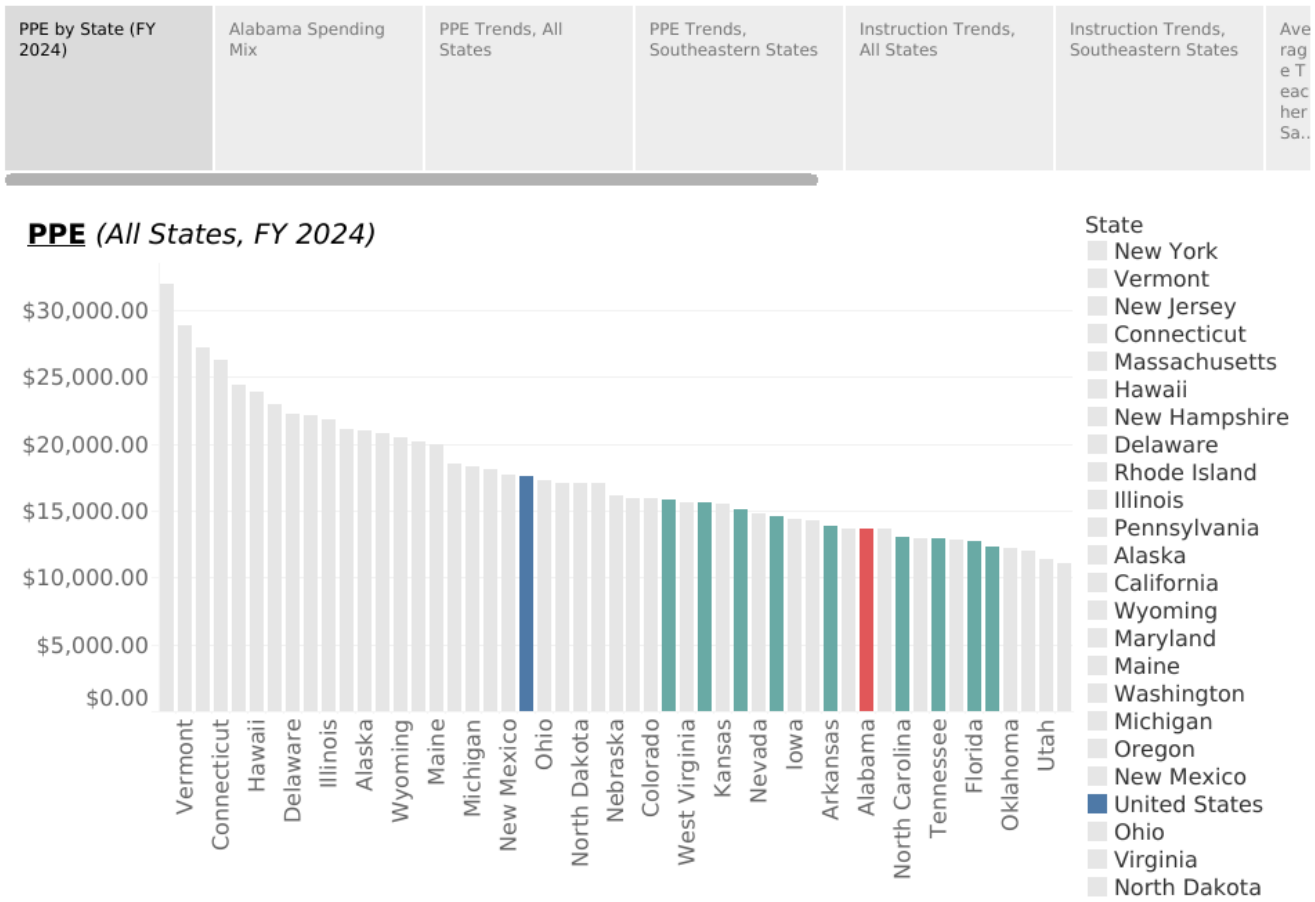
According to PARCA's annual Public Opinion Survey, Alabamians of all political identities regularly cite education as the most important service provided by the state government. Better K-12 educational outcomes are correlated with stronger individual economic outcomes and more productive economies overall.

Serving over 710,000 students, Alabama's public K-12 education system absorbs a large proportion of taxpayer dollars. Given the system's importance and cost, it is in the interest of Alabama residents that the state's schools are adequately funded and efficiently run.

According to data collected by the U.S. Census Bureau's Annual Survey of School System Finances for FY 2024, the most recent year for which data are available, Alabama public school systems average $13,627 in current K-12 per pupil expenditure (PPE), a Census measure that excludes capital outlay and debt service. That is substantially more than the $10,116 per pupil spent in FY 2020. All figures are in nominal dollars and are not adjusted for inflation.

