K12 Lens | 2025

Key Trends in Teacher Retention, Student Support, and Budget Confidence

Executive Summary

Every day, K-12 district leaders make decisions that shape their schools: hiring great educators, keeping students engaged, and making the most of every dollar. For the second year, "K-12 Lens: A Survey Report from Frontline Education" presents insights from nearly 800 administrators across 49 states and Washington D.C., offering a clear picture of what's working and where districts are making the most progress.

Key Trends

- **Hiring and retention are improving, but key roles remain tough to fill.**

  Fewer districts report teacher shortages (**66%, down from 81% in 2023**), and hiring is getting easier. The average teacher retention rate is **78%**, with the highest success in districts that invest in professional development aligned to teachers' needs and goals.

- **Student support services are bringing more kids back to the classroom.**

  17% of students in the average district are chronically absent, but districts without in-house mental and behavioral health support see much higher rates (**34%**). Schools using early warning indicators in the primary grades also report improvements, and more are outsourcing specialized services to better support students.

- **Better budget planning is helping districts do more with their resources.**

  Fewer districts face major funding cuts, and confidence in budget projections is up **15 percentage points** from last year. Among finance leaders using analytics software tools, **93%** say their forecasts are highly accurate, which helps them plan ahead and invest where it matters most.

A Tool for Reflection

The goal of this report is to share data that encourages reflection. With these insights, district leaders can assess trends, compare strategies, and align their schools with broader shifts in K-12 education. Whether it's staffing, student support, or financial planning, these findings offer a reference point for informed decision-making and long-term success.

Introduction

Since 1969, the National Center for Education Statistics (NCES) has tracked student academic progress through The Nation's Report Card, a comprehensive assessment released every two years. Providing national, state, and district-level insights, this report serves as a critical tool for educators and policymakers, shaping research and guiding decisions that drive meaningful improvements in education.

But while we have decades of data on how students are performing, there's far less research on what's happening behind the scenes inside district finance offices, human resources (HR) departments, and student services teams. We know how students are doing, but how do the schools that serve them manage their operations? Are districts staffed effectively? Do they have the funding they need to function? Are student support systems keeping pace with evolving needs?

The narrative around K-12 education in 2025 is now familiar: teacher shortages strain districts, recruiting is tougher than ever, retention remains a challenge, and chronic absenteeism is on the rise. At the same time, administrators face tight budgets, growing cybersecurity concerns, and increasing pressure to support student mental health.

But how much of this reflects reality in 2025? And where are districts making progress?

To find out, we surveyed nearly 800 K-12 administrators from 49 states and Washington, D.C., in November and December 2024, asking them about staffing, professional learning, student support, budgeting, and technology management. Because this report is being released in 2025, we refer to these findings as our **2025 data**. Now, with two years of data, we can see what's improving, what's getting harder, and what strategies are making an impact.

Here's what we found:

Findings at a Glance:

66% of districts report teacher shortages (down from 81% the prior year)

78% Average teacher retention rate

-30% Drop in respondents who said retention has become more difficult compared to the prior year

-10% Drop in districts that reported significant funding decreases in the last year

3x more districts reported outsourcing speech-language therapy services in 2025 compared to the prior year

93% District finance leaders who primarily use analytics software for decision-making said that their budget projections were very or fairly accurate in the last year

>50% of districts report shortages of special educators and substitutes

-20% Drop in respondents who said hiring has become more difficult compared to the prior year

17% Chronic absenteeism rate

34% Chronic absenteeism rate in districts that do not provide mental and behavioral health services

+15% Increase in district finance leaders who perceived their budget projections as very or fairly accurate

Teacher Hiring & Retention

The State of K-12 Staffing:
Recruiting, Hiring, and Retaining Educators

K-12 staffing is no longer just an HR function, it's a district-wide effort. In my work with districts across the country, I see HR and curriculum leaders working more closely than ever to recruit great educators and ensure they stay. Building a strong, sustainable workforce requires more than just filling vacancies. It means being intentional about hiring, onboarding, and providing the right support to keep teachers in the classroom.

The conversation around teacher shortages has shifted. While some districts feel less urgency than in past years, hiring remains a challenge. Demand is still high for several key positions, and urban districts continue to struggle with recruiting educators who live in the communities they serve. More districts are prioritizing not just credentials, but also cultural fit, recognizing that long-term success depends on hiring educators who align with their schools' values and goals.

But recruitment is only half the battle. Retention starts well before a new hire walks through the door. Districts are rethinking onboarding and induction, moving beyond paperwork and orientation to structured mentoring, personalized professional development, and long-term support systems. The first five years are critical, and when new teachers have access to strong professional communities, they're far more likely to stay.

HR teams are also taking a more strategic approach to recruitment. District branding has become a bigger focus, with more schools leveraging social media, job boards, and multi-channel outreach to connect with the right candidates. Recruitment isn't just about filling roles; it's about telling a compelling story that makes educators want to be part of a district.

Strong teams don't happen by chance. They require collaboration across HR, Curriculum & Instruction, and district leadership to create a seamless experience from hiring to long-term retention. Schools that invest in the full staffing lifecycle — recruiting the right people, supporting them from day one, and fostering a culture where educators want to say — are seeing the greatest success.

Susan Walters
Solutions Director, Frontline Education

Guiding Questions

Recruiting and Hiring

- What share of districts experienced a shortage of teacher candidates over the last year?

- What key factors influenced candidate supply?

- Is hiring getting easier?

- What strategies are helping districts improve hiring?

Retention

- What is the teacher retention rate?

- Is retention improving?

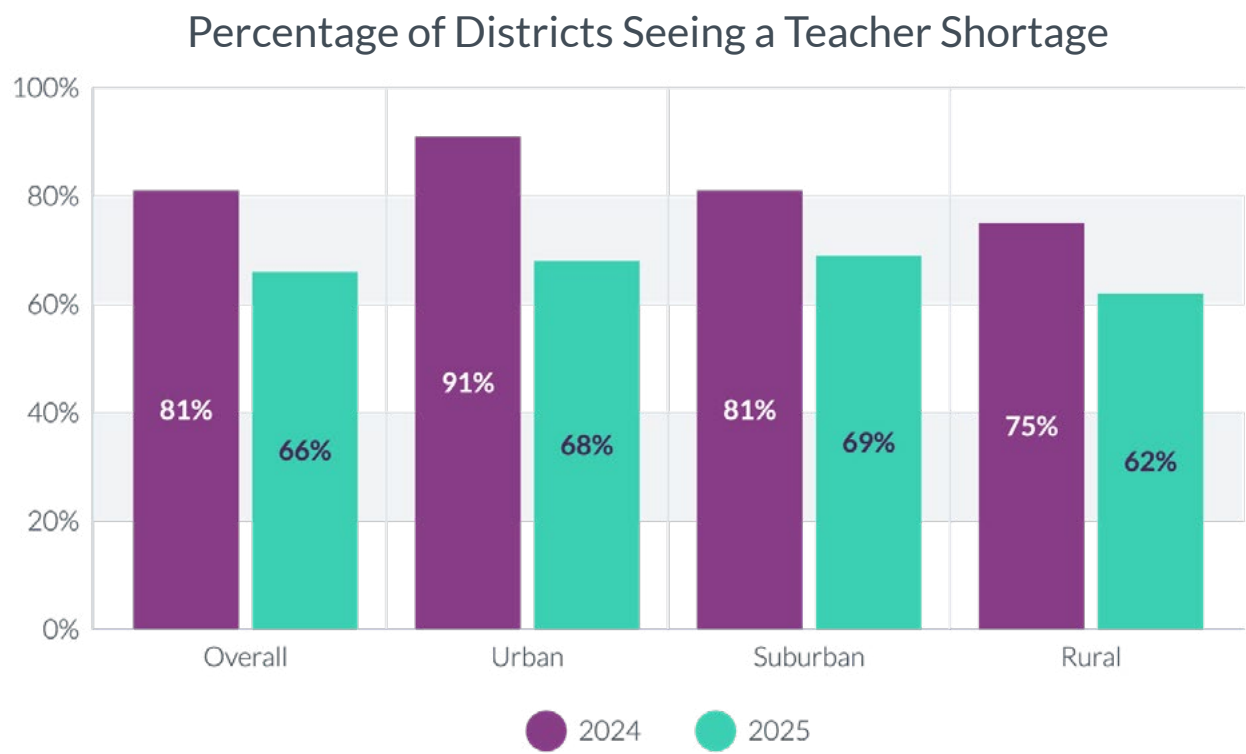- What can we learn from districts that report higher than average retention rates?

The Current K-12 Staffing Landscape

In 2024, administrators overwhelmingly cited recruiting and retention as top concerns, with teacher shortages felt the most in urban districts and in specialized subject areas. While this year shows some stabilization, workforce challenges persist, once again requiring districts to refine their approaches.

Recruiting & Hiring: The State of the Teacher Pipeline

What share of districts experienced a shortage of teacher candidates over the last year?

- **66%** of respondents reported experiencing shortages.

- In the prior year, urban districts felt the strain the most (**91%**), but this year, shortages are felt evenly across all locales.

Percentage of Districts Seeing a Teacher Shortage

|	2024	2025
Overall	81%	66%
Urban	91%	68%
Suburban	81%	69%
Rural	75%	62%

What key factors influenced candidate supply?

District Location and Size

- Large urban districts (> 2,000 students) were the hardest hit, with **90%** reporting shortages.

- Small suburban districts (< 250 students) fared the best, with **fewer than 50%** affected.
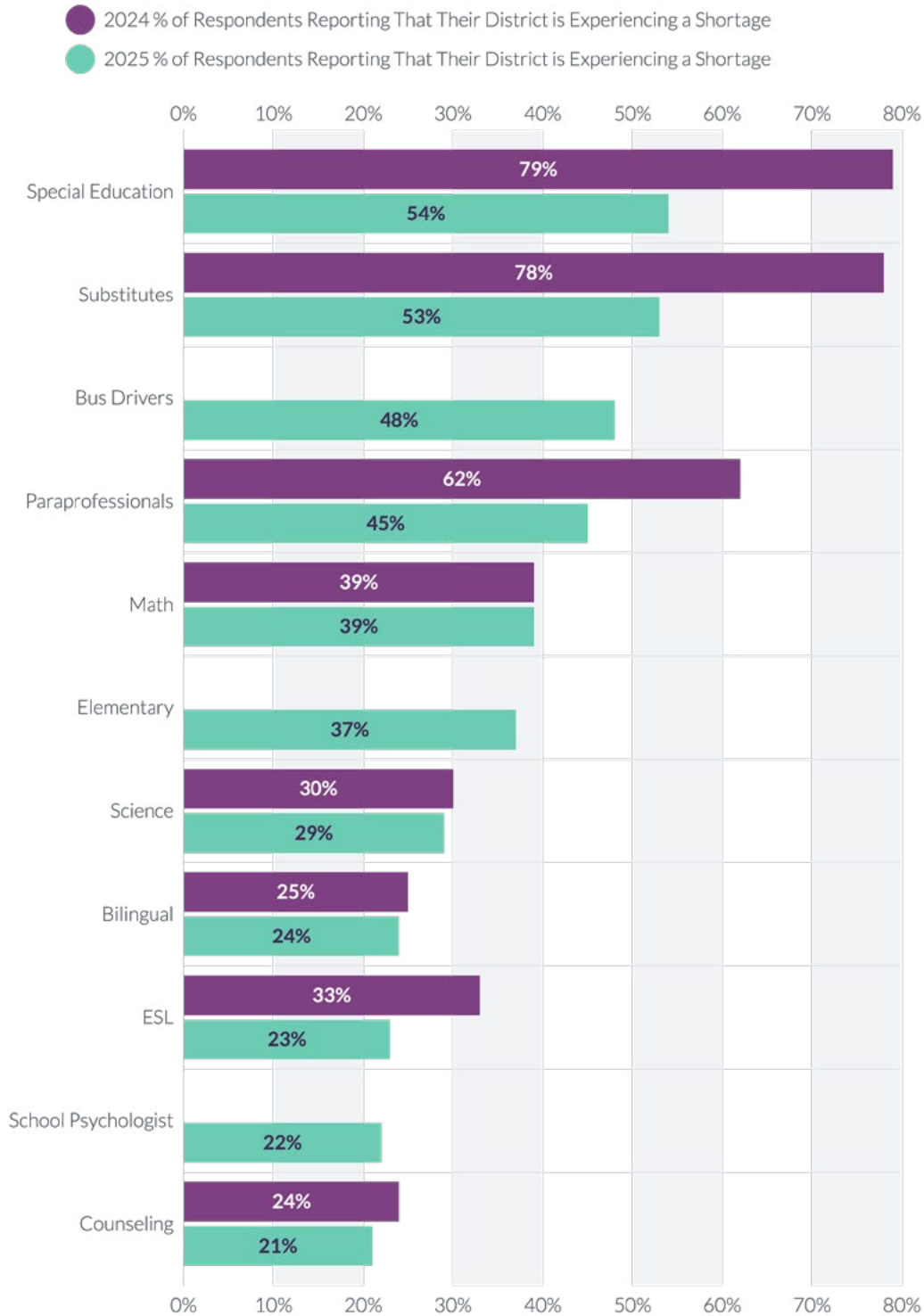
Percentage of Large Urban and Small Suburban Districts Seeing a Teacher Shortage
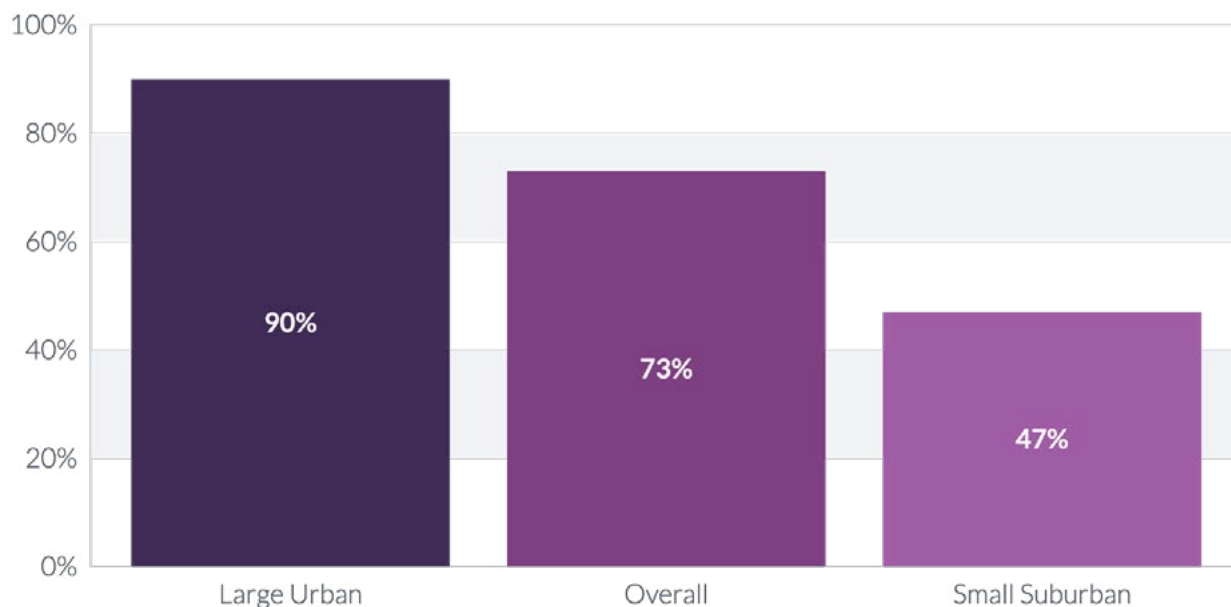
Content

