2026 ANNUAL REPORT

The State of Public Education in America

A data-driven industry review of America's public schools — enrollment, achievement, the teacher workforce, AI, funding & the fiscal cliff, infrastructure, career pathways, special education, and the road to 2030.

K12 Academics — helping families Find Your Community! since 2004

48.8M
Public K-12 students (~90% of K-12)

~98k
Public schools · ~13,300 districts

411k+
Teaching posts unfilled / under-certified

$17.6k
Per-pupil spending — all-time high

EXECUTIVE SUMMARY

A system under pressure — and actively reinventing itself

America's public schools still educate roughly nine in ten children, but face converging pressures: declining enrollment, unreversed learning loss, a strained teacher workforce, aging buildings, and the end of pandemic relief. Meanwhile AI, career pathways, and modern technology open real avenues for improvement. This is a data-driven industry read — not a political one.

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Public K-12 students

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Schools · ~13.3k districts

411k+
Unfilled / under-certified posts

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Per-pupil (all-time high)

Biggest trends

- Enrollment declining, projected to keep falling to 2032.
- AI moved from novelty to daily practice for most teachers.
- The ESSER funding cliff is reshaping district budgets.
- CTE is one of the fastest-growing lanes.

Key findings

- ~48.8M students in ~98,000 schools across ~13,300 districts.
- NAEP shows no rebound — 1 in 3 below grade level.
- ~1 in 8 teaching posts unfilled or under-certified.
- Graduation ~87%, but chronic absenteeism stays high.

Major challenges

- Unreversed learning loss & a widening gap.
- Post-ESSER budget pressure — ~$1,000 less per student.
- ~$46B annual gap to maintain aging buildings.
- Special-ed funding at <13% of the federal promise.

Opportunities

- AI can return teacher hours & personalize learning.
- CTE & work-based learning lift outcomes.
- Modern EdTech & analytics target support.
- Engagement & transparency rebuild trust.

SECTION 01 — THE PUBLIC EDUCATION LANDSCAPE

The largest institution in American childhood

Public education is a vast, decentralized system — about 48.8 million students in ~98,000 schools run by ~13,300 local districts and 3M+ teachers. It is a learning system, a workforce pipeline, and a community anchor, shifting from a one-size model toward personalized, career-connected, technology-supported learning.

The system at a glance

Scale & structure

48.8M — **public K-12 students** — ~90% of U.S. schoolchildren.

~98k — **schools** across ~13,300 local districts.

3M+ — **public-school teachers** — the biggest cost & constraint.

Local — funded & governed **locally** — outcomes vary by place.

From a fixed model to a flexible one

How the definition is changing

Neighborhood schools → **Personalized learning**

Career pathways · **Hybrid & online** · **Dual enrollment**

CTE & apprenticeships

The grade-by-grade, one-curriculum model is giving way to **personalized, career-connected, tech-supported** learning.

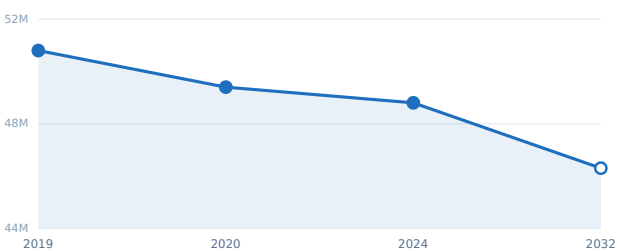
SECTION 02 — ENROLLMENT TRENDS

Fewer students, and the decline isn't over

Public enrollment fell during the pandemic and hasn't recovered; federal projections point to further decline through 2032 as birth rates fall and families choose other options. Shrinking rolls pressure per-pupil budgets and are prompting consolidation in rural and urban districts.

Public enrollment is trending down

Students, millions (2019 → 2032 projection)



What's driving it

Demographics & movement

−0.3% **enrollment dipped** again in fall 2024, to 48.8M.

−5.3% projected **decline by 2032**.

Shift families moving to **charter, private, homeschool & online**.

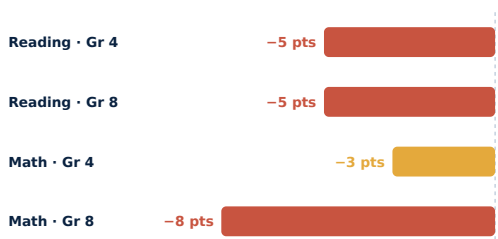
Consolidate declining districts face **closures & consolidation**.

