

DOES MONEY MATTER IN EDUCATION?

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TL;DR

The authors of this report review dozens of peer-reviewed K-12 finance studies, with a particular focus on those published in the past 15 years.



This mounting body of evidence has largely **removed any uncertainty** about whether money matters for K-12 student success, while **expanding what we know** about the form, consistency, and magnitude of its impact.

FINDINGS

1

Increasing K-12 funding improves student outcomes, and funding cuts hurt those outcomes.

Sustained investments in K-12 schools are safe investments, yielding improvements in test scores, graduation, college attainment, earnings, and other outcomes.

2

Spending on both current operations AND capital investment helps students.

Proper ventilation, heating, air conditioning, science facilities, and other improvements to learning environments also improve outcomes.

3

Changes in funding matter, regardless of how those changes come about.

That includes changes due to state legislation, litigation, economic fluctuations, or local processes such as bond elections.

4

The benefits are particularly strong for economically disadvantaged students and districts where states have historically underinvested.

Directing resources toward these students and schools that need them the most offers the greatest return on investment.

RESOURCES

- [Full report](#) (PDF)
- [List of key studies reviewed](#) (PDF)
- [School Finance Indicators Database](#)

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