- Special educators, substitutes, and paraprofessionals continue to be the hardest roles to fill, though less so than last year.

- Demand for math, science, and bilingual educators remains steady.

Percentage of Districts Seeing a Shortage of Content Area Teachers

● 2024 % of Respondents Reporting That Their District is Experiencing a Shortage
● 2025 % of Respondents Reporting That Their District is Experiencing a Shortage

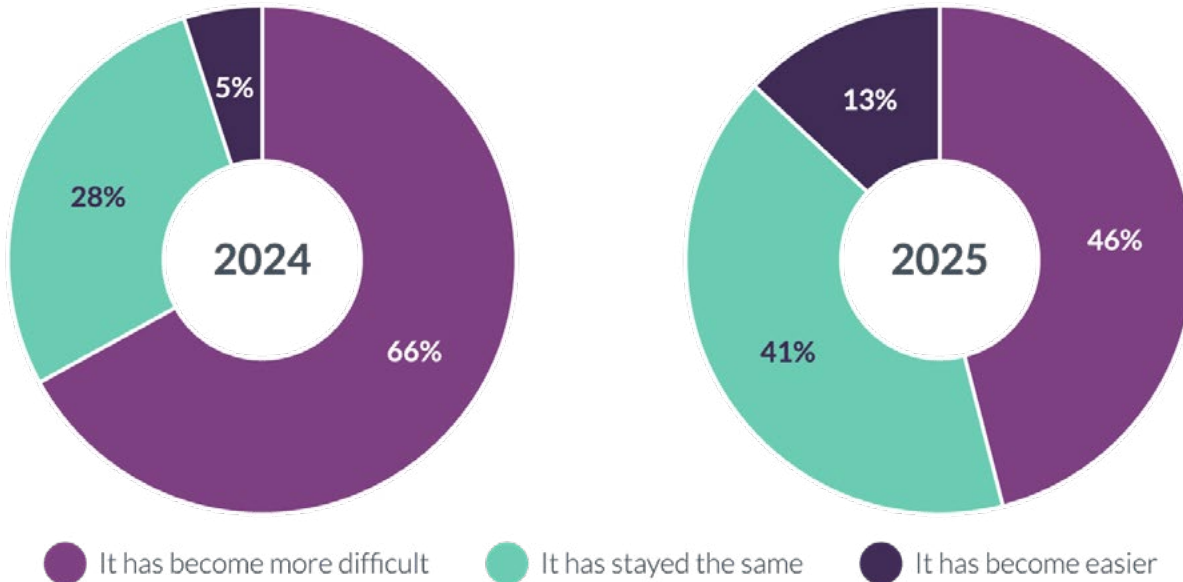| Category	2024	2025
Special Education	79%	54%
Substitutes	78%	53%
Bus Drivers		48%
Paraprofessionals	62%	45%
Math	39%	39%
Elementary		37%
Science	30%	29%
Bilingual	25%	24%
ESL	33%	23%
School Psychologist		22%
Counseling	24%	21%

Note: *Data for bus drivers, elementary teachers, and school psychologists isn't displayed for 2024, as these roles were not originally listed as survey options. However, the high number of write-in responses indicated widespread staffing shortages in these areas, prompting us to include them this year.*

Is hiring getting easier?

There are signs of gradual improvement:

- Last year, **66%** of districts said recruiting had become more difficult.

- This year, that number dropped to **46%**, with more districts reporting stable (**42%**) or improving (**13%**) conditions.

Ease of Recruiting and Hiring in 2024 and 2025

2024: 66%, 28%, 5%
2025: 46%, 41%, 13%

● It has become more difficult   ● It has stayed the same   ● It has become easier

Location

- In addition to more frequently reporting a shortage of teachers, districts located in cities were also more likely to say that hiring is getting harder. **62%** of large urban districts say it has become more difficult, compared to **43%** of large rural districts.

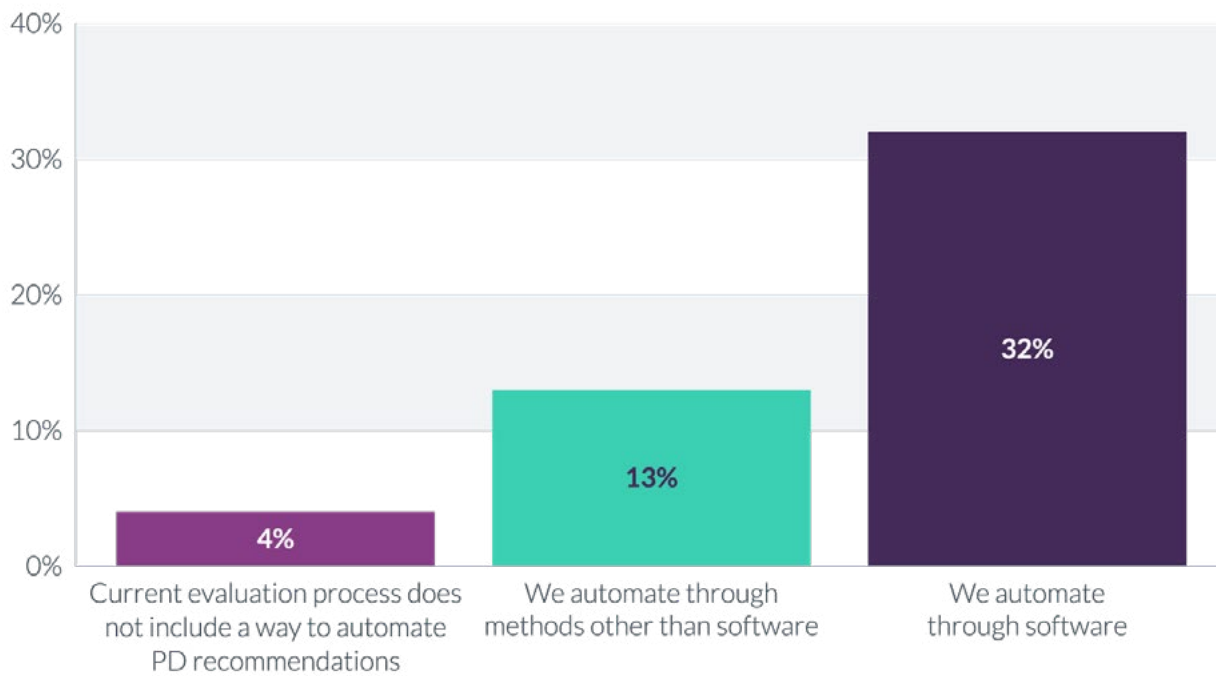## Percentage of Large Urban Districts That Said Hiring Has Become More Difficult

	Large Urban	All
Percentage	62%	46%
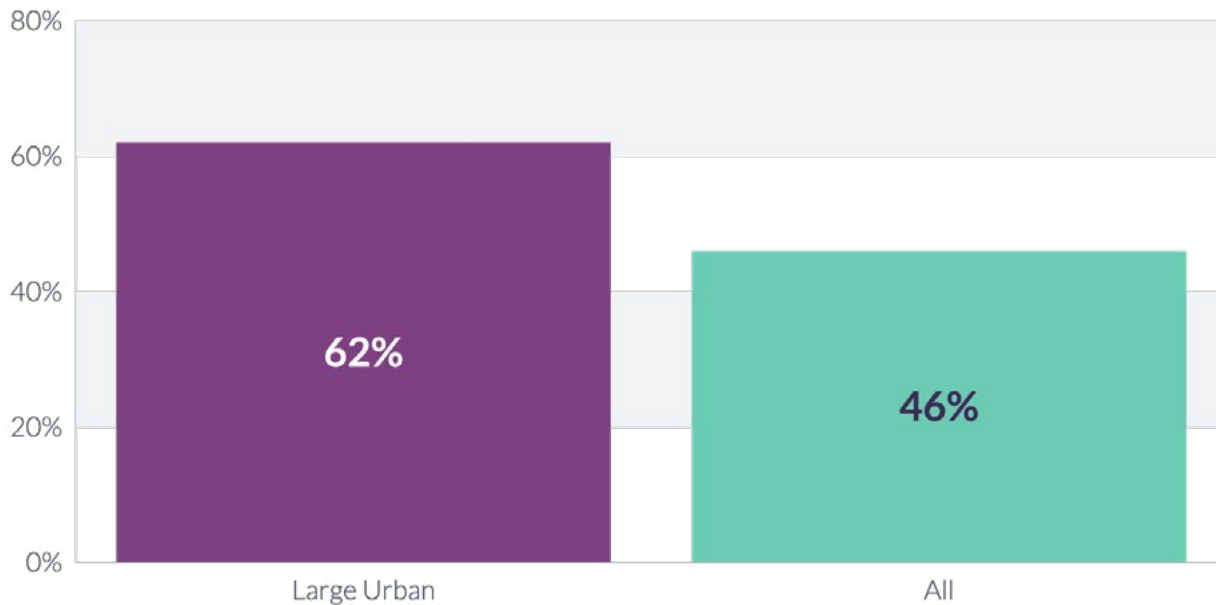
What strategies are helping districts improve hiring?

HR Processes Give Districts a Competitive Edge

Districts that signal to the market that they value teacher professional development (PD) and ensure their teachers' individual learning needs are met find it easier to attract talent.

- **32%** - Districts that use software to automate personalized PD recommendations and also report that hiring has become easier in the past year.

- **13%** - Districts that use other methods to automate personalized PD recommendations and also report that hiring has become easier.

- **4%** - Those that do not have any method for recommending personalized PD and also said that hiring has become easier.

Ease of Recruiting & Hiring Based on Ability to Automate PD Recommendations

Bar chart showing:
- Current evaluation process does not include a way to automate PD recommendations: 4%
- We automate through methods other than software: 13%
- We automate through software: 32%

The Takeaway? Investing in streamlined HR processes that support teacher growth sends a powerful message: Your district prioritizes educator success, making it a more attractive place to work.

Retention: Keeping Educators in the Classroom

Hiring is only one part of the equation — retaining great educators is just as critical. Retention impacts everything from student outcomes to staff morale, and when teachers leave, districts face disruptions, added costs, and greater pressure to recruit.

What is the teacher retention rate?

Retention rates vary widely across districts, reflecting differences in workforce stability and educator support. In some areas retention rates are high, while others are working to address ongoing staffing needs. Understanding these trends can help administrators identify areas for improvement and build strategies to create a more stable workforce.

