

SUPPORTING STATEMENT A
U.S. Department of Commerce
U.S. Census Bureau
OMB Information Collection Request
Annual Survey of School System Finances
(OMB Control Number 0607-0700)

Justification

1. Necessity of the Information Collection

The U.S. Census Bureau requests an extension of approval for the Annual Survey of School System Finances (F-33), OMB Number 0607-0700. The Annual Survey of School System Finances is a comprehensive source of prekindergarten through 12th grade public elementary-secondary school system finance data collected on a nationwide scale. This survey and the Annual Surveys of State and Local Government Finances (OMB No. 0607-0585) are conducted as part of the Census Bureau's State and Local Government Finance program. Data collected from cities, counties, states, and special district governments are combined with data collected from local school systems to produce state and national totals of government spending. Local school system spending comprises a significant portion of total government spending. In 2022, public elementary-secondary expenditures accounted for 36 percent of local government spending. This comprehensive and ongoing time series collection of school district finances maintains historical continuity in the state and local government statistics community.

In Title 13 U.S.C., Section 161, Congress directs the Secretary of Commerce (Secretary) to take, compile, and publish for the year 1957 and for every fifth year thereafter, a census of governments. The Annual Survey of School System Finances provides school district finance data and is a component of the census of governments. In Title 13 U.S.C. Section 182, Congress authorizes the Secretary to make surveys deemed necessary to furnish annual and other interim current data on the subjects covered by the censuses provided for in Title 13 U.S.C. For the reasons stated in questions 2 and 6, the Secretary has determined it necessary to collect these school system finances data annually.

This data collection is cosponsored by and coordinated with the National Center for Education Statistics (NCES) under interagency agreement in conjunction with the National Public Education Financial Survey (NPEFS) (OMB #1850-0067) and the School-Level Finance Survey (SLFS) (OMB #1850-0930). The NCES uses this collection to satisfy its need for school district-level finance data. NCES is authorized to gather data on the financing and management of education under Section 153(a)(1)(I) of the Education Sciences Reform Act of 2002, [20 U.S.C. 9543](#)(a)(1)(I). Title 13 U.S.C., Section 8(b) authorizes that the Secretary may make special statistical compilations and surveys for departments, agencies, and establishments of the federal Government. The Census Bureau conducts this collection on behalf of the Department of Education under this authority. See Appendix B for U.S.C. citations.

Education finance statistics provided by the Census Bureau allow for analyses of how public elementary-secondary school systems receive and spend funds. Uniform and comparable data on resources and spending patterns help states measure the effectiveness of resource allocation. The products of this data collection make it possible for data users to obtain information on statistics such as per pupil expenditures, the proportion of spending that goes to instruction and support services, and the

percent of state, local, and federal funding for each school system. State legislatures, local leaders, academia, and parents increasingly rely on data to make substantive decisions about education.

Data are collected from State Education Agencies (SEAs) for all 50 states and the District of Columbia. SEAs appoint state fiscal coordinators to work with NCES and the U.S. Census Bureau to provide accurate and comparable data for all local education agencies (LEAs). SEAs typically collect finance data from school districts for their own uses. Many states produce a state-specific chart of accounts or accounting manual to assist school districts in classifying and reporting finance data and producing government-wide financial statements. Uniform definitions and concepts are defined by the NCES handbook *Financial Accounting for Local and State School Systems*.

The FY 2025 survey content (Appendix A) is unchanged from what was collected during the FYs 2022-2024 survey cycles. The Census Bureau uses an announcement letter and form to collect state and local government public education finance data. We mail the letter electronically to respondents at the beginning of each survey period soliciting the assistance of the SEAs in providing data centrally for their public school systems. The letter officially announces the opening of the collection period and requests administrative data, such as estimated date of submission, changes to reporting format from prior year, and updated contact information for the state coordinator. Census Bureau staff use the response to this letter to plan for the processing of state education agency data submissions. The form (F-33) contains the elementary-secondary education finance items. In practice, this form serves more as a data processing guide rather than as a data collection instrument. The Census Bureau relies heavily on collecting this public school system finance data centrally from state education agencies. All states provide significant amounts of these data centrally to the Census Bureau via the Internet using File Transfer Protocol (FTP). Supplemental forms are sent to school systems in states where the state education agency cannot provide information on assets (F-33-L1), indebtedness (F-33-L2), or both (F-33-L3).

Copies of the FY 2025 form, the FY 2025 announcement letter and the FY 2025 supplemental forms are shown in Appendix A.

The Census Bureau facilitates central collection by accepting states' data in one of two formats. Currently, 17 states provide the Census Bureau electronic copies of state-specific detailed education finance data files. The Census Bureau maintains programs for converting these data from the state agency format to the Census Bureau F-33 format. Thirty-four states reformat state-specific data files into the Census Bureau's format prior to submitting the data electronically to the Census Bureau.

This survey is voluntary.

2. Needs and Uses

The education finance data collected and processed by the Census Bureau are an essential component of the agency's state and local government finance collection and provide unique products for users of education finance data.