After FY 2020, both state and federal education funding surged in response to the COVID-19 pandemic. Most of the federal increase came through the Elementary and Secondary School Emergency Relief (ESSER) fund, one-time money that districts had to obligate by September 2024. Alabama's ESSER revenue peaked that year at $956 million.

But even with that surge in spending, Alabama's PPE trails most of the country. In FY 2024, Alabama ranks 39th nationally in PPE.



Researchers continue to debate how much educational spending levels matter, but PPE is clearly not the only, or even the primary, determinant of student outcomes.

For instance, similar levels of spending do not always produce similar outcomes on standardized tests. Across the country, students' performance on standardized tests is strongly correlated with their socioeconomic background.

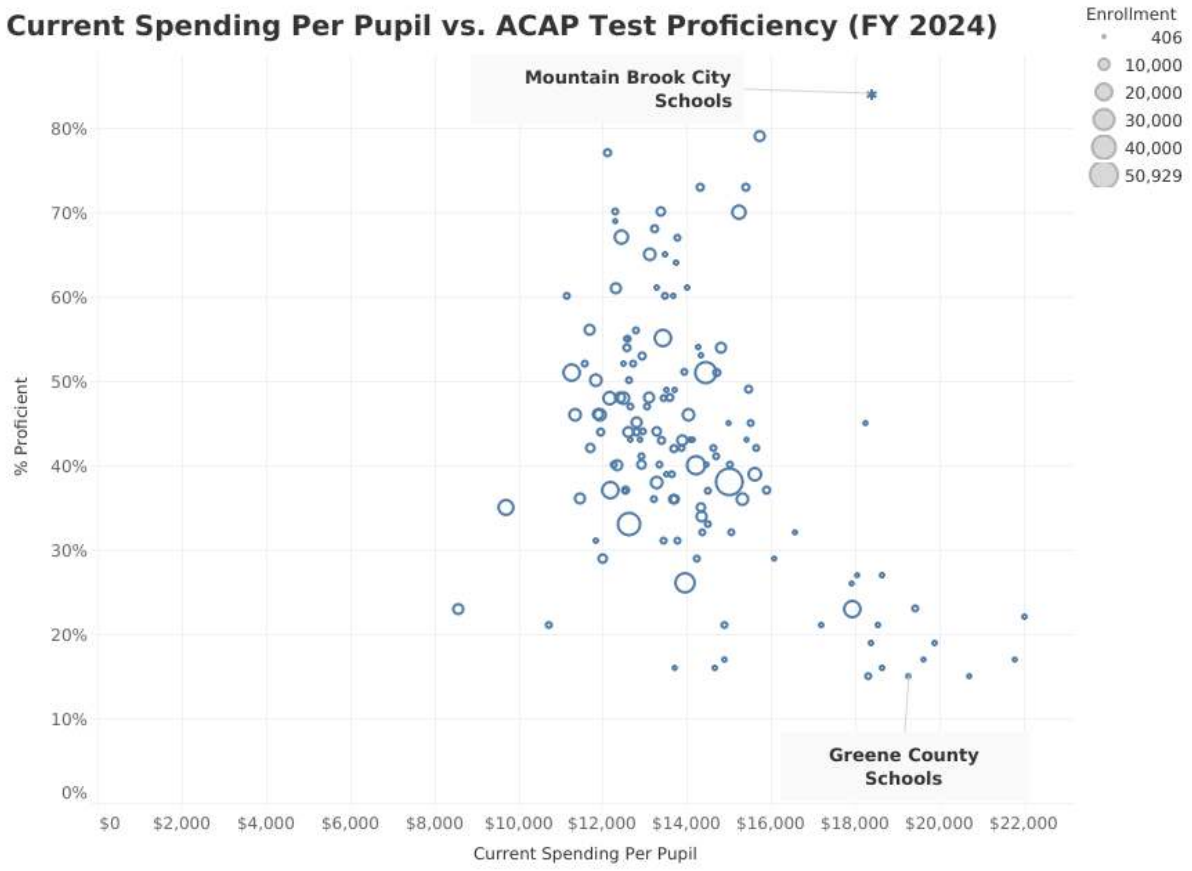
Mountain Brook City Schools and Greene County Schools, for example, were two of the state's higher-spending systems in FY 2024, with the former at $18,391 per pupil and the latter at $19,272 per pupil.

However, the systems' student bodies differ markedly in socioeconomic composition: 2% of students at Mountain Brook City Schools came from economically disadvantaged households compared to 91% of students at Greene County Schools.

Mountain Brook generates high levels of local revenue through high tax rates on valuable property but receives little in federal funding. Greene County, on the other hand, draws a much larger share of its revenue from federal sources, which

are directed to schools where rates of economic disadvantage are high. That money is subject to strict rules governing how it may be spent.