Graduation is up; mastery hasn't bounced back

The signals point opposite ways. Four-year graduation reached a record ~87%, yet the 2024 Nation's Report Card showed no rebound in reading or math, with the top-to-bottom gap widening. Recovering core skills — especially early literacy — is the system's central academic task.

NAEP score change since 2019

Avg scale-score point change (2024)



The mixed picture

Attainment vs. mastery

87% record **four-year graduation rate** (ACGR).

1 in 3 students **can't read or do math at grade level**.

40% of 4th graders **below Basic in reading** — highest since 2002.

Gap top students steady while the **lowest fell further**.

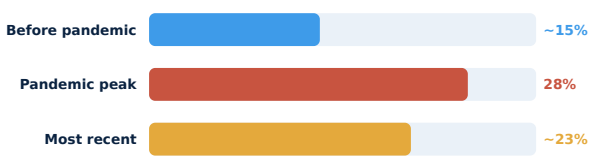
SECTION 04 — ATTENDANCE & WELLBEING

You can't teach students who aren't there

Attendance is the front line of both learning and wellbeing. Chronic absenteeism roughly doubled during the pandemic and remains far above pre-pandemic levels — tightly linked to mental health. Re-engaging students is now a core operational priority.

Chronic absenteeism stays elevated

Share missing 10%+ of school days



Engagement & wellbeing

The support picture

~1 in 4 students **chronically absent** — nearly double 2019.

Link absence ties to **anxiety, depression & disengagement**.

SEL **SEL & counseling** expand as responses.

Works **proactive outreach** lowers absence.

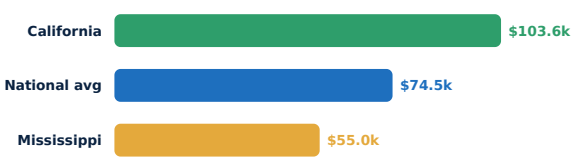
SECTION 05 — THE TEACHER WORKFORCE

The system's biggest constraint is staffing

Every other trend runs through one bottleneck: enough qualified adults in classrooms. Shortages held near peak a third straight year, pay trails inflation and other professions, and the new-teacher pipeline has thinned. Leadership increasingly rises or falls on recruitment and retention.

Average teacher pay, state extremes

2024-25 average salary



Shortage, pay & leadership

Recruitment & retention

411k+ positions **unfilled or under-certified** — ~1 in 8.

$74.5k national **average**; ~5% behind inflation over the decade.

~2× the spread — **CA ~$103.6k** vs **MS ~$55k**.

Lead principals & superintendents **live or die on staffing**.

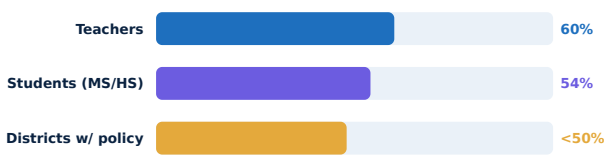
SECTION 06 — AI IN PUBLIC EDUCATION

AI became ordinary faster than any tool before it

In under three years, generative AI went from curiosity to daily habit — lesson planning, materials, differentiation, feedback, translation. Adoption has outrun governance: most teachers use AI, but far fewer districts have formal policies on integrity, privacy, and appropriate use.

AI adoption is outrunning policy

Share reporting use / guidance



Where AI is landing

Practice & governance

60% of **teachers** used AI in 2024-25; 54% of MS/HS students.

5.9 hrs saved **weekly** by AI-using teachers — ~six weeks a year.

Policy most districts still **lack formal AI guidance**.

Guard priorities: **integrity, privacy, equity & AI literacy**.

The digital classroom is now the default

One-to-one devices, learning platforms, digital curricula, and online assessment are standard — making broadband, data systems, and cybersecurity mission-critical. K-12 is now a top ransomware target, putting student-data protection and smart procurement at the center of district technology strategy.

The EdTech stack

Classroom to district

1:1 **devices & platforms** are standard, not extra.

Broadband **connectivity & data systems** underpin everything.

Target K-12 is a **top ransomware target** — security is core.

Procure districts need **disciplined vendor selection**.