The Bureau of Economic Analysis (BEA) uses data from the survey to develop figures for the Gross Domestic Product (GDP). Annual Survey of School System Finances data items specifically contribute

to the estimates for National Income and Product Accounts (NIPA), Input-Output accounts (I-O), and gross domestic investments. BEA also uses the data to assess other public fiscal spending trends and events.

The Census Bureau's Government Finances program has disseminated comprehensive and comparable public fiscal data since 1902. School finance data are incorporated into the local government statistics reported on the Annual Surveys of State and Local Government Finances. The report contains benchmark statistics on public revenue, expenditure, debt, and assets. They are widely used by economists, legislators, social and political scientists, and government administrators.

The Census Bureau makes available detailed files for all school systems from its Internet Web site, <https://www.census.gov/programs-surveys/school-finance.html>. This Web site currently contains data files and statistical tables for the 1992 through 2023 fiscal year surveys. Historical files and publications prior to 1992 are available upon request for data users engaged in longitudinal studies. The Census Bureau also receives inquiries on using these data products from state government officials, legislatures, public policy analysts, local school officials, non-profit organizations, and various Federal agencies.

The NCES use these annual data as part of the Common Core of Data (CCD) program where the survey is known as the School District Finance Survey. The education finance data collected by the Census Bureau are the sole source of school district fiscal information for the CCD. NCES data users utilize electronic tools to search CCD databases for detailed fiscal and non-fiscal variables. Additionally, NCES uses Annual Survey of School System Finances education finance files to publish annual reports on the fiscal state of education. The Secretary of Education uses the School District Finance Survey data in calculating allocations for certain formula grant programs, including Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA) and Impact Aid.

Information quality is an integral part of the review of information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

3. Use of Information Technology

Over 99 percent of the data are collected electronically using File Transfer Protocol (FTP). The Census Bureau also developed a web-based version of the supplemental forms to collect debt and asset data. Screenshots from the FY 2022 online application are shown in Appendix A.

4. Efforts to Identify Duplication

Census Bureau representatives meet regularly with groups of education data collectors and users. The chief sponsors of such groups include the Council of Chief State School Officers and the U.S. Department of Education. These meetings afford the Census Bureau the opportunity to stay informed about all major education data collections and issues and allow for coordinating collection plans with other stakeholders.

The NPEFS and the SLFS, which are sponsored by NCES, also collect finance data from public school systems for elementary-secondary education. The NPEFS obtains state totals for revenue and expenditure items and the SLFS obtains school-level totals for current expenditure items, while the Annual Survey of School System Finances data collection focuses on revenues and expenditures for all local education agencies. Census Bureau staff also serve as the data collection agents for the NCES' NPEFS and SLFS. In 2012, the Census Bureau and NCES evaluated the feasibility of consolidating the NPEFS and Annual Survey of School System Finances programs. Several substantial differences were identified between the needs and the scope of the two survey collections:

1. The reporting deadlines are substantially different;
2. Not all of the data items collected at the state level can currently be collected at the school system level;
3. Some data item definitions differ between surveys due to their uses and sources;
4. The timing of the editing processes and procedures by SEAs vary greatly between the state level data versus the school system level data.

The Census Bureau and NCES are currently re-evaluating this study and considering ways to use state administrative records to replace these three separate collections. As part of this study, the Census Bureau and NCES will identify ways to harmonize the aforementioned differences between the needs and scope of the two collections.

The Census Bureau will also seek to leverage the states' existing data systems and structures instead of relying on customized extracts or reporting. As stated in question 1, SEAs typically collect finance data using a state-specific standard chart of accounts from school districts for their own uses. This study will coordinate with State Education Agencies to identify the most appropriate method for collecting and processing these administrative data records directly instead of requesting the data in the aggregated survey format for NPEFS, F-33, and SLFS. As a result, the Census Bureau anticipates being able to minimize respondent burden, reduce the cost to the Federal government, improve data quality, and enhance the timeliness of data products to the public.

5. Minimizing Burden

Respondent burden is minimized by using central collection from state education agencies whenever possible. Local school officials are only asked to complete one supplemental form (asking for a maximum of nine numbers) when adequate detail is not available at the state level. In the last year, the Census Bureau consulted with states to identify whether the SEA was able to provide the data previously provided in a supplemental form. Out of the 16 states that had been receiving supplemental surveys for debt and asset data, eight states will now submit all data items directly from the state education agency and four states will submit data on long term debt issued and debt retired from the state education agency. These data are currently being collected by the SEA for their own purposes. This effort has reduced the number of supplemental forms to be mailed to local education agencies from 3,630 to 2,030 for FY 2025.

As part of the effort to reduce reporting burden, the Census Bureau electronically reformats the school finance data for 17 states. These states simply provide the state-format data files to the Census Bureau. Respondents additionally have the option of submitting data, by local education agency, according to the

NCES' fiscal handbook format. Because the NCES accounting handbook format details each state revenue and expenditure item, files contain sufficient detail for the Census Bureau to crosswalk into the data items on the F-33 survey form.