Despite spending within $1,000 of each other, the two systems' FY 2024 Alabama Comprehensive Assessment Program (ACAP) results were far apart. Across all subjects tested in grades three through eight on the ACAP, students in Mountain Brook achieved an 84% proficiency rate compared to 15% among Greene County students.



Current spending and enrollment data reported by Census Bureau's Annual Survey of School System Finances. Proficiency: grades 3-8 and all subjects.

That's not to suggest that PPE is irrelevant: research indicates that sustained increases in spending levels can have positive effects on student outcomes, particularly the outcomes of students from low-income households. However, research on the size of those effects, and on the conditions that produce them, remains limited.

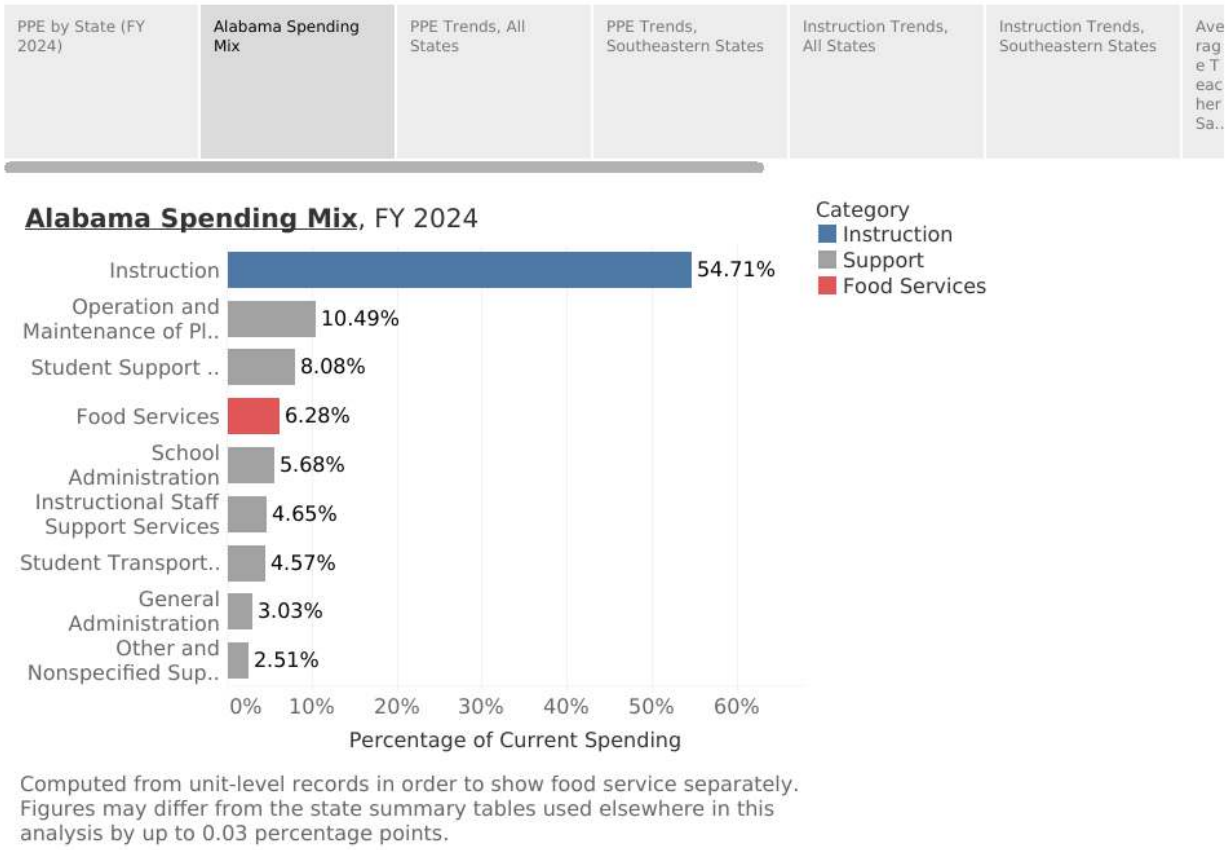
There is some indication that targeted, enhanced spending has produced results over the past several years in Alabama: several of the state's most economically

disadvantaged systems have made outsized gains in early-grade reading, for example.

These systems, including Greene County, received extra support from the state and benefited from a statewide increase in reading investment under the Alabama Literacy Act. A similar investment in math instruction driven by the Alabama Numeracy Act has also led to improvements. During this period, Alabama has climbed the National Assessment of Educational Progress (NAEP) state rankings in both early-grade math and reading.

As spending growth tapers off in the wake of the pandemic, how and where resources are allocated matters more, particularly in Alabama, which has higher rates of economic hardship and less revenue to spend than most states.

