Among the schools GAO reviewed, differences in per-pupil spending between inner city and suburban schools varied across metropolitan areas, with inner city schools spending more in some metropolitan areas and suburban schools spending more in other areas. The inner city schools that GAO examined generally spent more per pupil than suburban schools in Boston, Chicago, and St. Louis, while in Fort Worth and New York the suburban schools in GAO’s study almost always spent more per pupil than the inner city schools. In Denver and Oakland, spending differences between the selected inner city and suburban schools were mixed. In general, higher per-pupil expenditures at any given school were explained primarily by higher staff salaries regardless of whether the school was an inner city or suburban school. Two other explanatory factors were student-teacher ratios and ratios of students to student support staff, such as guidance counselors, nurses, and librarians. Federal funds are generally targeted to low-income areas to compensate for additional challenges faced by schools in those areas. In some cases, the infusion of federal funds balanced differences in per-pupil expenditures between the selected inner city and suburban schools.

There is a broad consensus that poverty itself adversely affects academic achievement, and inner city students in the schools reviewed performed less well academically than students in the suburban schools. The disparity in achievement may also be related to several other differences identified in the characteristics of inner city and suburban schools. At the schools GAO visited, inner city schools generally had higher percentages of first-year teachers, higher enrollments, fewer library resources, and less in-school parental involvement—characteristics that some research has shown are related to school achievement.