- The average teacher retention rate across all districts: **78%**

- Urban districts have the lowest retention rate across locales at **70%**

- Rural districts have the highest retention rate across locales at **85%**

Average Retention Rate
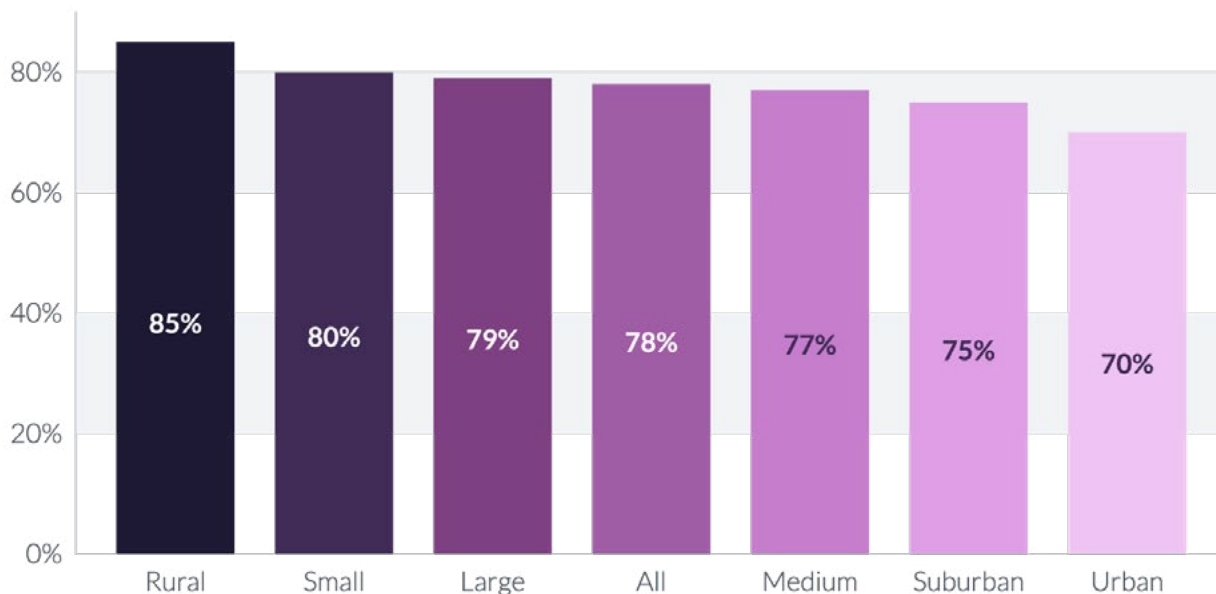
Is retention improving?

While retention trends are stabilizing, significant progress has been slow.

- *Last year*, **66%** of respondents said retaining staff was becoming harder.

- *This year*, that number has dropped to **39%**.

- Nearly half (**49%**) report no change, while only **12%** say retention is improving.

Ease of Retention in 2024 and 2025

2024
- 5%
- 28%
- 66%

2025
- 12%
- 39%
- 49%

- It has become more difficult
- It has stayed the same
- It has become easier
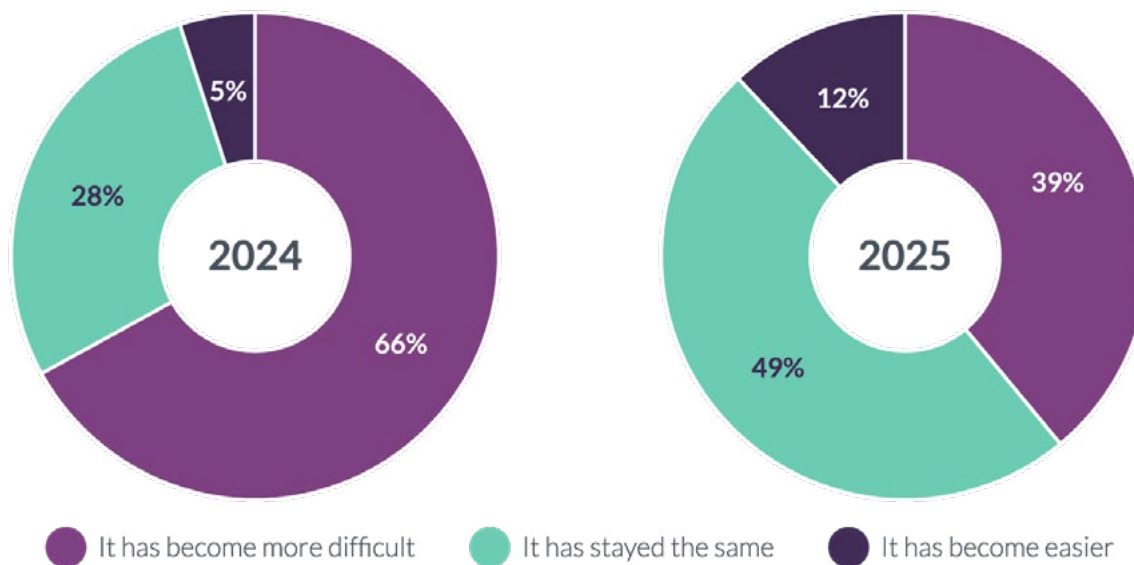
What can we learn from districts that report higher than average retention rates?

Districts That Prioritize PD See Better Retention and Hiring Outcomes

District leaders who prioritize PD as a retention strategy report smoother hiring and stronger retention rates.

We asked: *To what extent do you agree with the following statement: "Professional learning opportunities contribute to increased teacher retention?"*

Among those who disagree:

- **76%** said that hiring has become more difficult.

- **62%** said that retention has become more difficult.

While among those who agree:

- Only **34%** said that hiring has become more difficult.

- Only **30%** said that retention has become more difficult.

Ease of Hiring for Those Who Agree and Disagree that PD Leads to Increased Retention

% Who Said Recruiting Has Become More Difficult

Bar chart showing 76% for "Strongly Disagree" (purple) and 34% for "Strongly Agree" (teal).
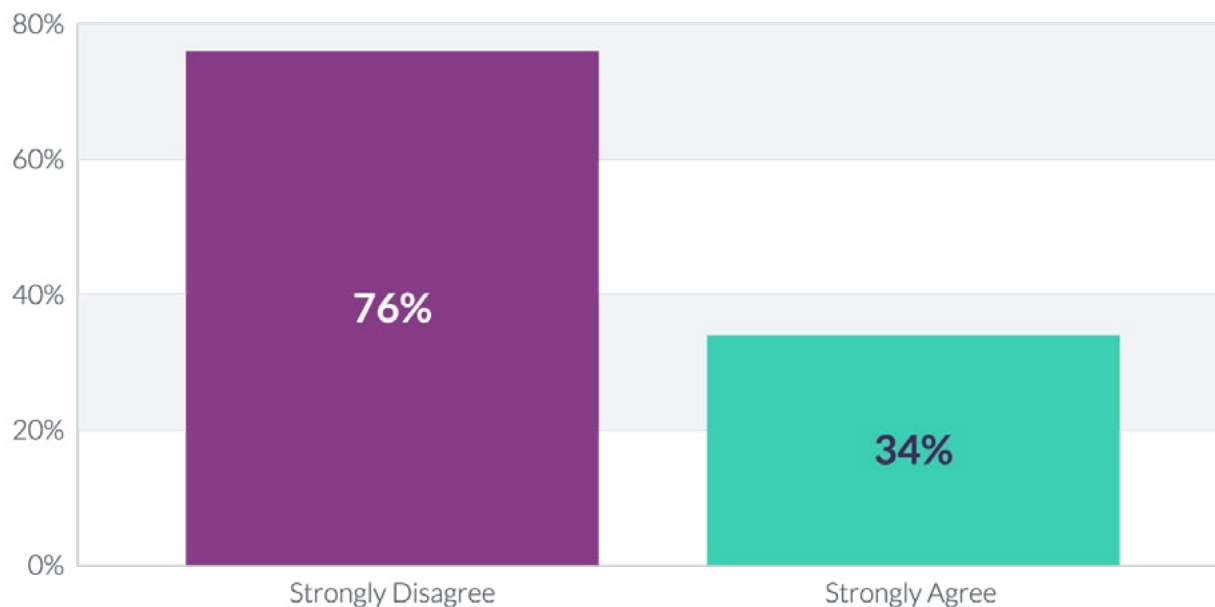
Response to "To What Extent Do You Agree that PD Leads to Increased Retention?"

Ease of Retention for Those Who Agree and Disagree that PD Leads to Increased Retention
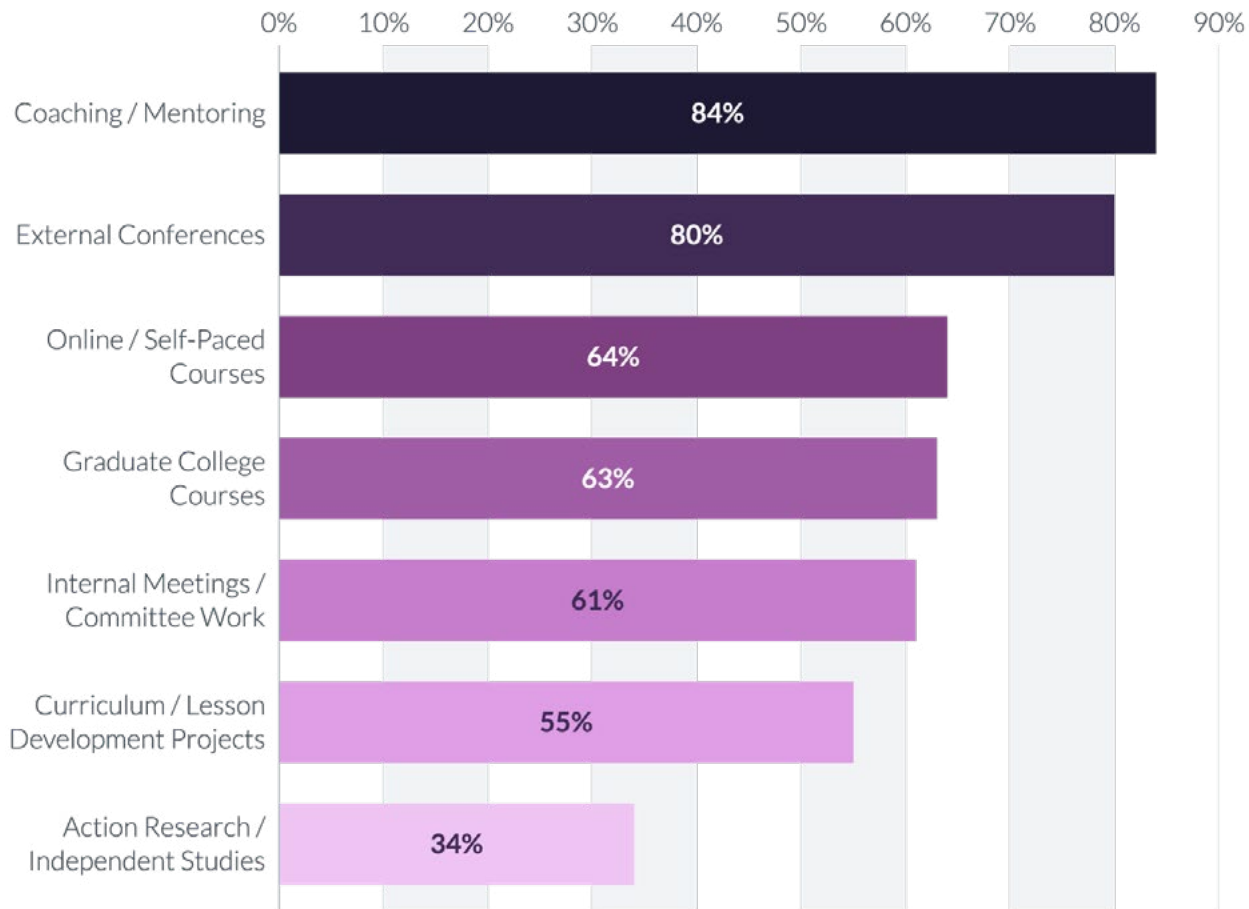
% Who Said Retention Has Become More Difficult

Bar chart showing 62% for "Strongly Disagree" (purple) and 30% for "Strongly Agree" (teal).
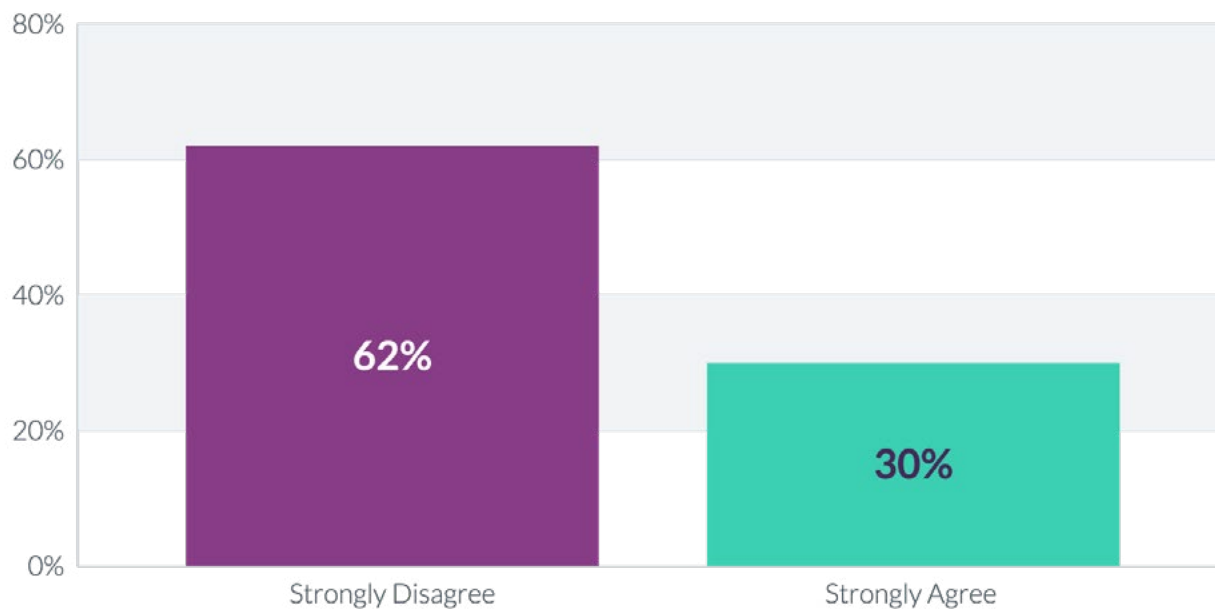
Response to "To What Extent Do You Agree that PD Leads to Increased Retention?"