Not every dollar functions in the same way, so the composition of a state's spending matters alongside its total. Comparisons of FY 2024 data provided by the Annual Survey of School System Finances reveal that Alabama's spending patterns differ from those of other states in important ways. The graph below reflects Alabama's overall current spending mix in FY 2024.



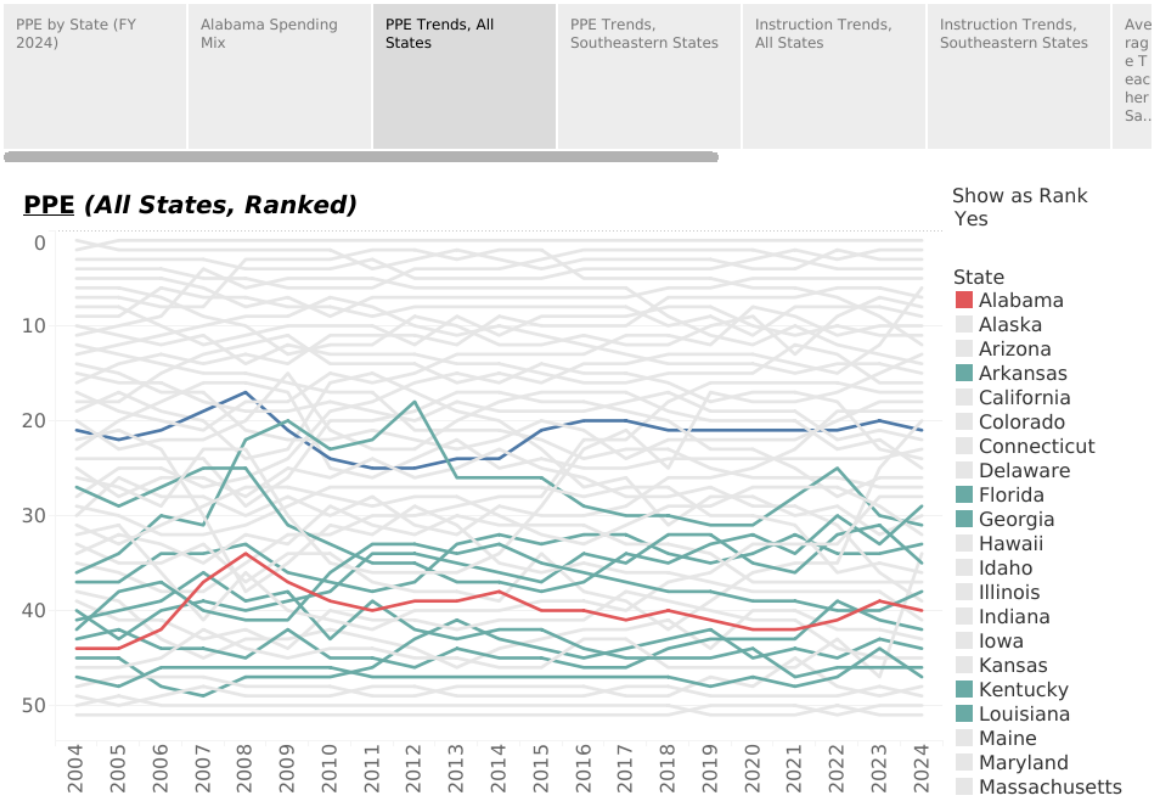
The following analysis narrows the focus to instructional spending and support spending, which together account for 93.7% of Alabama's current spending (food service makes up the remainder). Support spending covers student support, instructional staff support, general administration, school administration, operation and maintenance of plant, student transportation, and other and nonspecified support.

- Alabama ranks 40th nationally, and seventh of ten in the Southeast, in the share of PPE dedicated to instruction.
- Alabama's teacher salaries are competitive within the region, but the state employs fewer teachers per student, and its per-pupil instructional spending ranks among the lowest in the country.
- A relatively high share of Alabama's PPE is devoted to student support services, reflecting a sustained increase since FY 2004.
- General administration is the only instructional or support category in which Alabama spends more per pupil than the national average.

Overall Spending

For decades, Alabama has spent less per pupil than most states. It narrowed the gap in the late 2000s, raising its PPE from $7,066 (43rd nationally) in FY 2005 to $9,103 (33rd nationally) in FY 2008. That progress stalled after the Great Recession, and the state saw no comparable increase until the pandemic.