What districts are buying

K12 Academics vendor directory

Interactive displays **LMS platforms** **Digital curricula**

Online assessment **Devices** **SIS & data**

Cybersecurity **Broadband**

The **K12 Academics vendor directory** connects districts with the companies behind this stack.

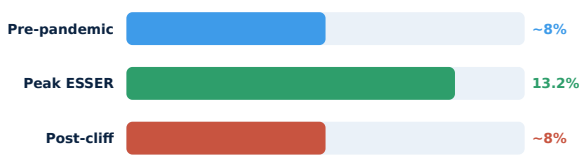
SECTION 08 — FUNDING & THE FISCAL CLIFF

Record per-pupil dollars meet a federal cliff

Public schools are funded mostly by state and local dollars, with the federal government a small share. Per-pupil spending hit an all-time high, but ~$190B in pandemic relief (ESSER) has expired — briefly lifting the federal share to ~13% then dropping it back toward ~8%, forcing districts to rightsize budgets built partly on temporary money.

Federal share, before & after ESSER

Federal % of K-12 funding



The money, in four numbers

Sources & the cliff

45/42/13 — revenue split — **state / local / federal** %.

$17.6k — **per-pupil spending** (FY2024), an all-time high.

$190B — **ESSER relief** expired — ~$1,000 less per student.

Cliff — much of it funded **ongoing staff** with one-time dollars.

Aging buildings, a widening maintenance gap

The physical plant of public education is old and underfunded. The nation spends roughly $46 billion a year less than needed just to maintain school buildings, and the federal government provides almost no capital funding — leaving local districts, especially poorer ones, to divert money from instruction toward repairs.

The facilities gap

Maintenance & modernization

$46B estimated **annual shortfall** to maintain buildings.

~$0 **federal capital funding** — upkeep falls on localities.

Divert poorer districts **pull dollars from instruction**.

Modern demand rises for **flexible, sustainable, smart** spaces.

The school of the near future

Where investment is heading

- Flexible spaces
- Smart classrooms
- Energy efficiency
- Safety & security
- Broadband-ready
- Accessibility
- Healthy buildings

Modernization is as much about **health, safety & sustainability** as technology.

Career pathways are the fastest-moving story

Two curricular priorities dominate: recovering early literacy through evidence-based reading instruction, and expanding career & technical education. CTE enrollment grew ~10% in two years, and completers graduate at extraordinary rates — making work-based learning and apprenticeships one of public education's clearest bright spots.

CTE completers graduate at high rates

Graduation rate vs. national average



STEM, literacy & CTE

The curricular front lines

2.8M — **HS CTE concentrators**; enrollment up ~10% in two years.

98.5% — **graduation rate** for CTE completers.

Literacy — evidence-based **reading instruction** is the top fix.

STEM — **robotics, CS, engineering & research** keep growing.

More ways to be a public-school student

“Public education” increasingly includes charters, magnets, career academies, virtual schools, and open enrollment. These options give families flexibility inside the public system — and add competitive pressure on traditional districts to differentiate on quality, program, and experience.

The public-choice menu

Options inside the system

~4M	students in **public charters** — fastest-growing lane.
Magnet	**magnet & theme schools** draw across boundaries.
Virtual	**online & hybrid** public schools in 42+ states.
Open	**open enrollment** lets families cross district lines.

Alternative public pathways

Beyond the neighborhood school

- **Charter schools**
- **Magnet schools**
- **Career academies**
- **Virtual schools**
- **Hybrid programs**
- **Open enrollment**
- **Dual enrollment**

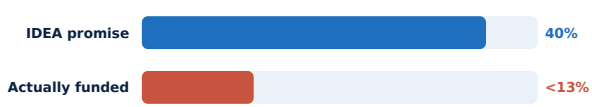
Choice is reshaping enrollment **within** public education — pushing districts to compete on program & fit.

A growing population, a chronic funding gap

A record 7.5 million students — about 15% of public enrollment — receive services under IDEA, and the count keeps rising. Yet federal special-education funding sits below 13% of the 40% Congress promised in 1975, while special-education roles are among the hardest to staff. Equity gaps by group and place remain the deepest challenge.

IDEA: the promise vs. reality

Federal share of special-ed cost



Special education & equity

Access & opportunity

7.5M students under **IDEA** — ~15%, an all-time high.

<13% federal **IDEA funding** vs the 40% promised in 1975.