Not All PD is Equal

Districts That Prioritize Certain Types of PD See Better Outcomes

Some PD strategies have a greater impact on retention than others.

PD Type	Percentage
Coaching / Mentoring	84%
External Conferences	80%
Online / Self-Paced Courses	64%
Graduate College Courses	63%
Internal Meetings / Committee Work	61%
Curriculum / Lesson Development Projects	55%
Action Research / Independent Studies	34%

The chart above displays the rates of higher-than-average retention rates reported by superintendents, according to the types of professional development they believe impacts retention. For example, **84%** of superintendents who indicated that they perceive *coaching and mentoring* as more effective at increasing retention saw a higher-than-average retention rate. **80%** of superintendents who view *external conferences* as having an impact on retention saw a higher-than-average retention rate.

The Takeaway? Districts that invest in high-impact, collaborative PD create environments where teachers want to stay. Focusing on mentorship, peer learning, and meaningful development opportunities leads to stronger retention and a more engaged workforce.

HR Priorities Matter for Retention

Just like district administrators, HR leaders play a key role in teacher retention, especially through their approach to PD. The data shows a clear pattern: *districts with HR leaders who prioritize PD see stronger retention outcomes.*

We asked: *What priority do you place on each of the following for the current school year?*

- **0%** of those who said that they will not prioritize connecting PD learnings to teaching also reported that retention has become easier.

- **0%** of those who said that they will not prioritize tying PD to teacher evaluations also reported that retention has become easier.

- **3%** of those who said that they will not prioritize measuring PD impact also reported that retention has become easier.

- **4%** of those who said that they will not prioritize increasing teacher buy-in to PD also said that retention has become easier.

- **8%** of those who said they will not prioritize aligning PD to teacher goals also reported that retention has become easier.

The Takeaway? HR teams that invest in PD, aligning PD with teacher needs and goals, and tracking its impact, leads to better retention rates. Districts looking to strengthen retention should focus on making PD meaningful, personalized, and actionable for educators.

From Data to Action: Strategies to Improve Staffing in Your District

The data shows that districts taking a proactive approach to hiring and retention see better staffing outcomes. To move beyond maintaining the status quo, here are key actions districts can take to strengthen recruitment, hiring, and retention:

1. **Make Staffing a District-Wide Priority**: Strengthen collaboration between HR, curriculum, and leadership to align hiring, onboarding, and teacher support.

2. **Hire for Long-Term Success, Not Just to Fill Positions**: Focus on cultural fit and long-term retention by refining hiring criteria beyond credentials.

3. **Start Retention Before Day One**: Implement structured onboarding, mentorship, and early-career support to reduce turnover.

4. **Strengthen Your District's Brand**: Use social media, job boards, and direct outreach to highlight your district's strengths and attract top talent.

5. **Prioritize High-Impact Professional Development**: Invest in mentorship, coaching, and peer learning to improve both retention and hiring outcomes.

6. **Align HR Strategy with Teacher Needs**: Make PD meaningful by tying it to teacher goals, measuring its impact, and increasing educator buy-in.

7. **Address Urban Staffing Gaps Proactively**: Build pipelines for local talent and create pathways for educators to work in their communities.

Student Support

Student Support and Its Impact on Key Outcomes

Schools were built to educate, not operate as medical facilities, yet the demand for mental and behavioral health (MBH), speech therapy, occupational therapy, physical therapy, and other specialized student health services continues to grow. Unlike hospitals or clinics, schools lack the infrastructure, staffing models, and scale often needed to provide extensive medical and therapeutic support. This makes it increasingly difficult to hire and retain the specialists needed to meet students' needs.

In-house service providers and medical professionals require ongoing training, certifications, and compliance with numerous state and federal regulations, which is a level of oversight that some school districts aren't equipped to manage. Small and rural districts face an additional challenge: they may not have enough students needing specialized support to justify full-time staff. For example, a speech therapist might only be needed once a week for a handful of students, making it inefficient to keep one on payroll. Similarly, in districts with high mobility, it may be difficult to hire and onboard staff fast enough to meet the fluctuating service needs of the student population.

This is why many districts are shifting toward external providers, contracting with specialized organizations that train, certify, and manage these professionals. The benefits?

- **Better access to care:** Students receive support from trained specialists in a timely manner, without having to wait for the hiring and onboarding of additional providers.

- **More cost-effective solutions:** Districts avoid hiring full-time staff when needs fluctuate.

- **More flexible scheduling:** Some external providers can offer services at more convenient times or in ways that reduce classroom disruptions. It can also limit travel for an in-house provider who may otherwise have to travel great distances to cover many school sites.

The data suggests that nursing services and mental and behavioral health support are making a measurable impact on student attendance, but how districts structure these services, whether in-house or outsourced, matters. In some cases, the school nurse may be the only healthcare provider a student sees, especially in districts with school-based health centers. Are these centers filling the gap? Are these new models leading to better student outcomes? And most importantly, how can districts ensure every student has access to the right support at the right time?

Kim Healey
Group Product Manager, Frontline Education

This section explores Kim's questions, shedding light on the real impact of student support services on engagement, absenteeism, and long-term outcomes.

Key Questions This Section Explores:

- What percentage of students were chronically absent last year?

- How are districts supporting students to boost engagement and attendance?

- What impact do these services have on attendance and other key outcomes?

Chronic Absenteeism: Are we turning a corner?

> *"Chronic absenteeism is the most concerning barrier that I address on a daily basis. When students miss school, they're missing out on learning, and sadly many students don't have access to reliable transportation. They don't have an adult to get them to school safely."*

Chronic absenteeism hit a crisis point in the 2021-22 school year, doubling from **15%** to nearly **30%**. Since then, districts have been working hard to get students back in class, launching new policies, outreach programs, and support systems.

So, is it working?

The data presents a mixed picture. On average, **17%** of students were chronically absent last year. Suburban districts hovered around that mark, and rural districts fared slightly better. However, in large urban districts, absenteeism remains stubbornly high at near **30%**.

Rate of Chronically Absent Students by District Size and Location

Overall: 17%, Urban 23%, Suburban 17%, Rural 13%
Small: Overall 13%, Urban 16%, Suburban 16%, Rural 8%
Medium: Overall 17%, Urban 21%, Suburban 17%, Rural 14%
Large: Overall 20%, Urban 27%, Suburban 17%, Rural 15%

Legend: Overall · Small · Medium · Large
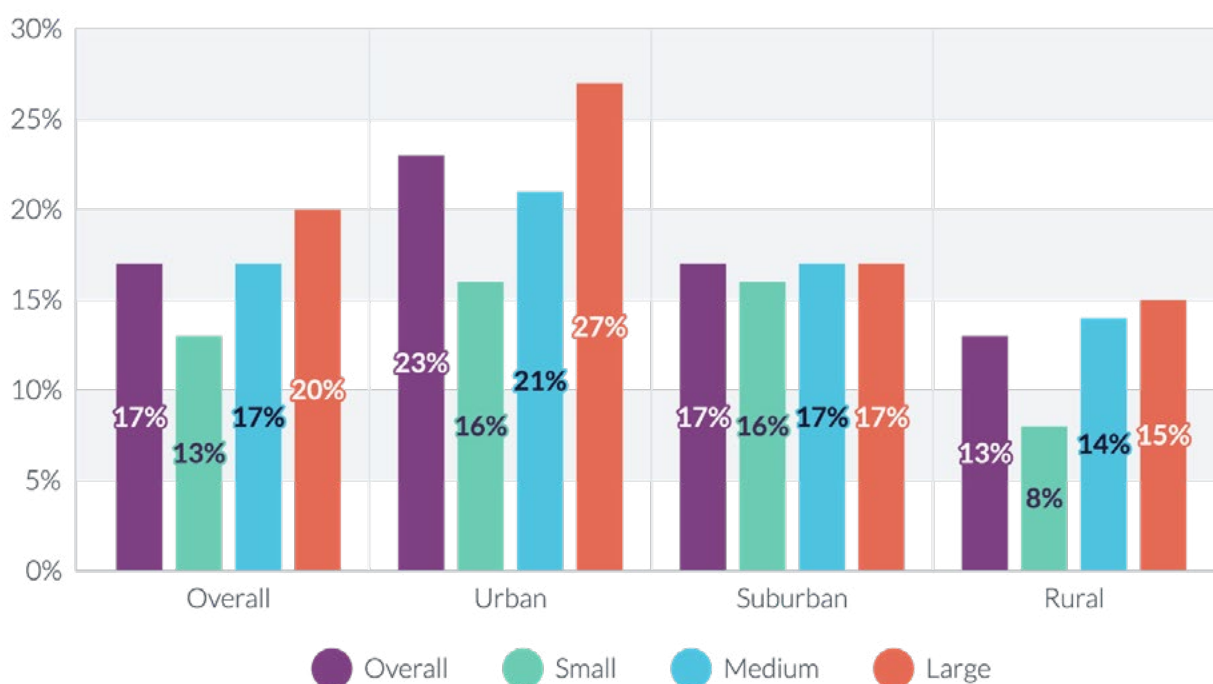
The good news? Some strategies are starting to show promise. Schools are taking new approaches to build stronger connections with students and families, and early signs of progress are emerging. The key question now is: *Which strategies are making the biggest impact and how can districts expand what's working?*

How are districts supporting students to boost engagement and attendance?

Ensuring all students have access to the support they need is one key to boosting engagement and attendance. Districts are continuously refining their approach to student services, with some expanding and others scaling back in-house offerings in favor of external partnerships.

- **In-house services have declined in most areas**, with one major exception: mental and behavioral health.

- **Despite the growing emphasis on student mental health**, the data doesn't show a significant increase in in-house support. Instead, more districts are seeking external resources.

- **Outsourced services are on the rise**, particularly in speech-language therapy and mental-behavioral health.

Medicaid-Eligible Services Provided In-House and Via External Resources

Legend:
- 2024 Provided via **External Resources**
- 2025 Provided via **External Resources**
- 2024 Provided **In-House**
- 2025 Provided **In-House**

Data values by category:

Service	2024 External	2025 External	2024 In-House	2025 In-House
Speech-Language Therapy	7%	23%	90%	84%
Nursing Services	10%	17%	79%	77%
Occupational Therapy	24%	33%	72%	67%
Mental / Behavioral Health Services	25%	42%	66%	66%
Physical Therapy	31%	43%	63%	51%

On providing services in-house:

> *"Every site has a Wellness Center students can access that includes counseling services. Counseling is also a part of IEP service offerings for many students. Regular staff and student surveys are collected, and data is analyzed as a staff, to try to understand current trends and needs."*

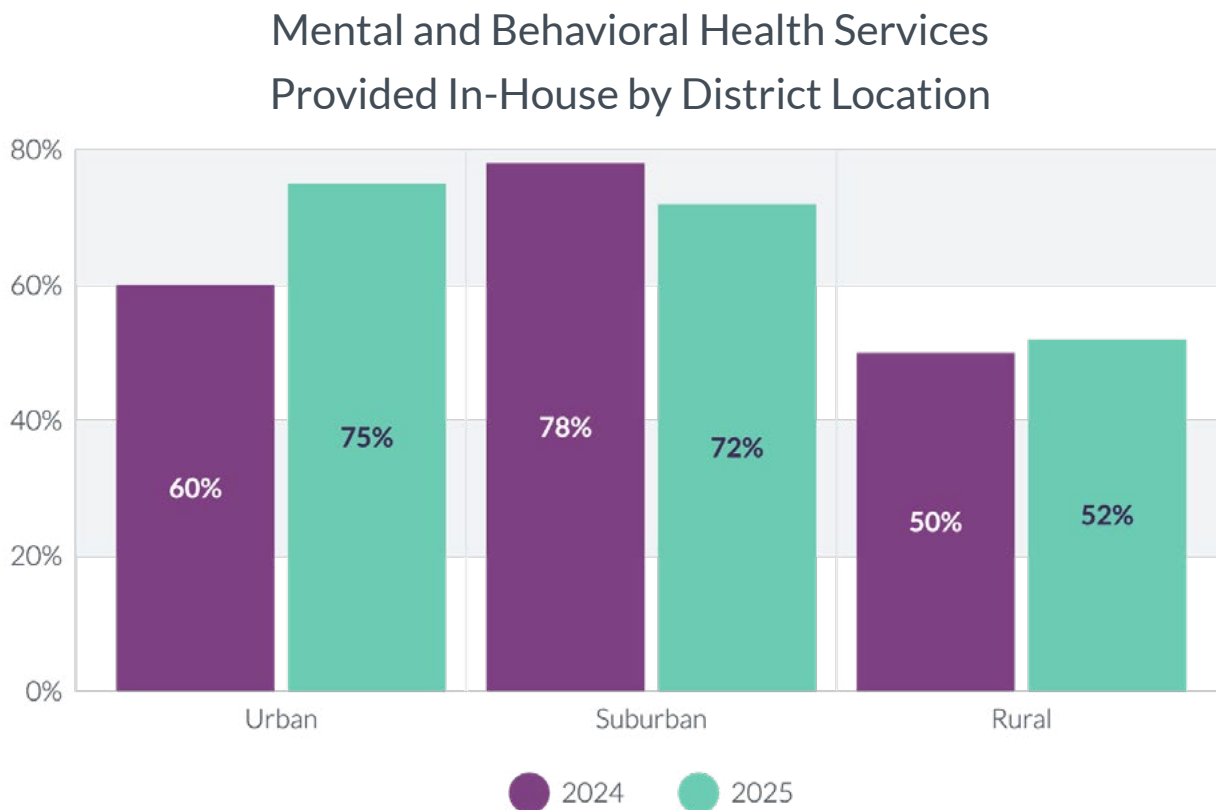**On providing services through external partnerships:**

> *"We have a contract with an outside agency to have two mental health therapists in our building full time to meet with students."*

A Shift in Who's Providing Mental Health Support

Last year, suburban districts led the way in providing in-house mental and behavioral health services, with **78%** offering support internally, far outpacing urban and rural districts. But this year, the landscape has shifted.