6. Consequences of Less Frequent Collection

Elementary-secondary education activity accounts for approximately 36 percent of all local government spending. Less frequent data collection would impair the ability of BEA to develop the GDP and assess the state of public finances. A reduction in frequency would also seriously reduce the scope of the Census Bureau's annual report series on government finances. That series is the primary national source for describing the financial status of state and local governments. Finally, the NCES would not be able to meet the CCD program's annual requirements.

Increased demand for financial education data is related to frequent assessments of trends. These trends include vital issues such as school funding levels, and school choice, all of which are based on the data from this collection. Less frequent collection would dramatically decrease availability of that data.

7. Special Circumstances

There are no special circumstances relating to this request.

8. Consultations Outside the Agency

The Census Bureau published a notice in the Federal Register on May 8, 2025 (Volume 90, Number 88, Pages 19465-19466) inviting comments on our plans to extend the Annual Survey of School System Finances.

We received a letter of support from BEA (see Appendix C1). We thank BEA for its continued support of this program.

We also received a letter of support from American Experiment (see Appendix C2). We thank American Experiment for its support of this program.

Census Bureau staff consults frequently about the Annual Survey of School System Finances data collection with survey data suppliers and users. We are in continual contact with the NCES to discuss their needs and requirements in conducting this survey. We are also in contact with other government agencies, educators, and school administrative staff at the state and school district levels.

9. Paying Respondents

Respondents are not paid and are not provided with gifts.

10. Assurance of Confidentiality

The data collected in this survey are from public records and do not require confidentiality. We cite this confidentiality statement and the voluntary nature of this data collection in the Announcement letter.

11. Justification for Sensitive Questions

There are no sensitive questions in this data collection program.

12. Estimate of Hour Burden

The current estimated burden for the survey is 97 hours for SEA’s that use the Census F-33 form format and 18.25 hours for SEA’s that submit their own state specific data files. The burden for the supplemental forms is 0.25 hrs. The number of respondents for the supplemental forms is based on the number of forms that were mailed for the FY 2024 collection and excluding the 12 states that are now able to provide this data directly. The total burden is 4,115.75 hours (3608.25+507.5). The total estimated cost is \$130,328.51 (\$116,438.23+\$13,890.28). Tables 1 and 2 show the calculations of respondent burden and cost.

Table 1. Annual Survey of School System Finances Estimated Respondent Burden Hours			
Submission Method or Form Type	Number of Respondents	Estimated Hours Per Respondent	Estimated Total Respondent Burden Hours
Central collection of data in Census-format	34	97.00	3,298.00
Central collection of data in SEA-format	17	18.25	310.25
SUBTOTAL	51		3,608.25
Form F-33-L1	90	0.25	22.50
Form F-33-L2	1,283	0.25	320.75
Form F-33-L3	657	0.25	164.25
SUBTOTAL	2,030		507.50
TOTAL	2,081		4,115.75

Table 2. Annual Survey of School System Finances Estimated Respondent Cost			
Submission Method or Form Type	Estimated Total Respondent Burden Hours	Estimated Cost Per Burden Hour *	Estimated Total Respondent Cost
Central Collection: Census-format	3,298.00	\$32.27	\$106,426.46
Central Collection: SEA-format	310.25	\$32.27	\$10,011.77
SUBTOTAL	3,608.25		\$116,438.23
Form F-33-L1	22.50	\$27.37	\$615.83
Form F-33-L2	320.75	\$27.37	\$8,778.93
Form F-33-L3	164.25	\$27.37	\$4,495.52
SUBTOTAL	507.50		\$13,890.28
TOTAL	4,115.75		\$130,328.51

*Note for Table 2: “Estimated cost per burden hour” is based on data from the 2020 Annual Survey of Public Employment & Payroll. The “estimated cost per burden hour” is derived from the total monthly pay for fulltime state and local

government employees reported at the Elementary and Secondary Education Total function and converted to an hourly rate assuming an average forty-hour week.

13. Estimate of Cost Burden

We do not expect respondents to incur any costs other than that of their time to respond. The information requested is of the type and scope normally carried in government records and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Further, purchasing of outside accounting, or information collection services, if performed by the respondent, is part of customary business practices and not specifically required for this information collection.

14. Cost to Federal Government

The estimated cost to the Federal Government for FY 2025 is approximately \$1.5 million.

15. Reason for Change in Burden

The change in burden is due to fewer supplemental survey forms being sent to individual school systems. As discussed in question 5, the Census Bureau will be able to obtain data directly from 12 SEAs to replace the supplemental collection of data from 1,396 school districts. Total burden decreased by 349 hours.

16. Project Schedule

Major actions required for this data collection occur at approximately the same time each year. The months in which the actions occur appear below.

<u>ACTION</u>	<u>MONTH</u>
Initial mailout	January 2026
Receive, edit, and correct data	Feb 2026 – March 2027
Produce annual report and release data files	May 2027

17. Request to Not Display Expiration Date

The expiration date is displayed on the forms.

18. Exceptions to the Certification

There are no exceptions to the certification.

19. NAICS Codes Affected

This information collection covers industry 6111 Elementary and Secondary Schools as defined by the 2022 North American Industry Classification System (NAICS).