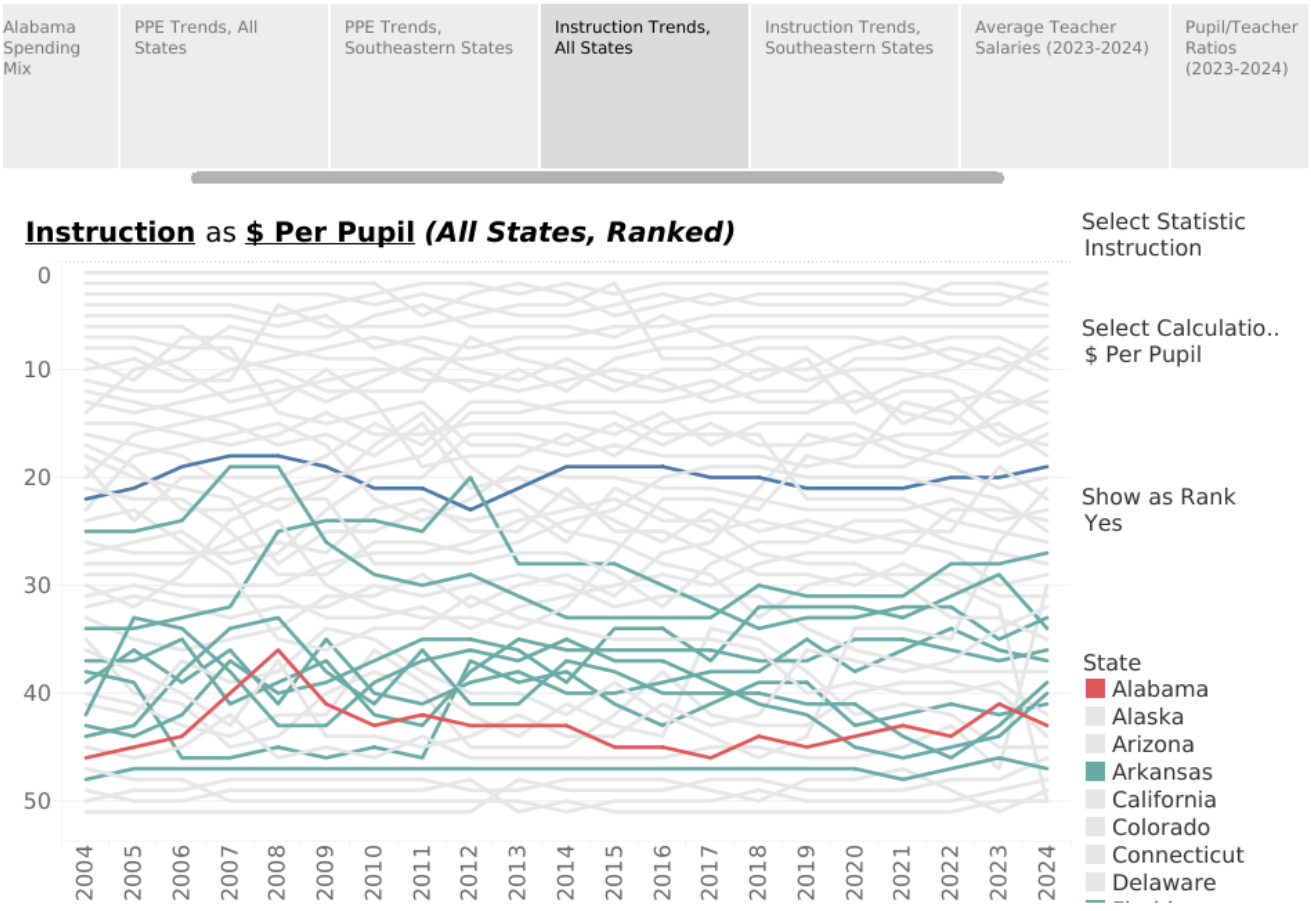
As a result, Alabama has remained in the bottom third of nationwide PPE rankings since FY 2009, with the pandemic-era spending surge, which peaked in FY 2024, not enough to buck the trend.



Historically, Alabama has hovered around the Southeastern median in PPE, a pattern that has continued into the 2020s. In FY 2024, Georgia, Louisiana, South Carolina, Kentucky, and Arkansas spent more per pupil than Alabama; North Carolina, Tennessee, Florida, and Mississippi spent less. However, no Southeastern state cleared the national PPE average of $17,619 in FY 2024, and none has since Louisiana in FY 2012.