- **Urban districts now lead**, with **78%** reporting that they provide these services in-house.

- **Rural districts have also made gains**, expanding in-house mental health services.

- **Suburban districts saw a slight decline**, dropping by one percentage point.

As districts adapt, understanding these trends will be key to ensuring students have access to the support they need-no matter where they live.

Mental and Behavioral Health Services Provided In-House by District Location

Legend: ● 2024 ● 2025

Urban: 2024 = 60%, 2025 = 75%
Suburban: 2024 = 78%, 2025 = 72%
Rural: 2024 = 50%, 2025 = 52%

What impact do services and supports have on attendance and other key outcomes?

The Link Between Student Services and Attendance

One thing is clear: **nursing services and mental and behavioral health support impact attendance.** Districts that do not offer these services, see higher than average absenteeism rates

Rates of Chronically Absent Students

Beyond access, how districts structure their support services also plays a role. Some strategies are more effective than others.

- **19%** - In districts that provide some mental and behavioral health (MBH) support.

- **17.6%** - In districts that take a proactive approach to MBH.

- **14.5%** - In districts that regularly screen students for MBH needs.

- **14.5%** - In districts that use a software tool to manage and support MBH services.

These findings reinforce what many educators already know: addressing mental and behavioral health isn't just about well-being; it's a key factor in student engagement and attendance. As more districts refine their strategies, understanding which interventions drive the biggest impact will be essential for improving student outcomes.

24%
In districts that do not provide nursing services in-house.

34%
In districts that do not provide mental and behavioral health services at all.

17%
Rate of chronically absent students across the entire sample.

Early Intervention: A Key to Both Student and Teacher Retention

One of the most striking findings in this year's data is the relationship between early warning systems in grades 1-5 and both chronic absenteeism and teacher retention.
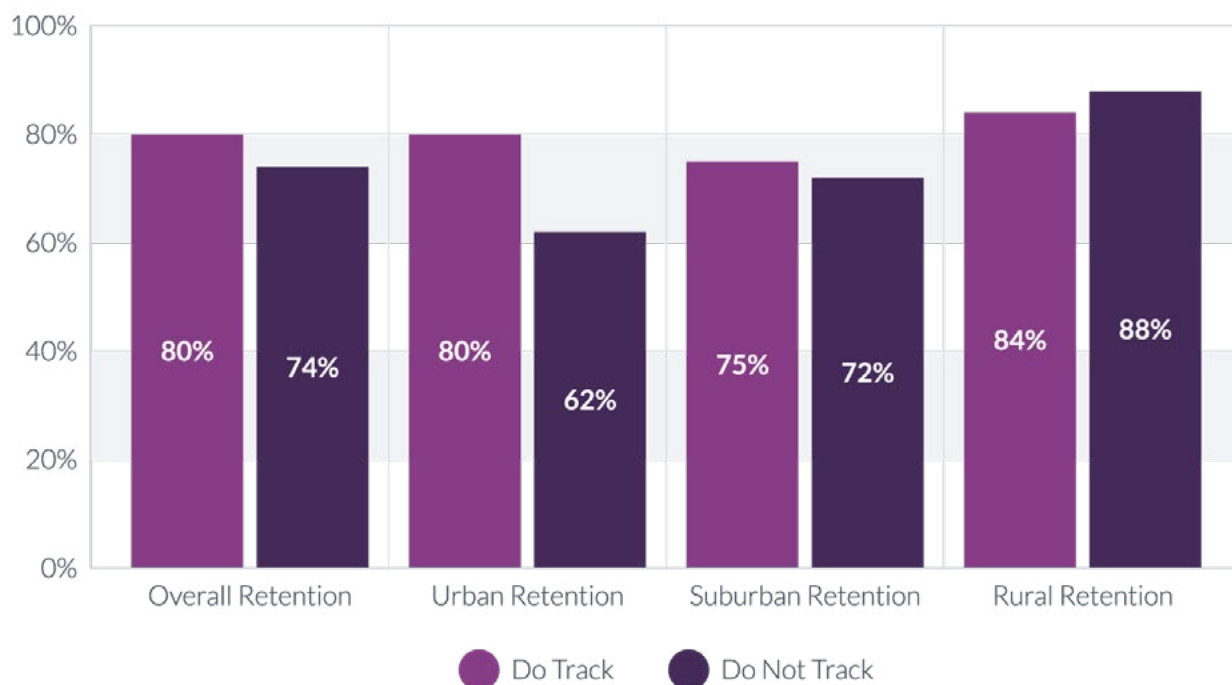
Districts that use early warning indicators in the early grades see:

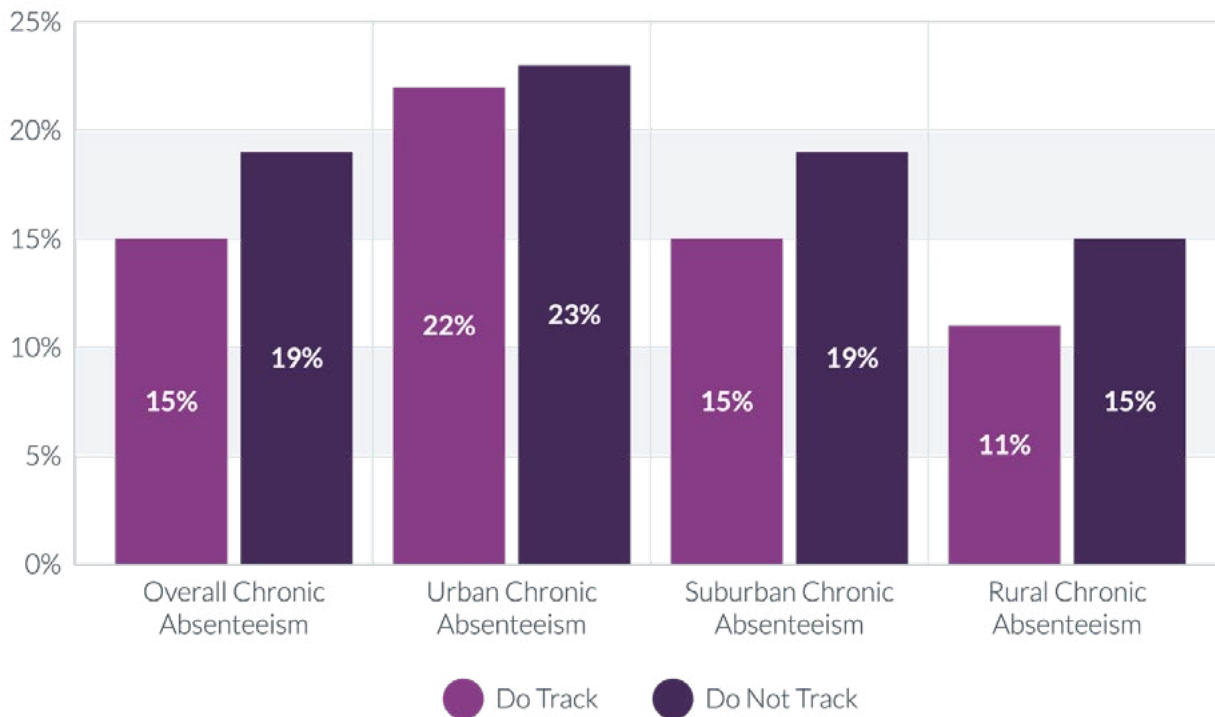- Lower chronic absenteeism rates

- Higher teacher retention rates

This signals that catching signs of disengagement early benefits both students and educators. The exception? Rural districts, which already report an above-average teacher retention rate.

This suggests that early intervention efforts don't just help students, they also create a more stable, supported teaching workforce. As districts refine their approach to student success, *leveraging early warning indicators could be a game-changer for both student engagement and teacher retention*.

Retention Rates at Districts that Do and Do Not Track Early Warning Indicators in Grades 1–5

Bar chart showing retention rates: Overall Retention — Do Track 80%, Do Not Track 74%; Urban Retention — Do Track 80%, Do Not Track 62%; Suburban Retention — Do Track 75%, Do Not Track 72%; Rural Retention — Do Track 84%, Do Not Track 88%. Legend: Do Track, Do Not Track.

Chronic Absenteeism Rates at Districts that Do and Do Not Track Early Warning Indicators in Grades 1–5

Chart showing chronic absenteeism rates comparing districts that Do Track (purple) vs Do Not Track (dark purple) early warning indicators:

- Overall Chronic Absenteeism: Do Track 15%, Do Not Track 19%
- Urban Chronic Absenteeism: Do Track 22%, Do Not Track 23%
- Suburban Chronic Absenteeism: Do Track 15%, Do Not Track 19%
- Rural Chronic Absenteeism: Do Track 11%, Do Not Track 15%

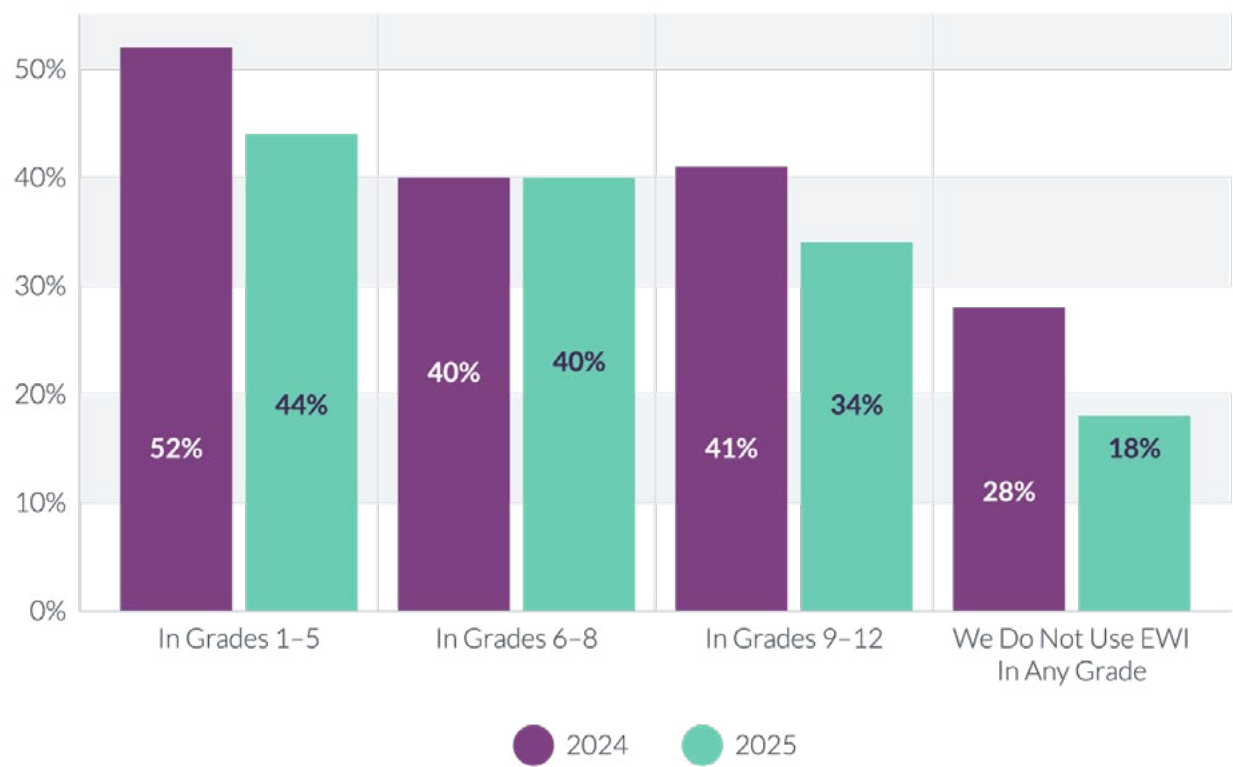Legend: Do Track ● Do Not Track ●

A Concerning Trend: Declining Use of Early Warning Indicators

Despite the clear benefits of early intervention, the data suggests a decline in districts' use of early warning indicators across the board, except in grades 6-8.

- **Grades 1-5** – Last year, more than **50%** of districts used early warning indicators. This year, that number dropped to just **44%**.

- **Grades 9-12** –Usage also declined, from **41%** last year to **34%** this year.

This downward trend raises concerns about whether districts are moving away from a critical tool that can help districts predict and address issues before they escalate. As districts continue to focus on student success and teacher retention, reinforcing early intervention strategies could be key to long-term improvement.