Staff special-ed roles are **among the hardest to fill**.

Gaps graduation ranges **94% to 74%** by group — equity work continues.

Trust is built on safety and communication

Families judge schools on whether children are safe — physically and digitally — and on how well schools communicate. Districts are investing in emergency preparedness and cybersecurity while modernizing parent engagement through portals, apps, and partnerships that rebuild transparency and trust.

Safety & security

Physical & digital

Prepare — **emergency preparedness & secure facilities** are baseline.

Cyber — **student-data protection** as K-12 stays a top target.

Engage — **portals, apps & texts** modernize communication.

Trust — **transparency & partnerships** rebuild confidence.

Modern family engagement

How schools connect with home

- **Parent portals**
- **Messaging apps**
- **Translated comms**
- **Community partnerships**
- **Transparency dashboards**
- **Family events**

Engagement is increasingly **digital, two-way & multilingual** — meeting families where they are.

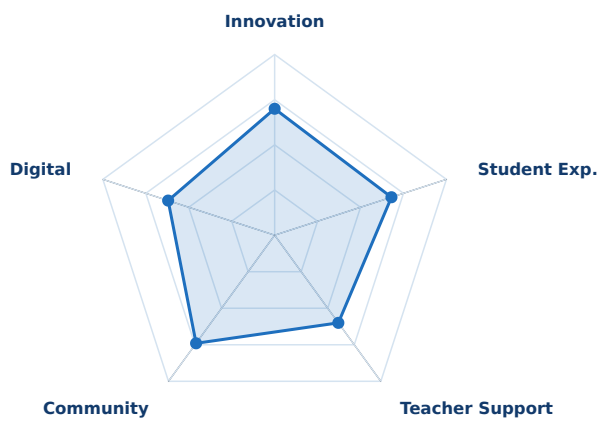
SECTION 14 — THE PUBLIC EDUCATION INNOVATION INDEX™

A K12 Academics framework for schools & districts

Test scores alone don't capture whether a district is preparing students for what's next. The Index evaluates schools and districts across five weighted pillars — so communities can see strengths and gaps beyond a single number.

Five-pillar profile

Illustrative — weights sum to 100



Innovation & Technology 25%

STEM, AI readiness & technology adoption.

Student Experience 20%

Activities, support services & engagement.

Teacher Support 20%

Professional development & resources.

Community Engagement 15%

Partnerships & family communication.

Digital Presence 20%

Accessibility, transparency & discoverability.

Two forces, and a to-do list

Toward 2030, public education becomes more personalized, technology-driven, career-connected, data-informed, and flexible — while demographics, budgets, and staffing press against the model. The districts that thrive will pair modern tools with the fundamentals: great teaching, safe buildings, and community trust.

↑ Tailwinds

AI & personalized learning returning teacher time.

CTE & work-based learning lifting outcomes.

Analytics targeting support where needed.

Flexible models — hybrid, virtual & dual enrollment.

↓ Headwinds

Declining enrollment squeezing budgets.

The ESSER cliff & ongoing cost pressure.

Teacher shortages constraining every model.

Aging buildings & a widening facilities gap.

For district leaders

- Invest in educators & retention
- Modernize technology & data
- Measure outcomes, communicate clearly

For educators

- Embrace AI & new tools thoughtfully
- Keep learning — PD that sticks
- Use data to target support

For education companies

- Build around real district needs
- Prove measurable outcomes
- Meet privacy & security expectations

Methodology & sources

This report synthesizes the most recent publicly available data from federal agencies, associations, and research organizations, current as of publication in 2026 — a data-driven industry analysis, not a political one.

Data sources

- NCES / NAEP — enrollment, achievement & graduation
- U.S. Census Bureau — school finance
- NEA — teacher pay & per-pupil spending
- Learning Policy Institute — workforce & ESSER
- Brookings & Pew — fiscal cliff & special ed
- ACTE / Advance CTE & Urban Institute — CTE
- 21st Century School Fund — facilities
- Ballotpedia / Gallup-Walton — policy & AI
- K12 Academics directory analytics

A data-driven industry analysis, not a political one. Figures reflect the most recent data available at publication in 2026; federal data can lag; percentages rounded; definitions vary by source.

Contact K12 Academics

Questions about this report, or about listing your school, district, or company? We'd love to hear from you.

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