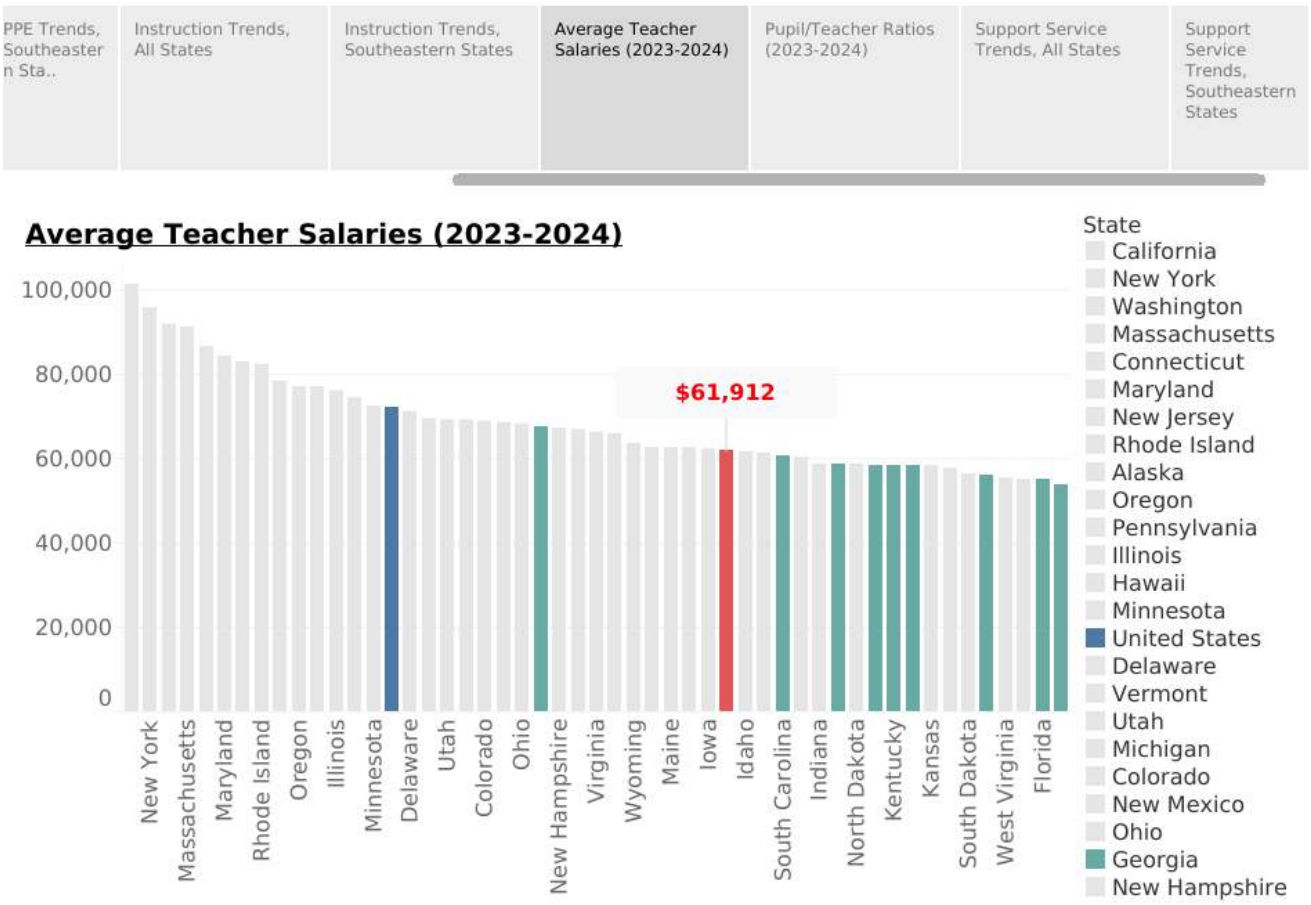
Instructional Spending

Instruction is the largest category of school spending, covering teachers' salaries and benefits, classroom supplies and materials, and contractual instructional services. Alabama has ranked among the bottom ten states in per-pupil instructional spending in all but two years since FY 2009, and among Southeastern states in FY 2024, only Mississippi spends less.