Tracking Early Warning Indicators by Grade Level

	2024	2025
In Grades 1–5	52%	44%
In Grades 6–8	40%	40%
In Grades 9–12	41%	34%
We Do Not Use EWI In Any Grade	28%	18%

From Data to Action: What District Leaders Can Do to Drive Change

The data is clear; investing in student support, early intervention, and attendance strategies leads to better outcomes for both students and educators. Here's how district leaders can put these insights into action:

1. **Strengthen Student-Family Connections to Improve Attendance**: Urban districts still face nearly 30% chronic absenteeism. Expanding outreach programs and building stronger relationships with families can help bring students back to the classroom.

2. **Expand Mental and Behavioral Health (MBH) Services**: Districts that provide in-house MBH support see [absenteeism](#) rates nearly cut in half (18% vs. 34%). Investing in internal MBH services or strategic external partnerships can improve attendance.

3. **Leverage Early Warning Indicators to Support Students and Retain Teachers**: Join attendance, behavior, and academic data to establish an early warning system. Monitor risk indicators to identify disengagement early, reduce chronic absenteeism, and provide teachers with the resources they need to feel supported and empowered. Districts that use early warning indicators in grades 1-5 see better student outcomes and higher teacher retention.

4. **Invest in [Proactive MBH](#) Approaches for Stronger Attendance Outcomes**: Districts that regularly screen students for MBH needs or use software tools to manage support see the lowest absenteeism rates (14.5%). Embedding MBH into attendance strategies can drive measurable improvements.

5. **Reverse the Decline in Early Warning Indicator Usage**: Despite proven benefits, fewer districts are using early warning indicators, especially in grades 1-5 (down from 50% to 44%). Districts should reinforce and expand these tools to address issues before the escalate.

6. **Adapt Student Support Strategies to Meet Evolving Needs**: More districts are shifting from in-house to outsourced services, especially in speech therapy and MBH. Understanding these trends can help districts ensure students have the right level of support.

7. **Ensure Equitable Access to Student Support Services**: Urban districts have now overtaken suburban districts in offering in-house MBH services (78%). Districts should analyze their support structures to ensure all students, regardless of location, have access to the resources they need.

Budget Confidence

K-12 Budgets: Key Trends and Strategies for Financial Stability

When I first reviewed this year's findings on K-12 budgets, I was pleasantly surprised. Over the past few years, school finance leaders have been navigating budgets in a near-constant state of decline. With ESSER funding now gone, many have been scrambling to close the gap. Yet, this year's data suggests something unexpected: some districts are finding financial relief. It's possible that local funding streams, like tax revenues, are increasing, or that district leaders are getting better at adapting to financial uncertainty. Either way, it's a shift worth paying attention to.

Another encouraging trend is the improvement in budget forecasting. School finance is complex, and uncertainty can be one of the biggest obstacles to long-term planning. The more confidence finance leaders have in their projections, the better positioned they are to make strategic decisions. The report shows that districts relying on analytics tools tend to have the most confidence in their numbers, which isn't surprising. Better data leads to better predictions. Still, many leaders continue to rely on intuition. While experience is valuable, this raises an important question: Are we fully leveraging the technology available to strengthen financial decision-making?

Technology budgeting, in particular, stood out as an area of growing concern. Many districts used ESSER funds to expand one-to-one device programs, but sustaining those programs is another challenge altogether.

Chromebooks and other student devices have a short lifecycle, and once a program like this is in place, schools can't simply scale it back without impacting students. The reality is that technology is now a permanent part of K-12 education, and budgeting for it requires a long-term strategy.

Cybersecurity is another pressing issue. School districts are facing increasing threats, from ransomware attacks to data breaches, and in many cases, they're being asked to meet new security requirements without additional funding. District leaders are being forced to make tough choices, balancing immediate financial needs with long-term security investments.

While this report highlights some areas of financial stabilization, it also reinforces the need for proactive financial planning. The districts that are refining their forecasting strategies, benchmarking against peers, and leveraging analytics tools seem to have a clearer picture of their financial future. As you read through the findings, I encourage you to think about where your district stands, and where opportunities may exist to strengthen your financial planning for the years ahead.

Dan Terrell
Solutions Director, Frontline Education

We asked K-12 finance leaders how they're managing budget fluctuations, improving forecasting accuracy, and making spending decisions. With two years of data, we can now see where financial stability is improving, where districts continue to face constraints, and what strategies are leading to better outcomes.

Key Questions This Section Explores:

- How has legislation impacted school funding in the past year?

- How confident are district finance leaders in their financial forecasting?

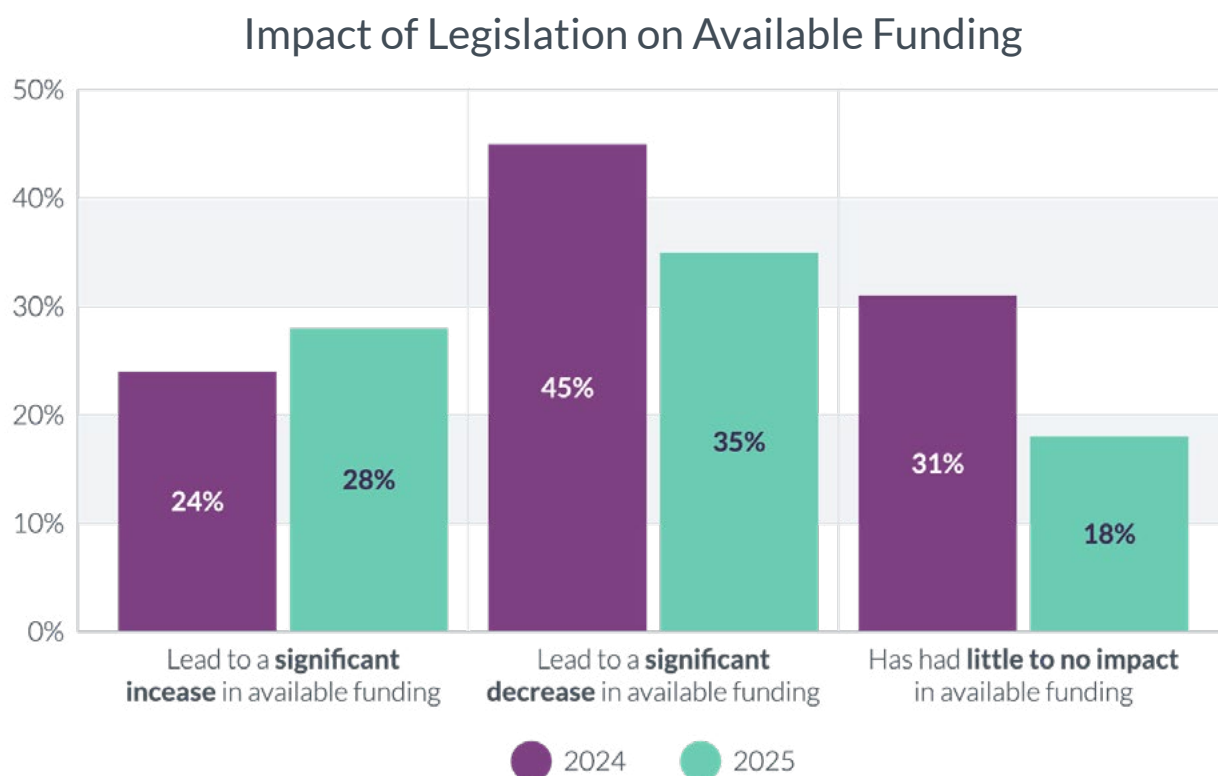- What strategies are helping districts improve financial decision-making?

How has legislation impacted school funding in the past year?

Most Districts Are Still Seeing Funding Decreases

The share of districts reporting significant funding decreases fell from **45%** in 2024 to **35%** in 2025 — a sign that some may be finding financial relief. At the same time, more districts reported funding increases (**28%**, up from **24%** last year), while those seeing no change dropped from **31%** to **18%**.

The Takeaway? Some districts are seeing an uptick in funding, but the majority are still working with less. This reality makes it even more critical for school business leaders to refine their financial planning strategies and ensure every dollar is optimized for maximum impact.

Impact of Legislation on Available Funding

	Lead to a **significant increase** in available funding	Lead to a **significant decrease** in available funding	Has had **little to no impact** in available funding
2024	24%	45%	31%
2025	28%	35%	18%

● 2024   ● 2025

> *"Decreases in enrollment and attendance have led to the reduction of hourly staff hours and ancillary programs, such as designated Library and Technology teachers."*

How confident are district finance leaders in their financial forecasting?

Budget Forecasting is Improving

One encouraging trend is the growing confidence in budget projections.

- **63%** - The share of district finance leaders who perceived their budget projections as "**very**" or "**fairly**" accurate in 2024.

- **78%** - The share of district finance leaders who reported the same in 2025.

Meanwhile, fewer districts reported uncertainty. Only **8%** described their projections as "slightly accurate" or worse, down from **12%** last year.

The Takeaway? Despite funding fluctuations, districts are refining their planning strategies. Whether through better data, more conservative forecasting, or lessons learned from the past few years, school business leaders are navigating uncertainty with greater precision.

Perceived Accuracy of Budget Predictions
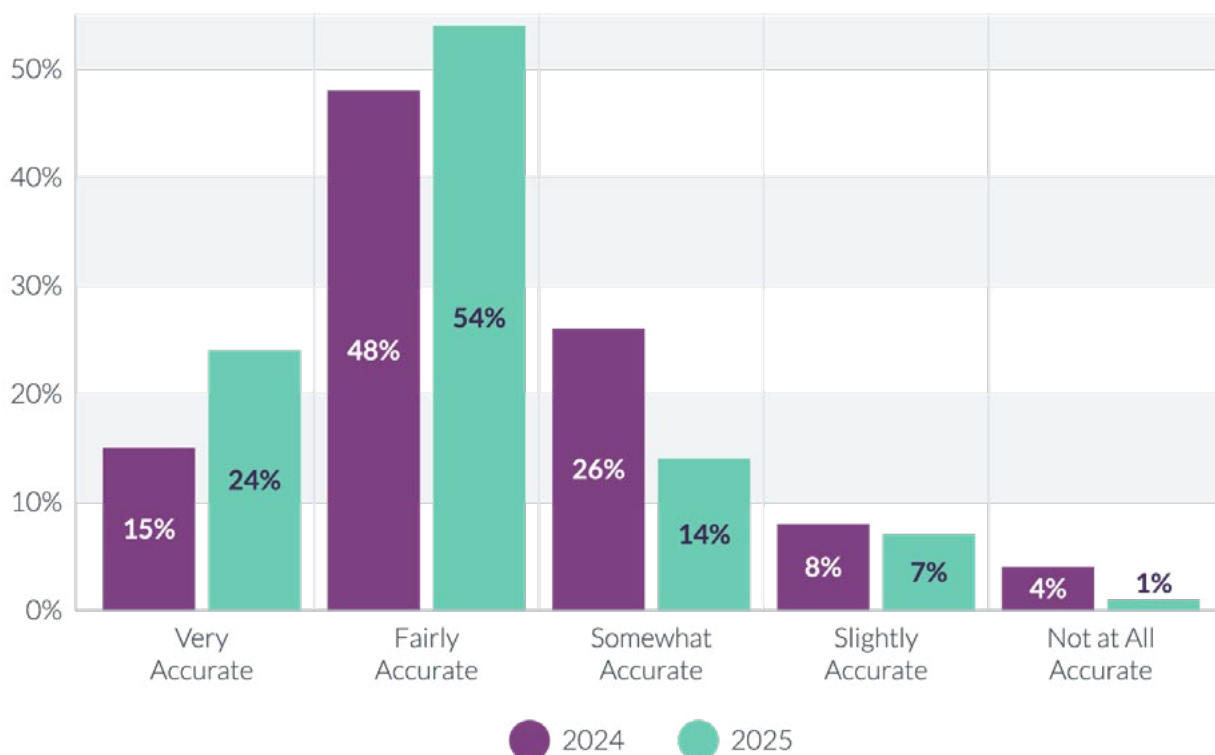
# What strategies are helping districts improve financial decision-making?

Stronger Forecasts Start with Analytics, Not Guesswork

Districts that rely on analytics software for financial decision-making report the highest confidence in their forecasts:

- **93%** of those who primarily use **analytics software** to inform financial decisions say that their budget projections are very or fairly accurate.

- **79%** of those who primarily depend on **manual data analysis** report very or fairly accurate budget projections.

- **76%** of those who primarily rely on **intuition** say their budget projections are very or fairly accurate.

The Takeaway? Access to the right tools matters. As budgets tighten, the districts investing in analytics seem to have a clearer picture of their financial future.

