

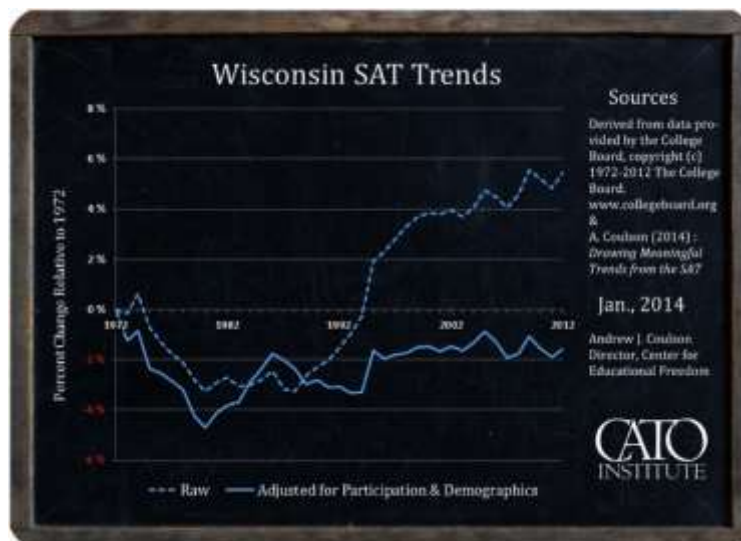
# CATO Report Shows Funding Alone Has Little Impact on Educational Achievement

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In K-12 education, more spending does not equal better results.

That's the lesson behind Andrew Coulson's [latest study at the CATO Institute](#). Coulson, a longtime education researcher, tracked school funding versus SAT scores to see if there was a relationship between achievement and spending in America's public schools. What Coulson found is that while relative spending was up, most SAT scores remained static. In fact, those scores even declined in Wisconsin.

Wisconsin's per-student funding rose by approximately 110 percent between 1972 and 2012 when adjusted for inflation. Over that span, the state's average SAT score dropped by nearly two percent. While early spending cuts in the 1970s and 1980s fell in line with a significant decrease in SAT performance in those years, Wisconsin's students were unable to pull that trend in the opposite direction when the state's per-student funding rose dramatically from the mid-90s and throughout the 2000s.



Wisconsinites may point to the use of the ACT as the state's preferred college readiness examination for the lack of results in recent years, but those participation results were controlled for in Coulson's comparison. Even with that caveat in place, the trend of higher spending and little movement on SAT scores is something that goes well beyond the Badger State.

That lack of connection between spending and achievement defined performance across the country. Coulson's look at adjusted SAT scores - which factor in participation rate and student demographics - shows that spending had little, if any, impact on a standard educational outcome like the SAT. Over that 40-year span, there was a correlation of only .075 between funding and academic performance - a figure that suggests that there is no link between the two.

Coulson's research shows that spending alone does not lead to better academic performances. Instead, the agent of change is often an educational reform that rises up to meet the challenges of a dynamic student body.

The results we've seen in Milwaukee's public schools back this theory up. Though the city is one of the highest-funded districts in the state, it is also one of the most chronically low-performing. However, the schools that are showing the most progress in Wisconsin's largest district aren't the ones with the most money - in fact, they operate at less than 60 percent of the per-student funding for Milwaukee's traditional public schools.

Those high-performing schools are the city's independent charter schools. While these schools were limited to \$7,750 per student in 2012 and a student body of which more than 80 percent came from economically disadvantaged backgrounds, they still posted significantly better achievement scores than their MPS peers. These schools had higher state School Report Card grades and frequently outscored the city average when it came to reading and mathematics on the state standardized test in elementary, middle, and high school. [LINK: Charter school reports on website]

Wisconsin can't rely on funding alone to spur academic growth in its classrooms. The state hasn't gotten much of a return on its investment over the past four decades. Without a greater dedication to finding programs that work and replicating successes, the state risks throwing good money after bad and hoping that spending will equal results. That's a risk that most students and families can't afford to take.