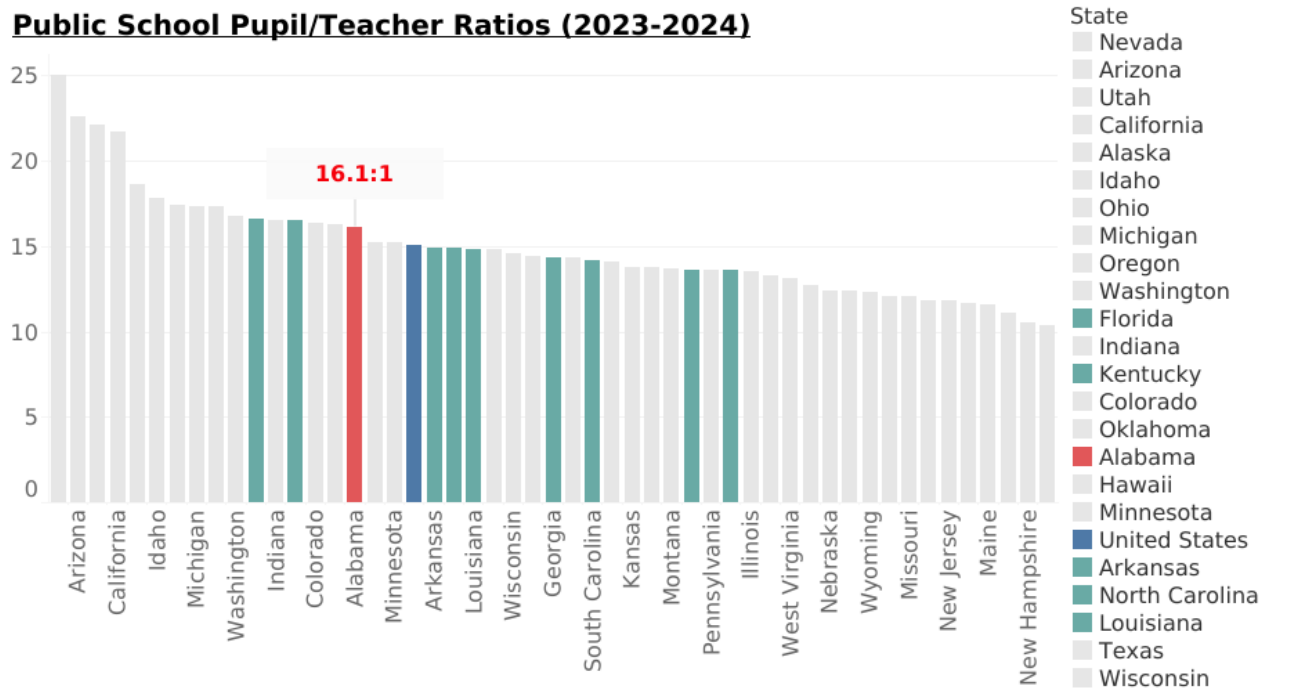
As a share of PPE, Alabama's instructional spending declined through the first half of the 2010s and then held flat. It rose in FY 2020 and again in FY 2021, but those gains did not survive the pandemic. Alabama's FY 2024 mark of 54.7%, which ranks 40th nationally, is the state's lowest since at least FY 2004.

Alabama's teacher salaries are competitive within the region, especially given the state's relatively low cost of living. According to estimates from the National Education Association (NEA), the average teacher salary in Alabama was $61,912 during the 2023–2024 school year, higher than in every Southeastern state except Georgia.



However, those salaries do not translate into high per-pupil instructional spending, in part because Alabama employs fewer teachers relative to enrollment. According to NEA data, the state's public K-12 schools had a pupil-to-teacher ratio of 16.1:1 during the 2023–2024 school year, the third-highest mark in the region (behind only Florida and Kentucky) and 16th-highest in the country.

PPE Trends, Southeastern.. | Instruction Trends, All States | Instruction Trends, Southeastern States | Average Teacher Salaries (2023-2024) | **Pupil/Teacher Ratios (2023-2024)** | Support Service Trends, All States | Support Service Trends, Southeastern States