Percentage Who Perceived Budget Projections as Very or Fairly Accurate by Data Source They Primarily Use for Financial Decision-Making

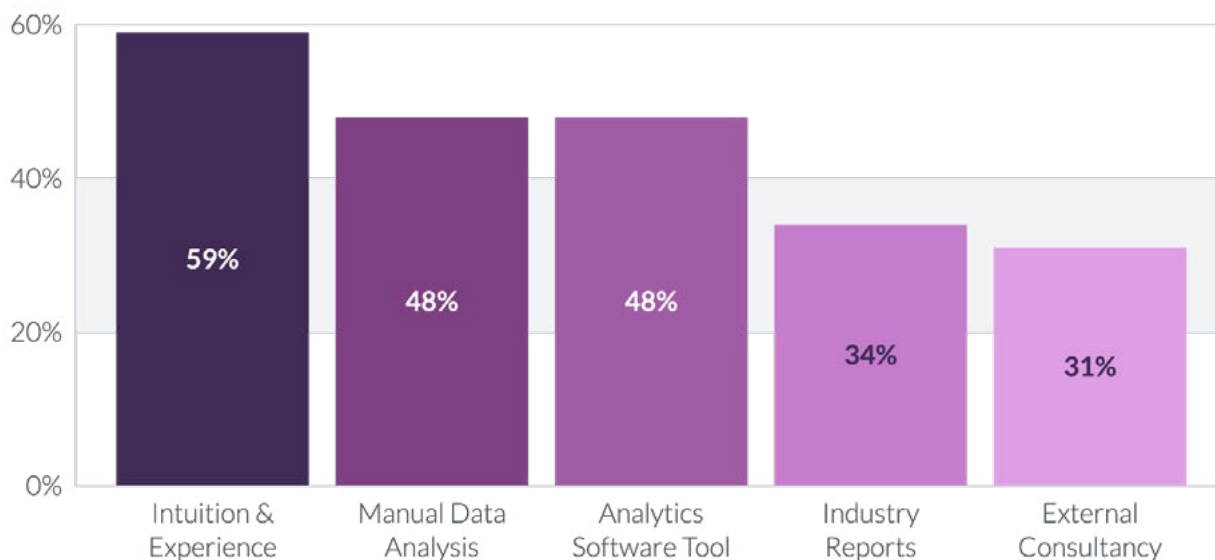| Data Source	Percentage
Intuition & Experience	76%
Manual Data Analysis	79%
Analytics Software Tool	93%
External Consultancy	78%
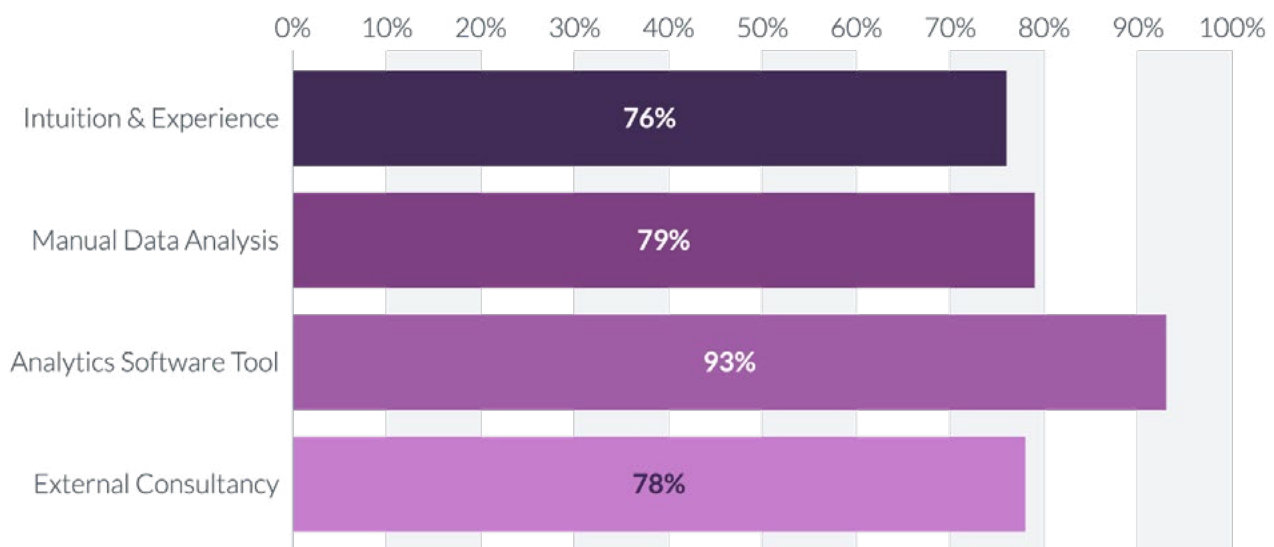
The Persistent Role of Intuition in K-12 Financial Decision-Making

Despite the growing availability of data tools and the boost in financial planning confidence they provide, most district leaders still rely on intuition and experience when making financial decisions:

- **60%** selected **intuition** as a primary source for financial decision-making.

- **48%** selected **manual data analysis** as a primary decision-making source.

- **48%** selected **analytics software** as a primary source.

The Takeaway? While data-driven approaches are gaining traction, this reliance on intuition suggests that many districts don't have access to the right tools. Industry reports (**34%**) and external consultancies (**31%**) ranked even lower, indicating that school finance leaders prefer to lean on internal expertise rather than outside perspectives.

Percentage Who Selected Each as a Primary Source for Data-Driven Decisions

Bar chart showing percentages:
- Intuition & Experience: 59%
- Manual Data Analysis: 48%
- Analytics Software Tool: 48%
- Industry Reports: 34%
- External Consultancy: 31%

Benchmarking for Better Financial Forecasting

Districts that compare their staffing and spending data to peer districts gain a financial advantage. **Those that benchmark more frequently perceive their financial forecasts as significantly more accurate.**

- **75%** of districts that benchmarked daily reported that their financial forecasts were very accurate.

- Accuracy dropped for districts that benchmarked less frequently *(see below).*

Percentage Who Perceived Budget Predictions as Very or Fairly Accurate by Frequency of Peer Benchmarking

Unsure	< Once Per Year	Annually	Monthly	Weekly	Daily
17%	17%	14%	18%	36%	75%
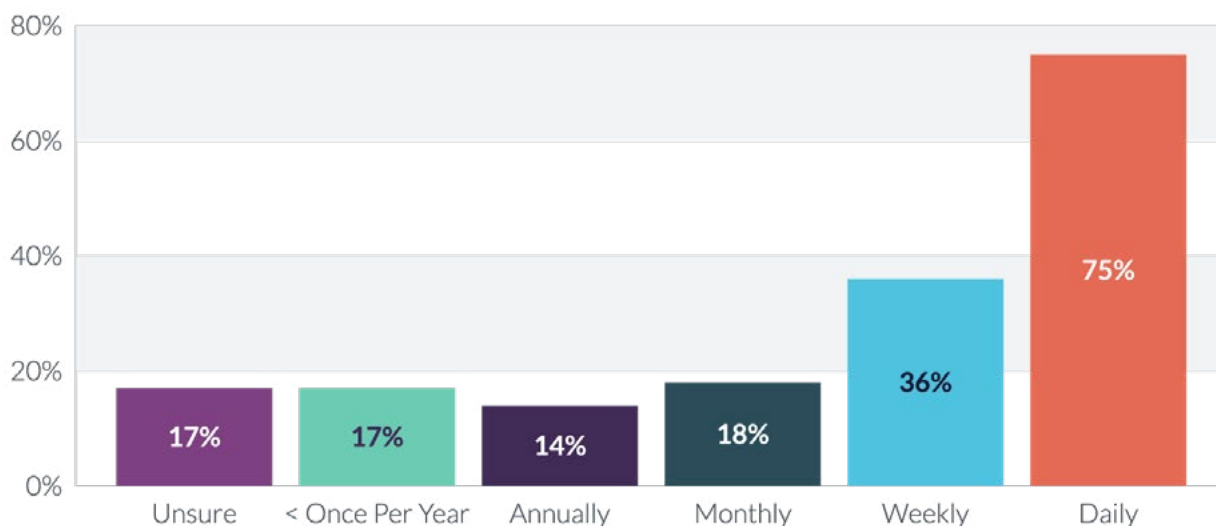
The Power of Location Data in Financial Planning

Similarly, districts that incorporate location data (analyzing population and demographic trends) are better equipped to predict financial needs.

- **60%** of districts that use location-based insights daily also reported that their financial forecasts were very accurate.

The Takeaway? Predicting shifts in student enrollment and community demographics helps districts plan for staffing, resource allocation, and funding decisions.

Percentage Who Perceived Budget Predictions as Very or Fairy Accurate by Frequency of Location Data Analysis

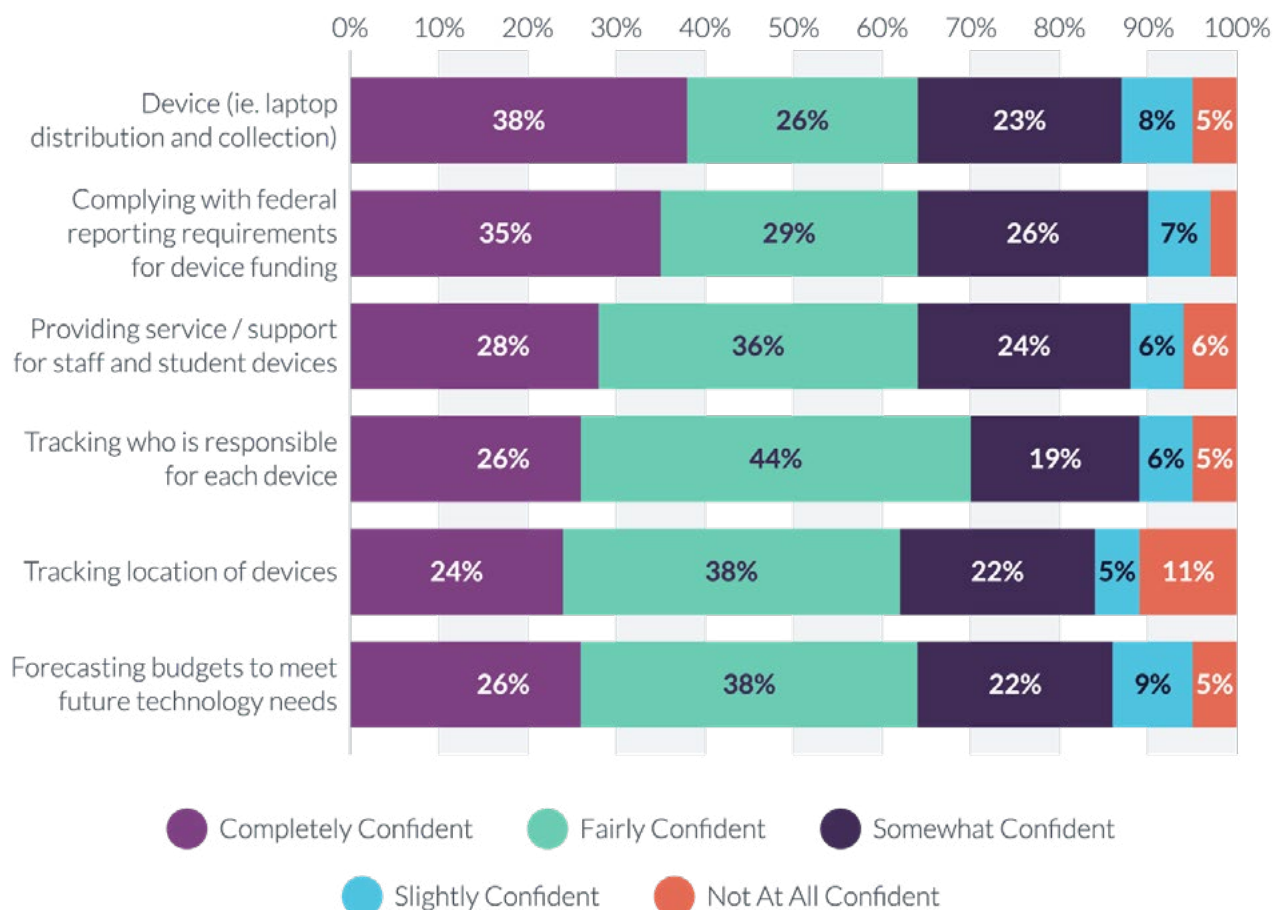| Unsure	< Once Per Year	Annually	Monthly	Weekly	Daily
15%	0%	14%	31%	25%	60%
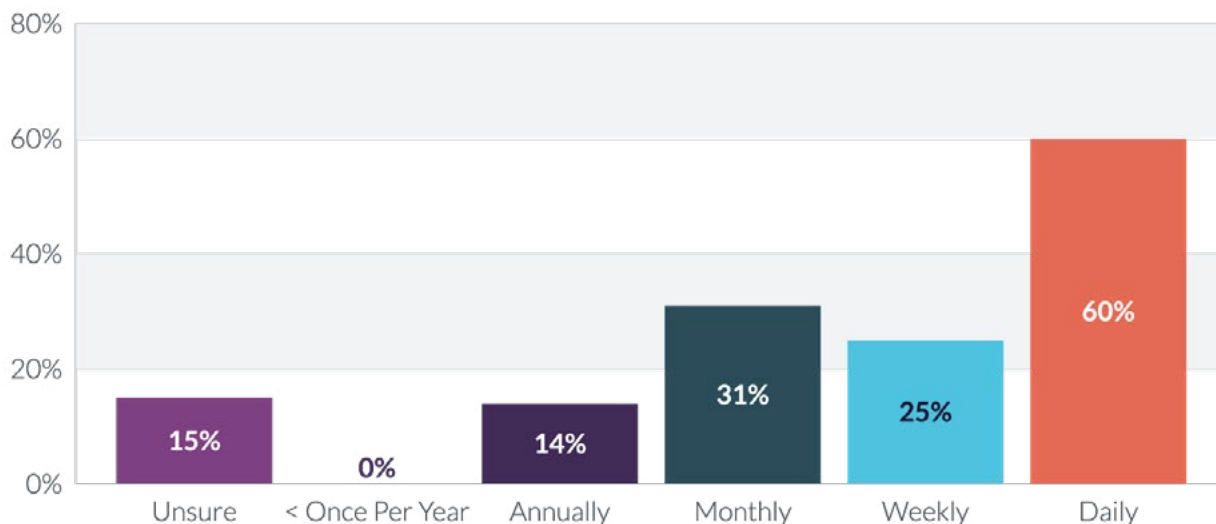
The Role of Technology Confidence in Financial Decision-Making

As districts work to improve financial planning, and as schools invest more and more money into student and staff devices, the ability to manage technology effectively is becoming an increasingly important factor. From [tracking devices](#) to forecasting technology budgets, confidence in managing these aspects directly impacts financial decision-making and resource allocation.

