



Education Funding: Driving Student Success

Frequently Asked Questions | 2024

Why does school funding matter?

Recent research from across the ideological spectrum has established a [new consensus](#) that more funding can improve student outcomes, but the size of the impact is determined by state policies.

What is student-centered funding?

For each student, a school receives a [base funding amount](#), plus additional funding for a student who is low-income, has disabilities or is an English learner. This supplemental funding is typically calculated through weights, or multipliers against the base funding. A weight of 1.20 means 20 percent more funding.

How can states maximize the impact of their school funding?

States can combine [student-centered funding](#) with other policies that drive effective use of resources, including [performance funding](#), [accountability](#) and [choice](#).

How can states help schools make better use of their resources?

States can help schools [identify comparable schools](#) that are doing better with the same or fewer resources and learn what these schools are doing differently.

Why is student-centered funding helpful?

Student-centered funding is simple so that school leaders have the flexibility to make the best use of resources. It is fair, treating all students the same regardless of what school they attend. Funding can easily move with students, enabling choice.

How much extra funding can states provide for low-income students?

States provide on average [22 percent](#) more for their low-income students, which equals an additional \$1,273 per student.

How can states ensure that supplemental funding for low-income students makes a difference?

States can require that supplemental funding for low-income students gets to the schools serving those students. They can also hold schools accountable, so that their [A-F grades](#) reflect how well they are doing with low-income students.

What is performance funding?

Under [performance funding](#), a portion of school funding is based on student outcomes, rather than student enrollment or attendance. It incentivizes improved outcomes and innovation.

What can states do to help charter schools meet their facility needs?

States can use a **combination** of facility funding, free access to underutilized buildings and affordable financing to build or purchase schools.

How can states help charter schools build or buy their own buildings?

Through a **moral obligation program**, states can back the bonds issued on behalf of charter schools so that they are charged much lower interest rates.



Spotlight on Tennessee

Indiana created an apprenticeship program with a focus on special education. Students who participate in the program will graduate from Ball State University a year early with a degree in elementary education and a concentration in special education.



Spotlight on Texas

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Spotlight on Idaho

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What are additional ExcelinEd resources?

To read more: ExcelinEd, [*Making Money Matter: The Growing Consensus*](#) (2023); ExcelinEd, [*Student-Centered State Funding: A How-to Guide for State Policymakers*](#) (2017); ExcelinEd, [*Supplemental Funding for Low-Income Students*](#) (2023); ExcelinEd, [*Model Policy: School Level Financial Transparency Act*](#) (2017); ExcelinEd, [*Conceptual Framework for Performance Funding*](#) (2018); ExcelinEd, [*Building for Success: How States Can Address Charter School Facility Needs*](#) (2020).

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