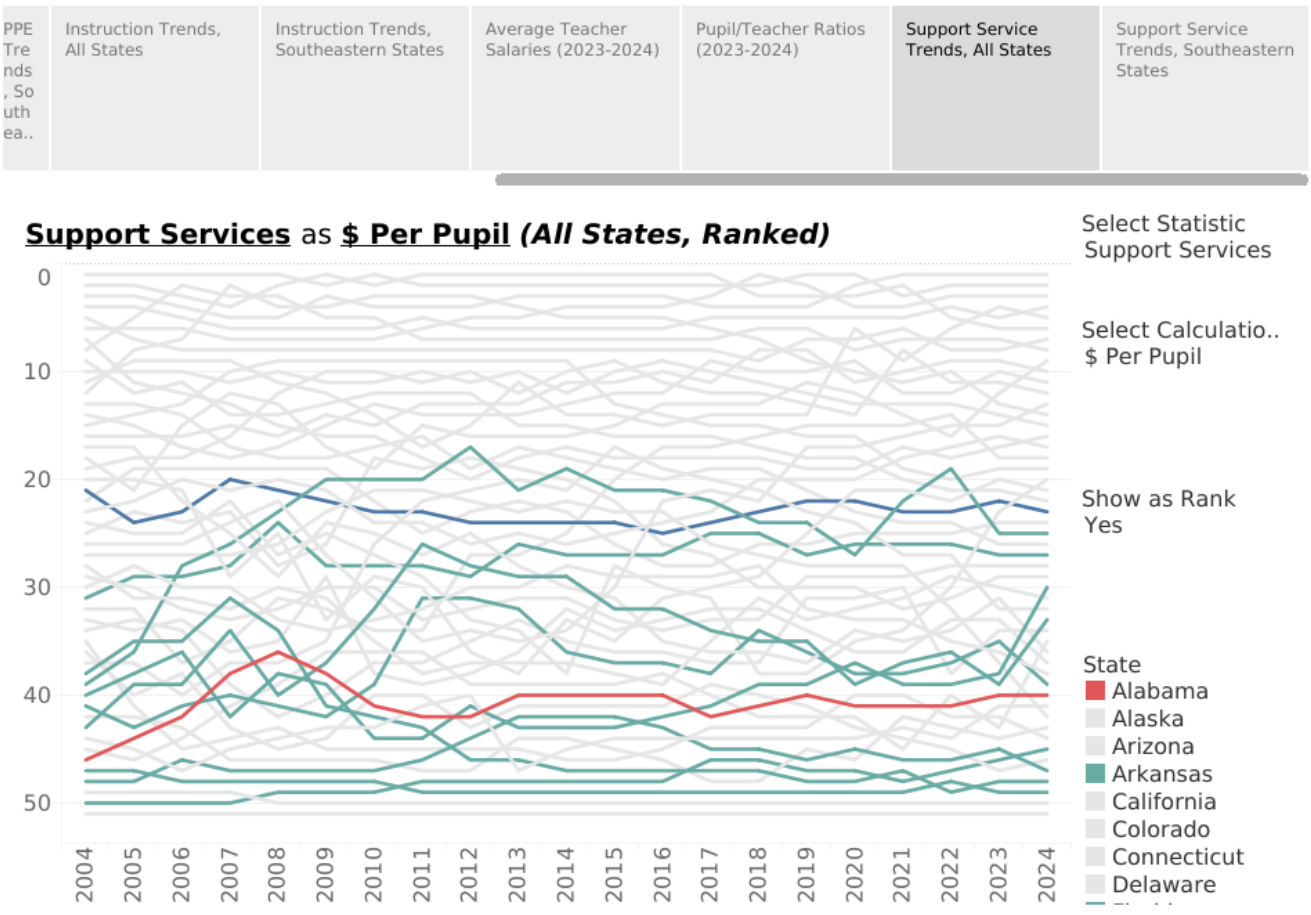


Support Spending

Conversely, Alabama spends a relatively high percentage of its PPE on support services, a category that encompasses services used to facilitate and enhance instruction. That includes administrative services, maintenance services, technical services like guidance and health, student transportation services, curriculum development and staff training, and business and central services.

Alabama's support spending has risen sharply since the start of the pandemic: the state spent $3,700 per pupil on support services in FY 2020 and $5,319 in FY 2024, the peak year of federal relief spending. Nearly 60% of that $1,619 increase went to student support, instructional staff support, and administration; the rest went to facilities, transportation, and central services. The FY 2024 figure ranks 39th nationally in dollars per pupil. As a share of Alabama's PPE, however, support spending accounts for 39.0%, which ranks 17th.

Use the dropdowns below to view total support services spending or break it down by components.



Alabama devotes 8.1% of its PPE to student support services, 16th nationally, though in dollars per pupil it ranks 24th at $1,102. The category covers counseling, health, psychological and nursing services, social work, and student records. Among Southeastern states in FY 2024, only South Carolina spends a higher percentage of its PPE on student support services than Alabama.

Alabama's share has risen from 4.9% in FY 2004, nearly twice the national rate of increase over that period, and it is one of the few categories in which Alabama has closed ground on the rest of the country.

On the other hand, Alabama spends 4.7% of its PPE (and $634 per pupil, 38th nationally) on instructional staff support services, a category that includes curriculum development, staff training, and library, media, and instructional technology services. Among Southeastern states in FY 2024, only Mississippi and North Carolina spend lower percentages of their PPE on instructional staff support services than Alabama.

General administration is the one category where Alabama spends more per pupil than the country does: $413 against a national average of $351. The category covers services related to the board of education and superintendent's office.

Alabama's share of PPE devoted to general administration held between 2.3% and 2.7% for two decades before rising to 3.03% in FY 2024. Much of that increase reflects a one-time reporting anomaly in a single system: Mobile County recorded an expense under general administration that was not administrative in nature, accounting for two-thirds of the statewide increase. Excluding it, Alabama's share remains closer to 2.7%.

Alabama also ranks 18th in the share of PPE dedicated to school-level administration, which encompasses services related to the principal's office, but 37th in dollars per pupil, at $775 against a national average of $946.

Conclusion

Alabama's public K-12 education system is both vital and costly to the state and its taxpayers; as such, it is a matter of public interest that the system be well funded and that it allocates its resources efficiently. Because Alabama's fiscal capacity is constrained and its rates of economic hardship are high, it is particularly important that the state get a high return on investment from every dollar it spends on its schools.

According to the comparisons available through the Census Bureau, Alabama spends less per pupil on instruction than most states, but more on district-level administration. While administration and operations are necessary to provide an orderly school environment, priority should go to spending that most directly affects classroom instruction.

Furthermore, money spent on targeted, evidence-based interventions, in the places where it is most needed, can be expected to have the most impact.

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