Yet, district leaders report varying levels of confidence in these areas. While some respondents reported relatively strong confidence in some areas, such as device distribution and compliance with federal reporting requirements, they said they are less confident in areas like forecasting technology budgets. The following data highlights where districts feel most and least prepared to manage their technology infrastructure.

Confidence in Ability to Manage Technology Aspects (2025)

Aspect	Completely Confident	Fairly Confident	Somewhat Confident	Slightly Confident	Not At All Confident
Device (ie. laptop distribution and collection)	38%	26%	23%	8%	5%
Complying with federal reporting requirements for device funding	35%	29%	26%	7%	
Providing service / support for staff and student devices	28%	36%	24%	6%	6%
Tracking who is responsible for each device	26%	44%	19%	6%	5%
Tracking location of devices	24%	38%	22%	5%	11%
Forecasting budgets to meet future technology needs	26%	38%	22%	9%	5%

Legend: ● Completely Confident ● Fairly Confident ● Somewhat Confident ● Slightly Confident ● Not At All Confident

Shifts in Technology Confidence

Since our 2024 K-12 Lens report, confidence has increased in some areas and decreased in others.
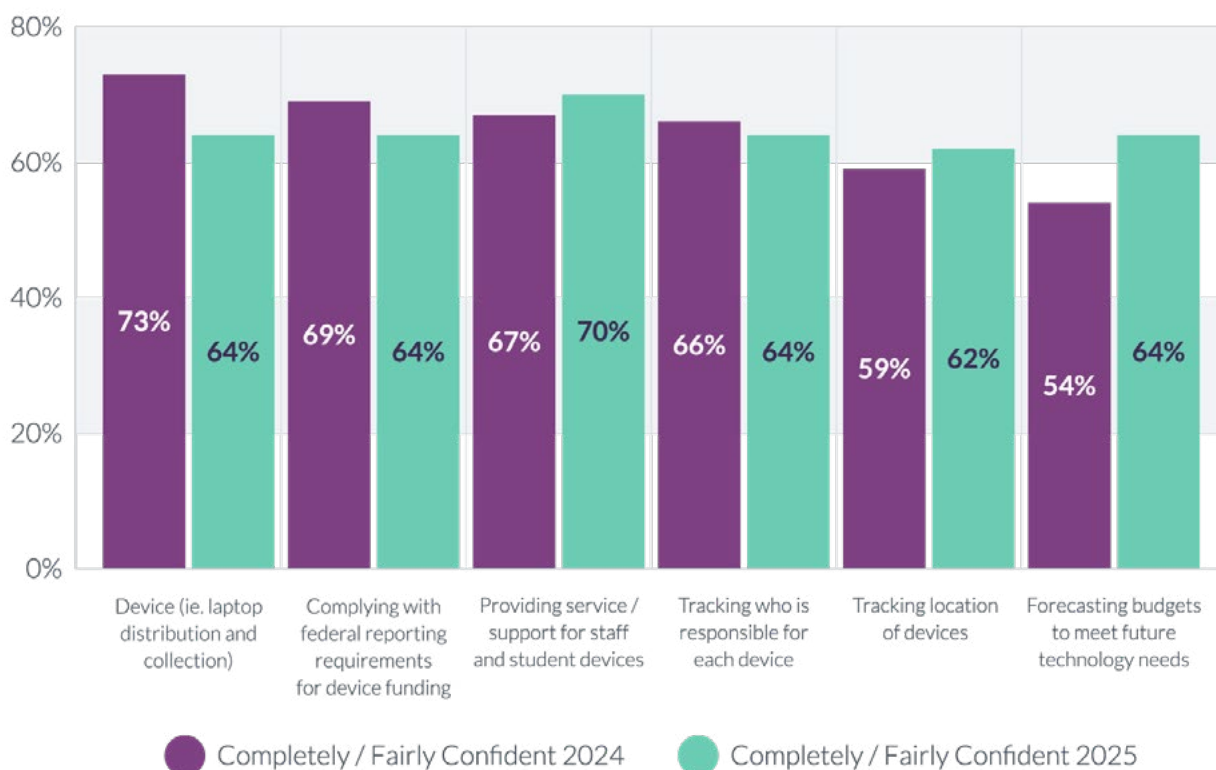
Increased Confidence:

- **+ 3 percentage points** – tracking device responsibility and location

- **+10 percentage points** – forecasting technology budgets

Decreased Confidence:

- **-9 percentage points** – device distribution

- **-5 percentage points** - federal reporting compliance

The Takeaway? Districts are becoming more confident in long-term planning and accountability measures. However, concerns about logistics, regulations, and resource availability may be on the rise.

Percentage of Those Who Are "Completely" and "Fairly" Confident in Ability to Manage Technology Aspects

Category	Completely / Fairly Confident 2024	Completely / Fairly Confident 2025
Device (ie. laptop distribution and collection)	73%	64%
Complying with federal reporting requirements for device funding	69%	64%
Providing service / support for staff and student devices	67%	70%
Tracking who is responsible for each device	66%	64%
Tracking location of devices	59%	62%
Forecasting budgets to meet future technology needs	54%	64%

● Completely / Fairly Confident 2024   ● Completely / Fairly Confident 2025
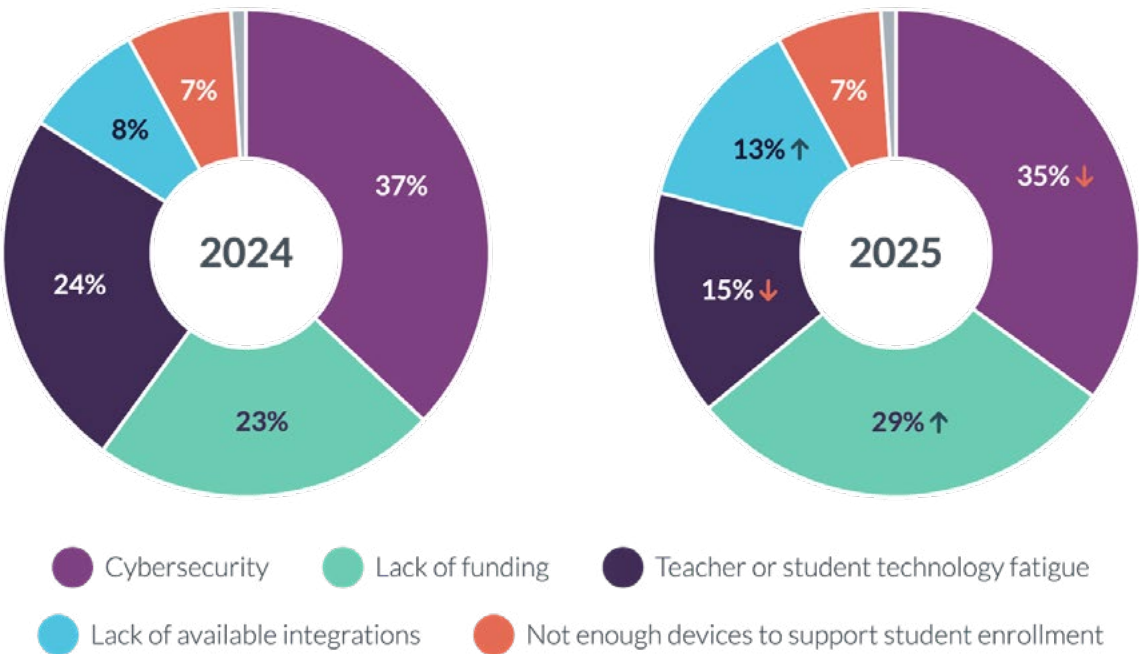
Addressing Technology Costs: A Key Strategy for Better Financial Decision-Making

When asked to rank their top technology concerns, district leaders once again identified **cybersecurity** and **technology maintenance and sustainability due to lack of funding** as their biggest challenges. These financial pressures have remained a priority for the second consecutive year, underscoring the ongoing costs of maintaining and securing district technology.

As districts continue to balance financial planning with technology needs, these concerns highlight the importance of sustainable investments in cybersecurity, infrastructure, and long-term tech budgeting.

Percentage of Respondents in Who Rated Each Technology Challenge Their #1 Concern

2024
- 37% Cybersecurity
- 23% Lack of funding
- 24% Teacher or student technology fatigue
- 8% Lack of available integrations
- 7% Not enough devices to support student enrollment

2025
- 35% ↓ Cybersecurity
- 29% ↑ Lack of funding
- 15% ↓ Teacher or student technology fatigue
- 13% ↑ Lack of available integrations
- 7% Not enough devices to support student enrollment

Legend:
- Cybersecurity
- Lack of funding
- Teacher or student technology fatigue
- Lack of available integrations
- Not enough devices to support student enrollment

From Data to Action: Key Steps for Strengthening Financial Decision-Making in 2025

As districts continue to navigate funding uncertainties and evolving financial strategies, successful school business leaders are adopting proactive approaches to budgeting, forecasting, and resource management. Based on trends from district leaders, here are five key actions to drive financial stability in 2025:

1. **Leverage Analytics to Strengthen Budget Forecasting:** Districts that rely on analytics software report the highest confidence in their financial projections, with 93% saying their budgets are very or fairly accurate. Investing in data-driven decision-making tools can reduce uncertainty and improve long-term planning.

2. **Prioritize Benchmarking for More Accurate Financial Projections:** Districts that compare their staffing and spending data to peers more frequently report significantly higher forecasting accuracy: 75% of those benchmarking daily say their projections are very accurate. Regular benchmarking helps finance leaders set realistic expectations and optimize resource allocation.

3. **Use Location Data to Improve Financial Planning:** With enrollment trends shifting, location-based insights help districts anticipate future financial needs. 60% of districts using daily location data analysis reported highly accurate financial forecasts. Understanding population and demographic changes ensures better planning for staffing, resource distribution, and funding requests.

4. **Improve Technology Budgeting and Asset Management:** District leaders report growing confidence in forecasting technology budgets (+10 percentage points from 2024) but remain concerned about cybersecurity and maintenance costs. Strengthening IT asset tracking, compliance monitoring, and cybersecurity investments can help districts avoid financial pitfalls while maximizing the impact of technology and spending.

5. **Reduce Reliance on Intuition by Expanding Data-Driven Approaches:** Despite advances in financial analytics, 60% of district leaders still primarily rely on intuition when making financial decisions. While experience remains valuable, combining it with real-time financial data, trend analysis, and predictive modeling can lead to more precise, informed decision-making.
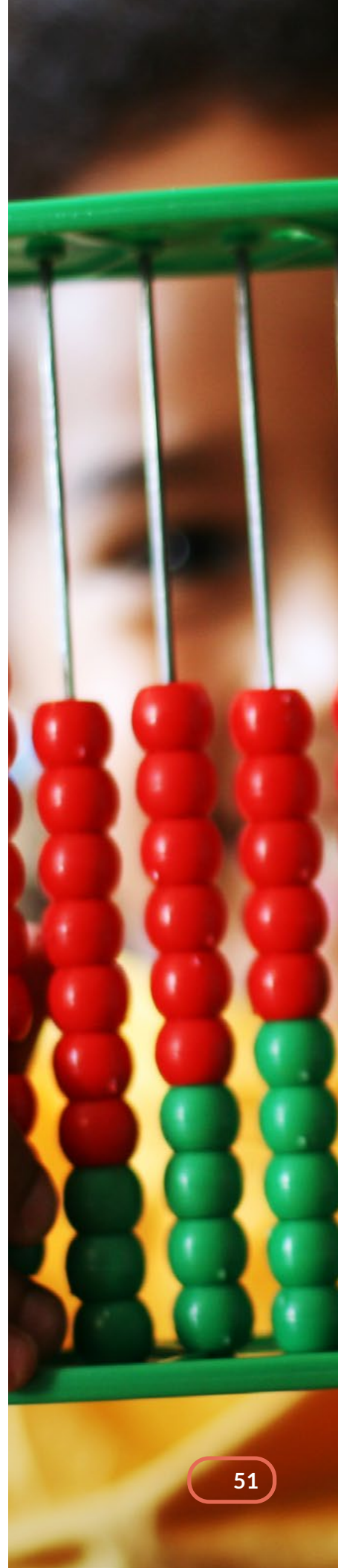
Conclusion: A Stronger Foundation for the Future

The most successful districts are not waiting to react to change — they're shaping it. They are building sustainable staffing pipelines, strengthening financial decision-making, and rethinking student support in ways that create lasting impact.

- **In hiring and retention**, the districts seeing the greatest success are the ones investing in mentorship, professional growth, and strategic recruitment to attract and retain top educators.

- **In financial planning**, those leveraging analytics and benchmarking are not just managing budgets; they are increasing confidence in their forecasts and optimizing resources for the long term.

- **In student support**, districts that prioritize mental and behavioral health services are seeing measurable improvements in student engagement and attendance.

What sets these districts apart? They understand that success is not about short-term solutions, it's about building strong, interconnected systems that create stability, opportunity, and growth.

The decisions district leaders make today will shape their schools for years to come. The question is no longer just how to keep up, but:

How will your district lead the way?