

How to Spend Federal Aid to Help Students While Avoiding a Fiscal Cliff

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LEAs have until 2024 to obligate newest federal funds:

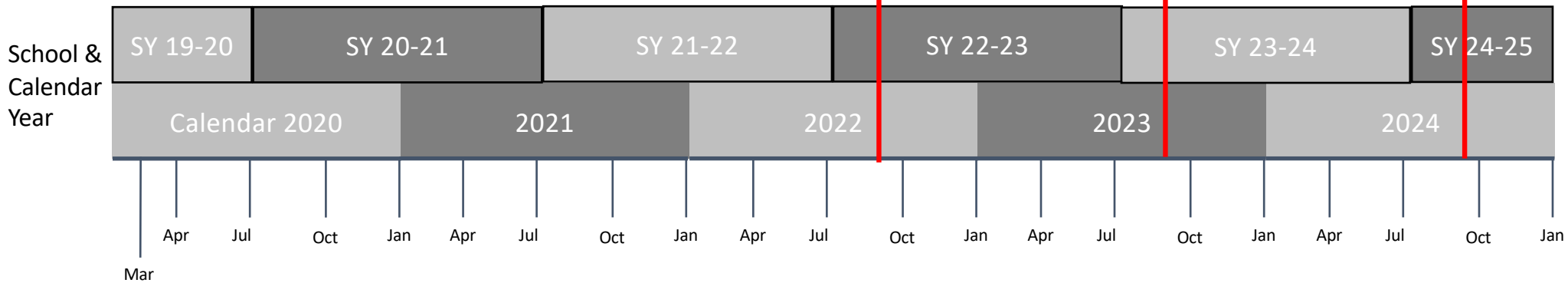
\$123B ARP ESSER III. LEAs must obligate by 9/ 2024 ~ **\$2400 /pupil**

\$54B CRSSA ESSER II. SEAs must obligate by 9/ 2023. ~ **\$1,100 /pupil**

\$13B CARES ESSER I. LEAs must obligate by 9/2022 ~250pp


20% must be used for learning loss

Broadly flexible. DoED: expenses must relate to COVID.



*Image adapted from White Board Advisors

ARP funds for schools: Five principles to guide district spending

- 
1. **Honor the promise to taxpayers to focus on students and relief**
 - a. Compute the per-student costs or cost per extra student hour, to ensure spending is reasonable.
 - b. Find ways to measure effects on students and ensure success.
 - c. Be nimble and adjust plans as needed.
 2. **Commit to a multi-year spending plan**
 - a. Avoid adding new recurring costs to avert disruptive fiscal cliff.
 - b. Maintain a long-term financial forecast.
 3. **Seek targeted investments to increase learning time for students who need it most**
 4. **Consider how equitably funds are applied across schools**
 - a. Compute \$/student impacts on each school.
 5. **Be transparent and ensure broad participation in spending decisions**
 - a. Engage parents, communities and especially boards on spending choices.
 - b. Have principals gauge whether investments match need of their students with feasibility for success.
 - c. Apply proper procurement protocols. Publicly communicate all investments, providers and intended benefits.



Poll

Which of the following is not an allowable use of ESSER funds for LEAs?

- A. Enlarge the gym
- B. Reinstate a 5% pay raise that was put on hold
- C. Pay the Kumon fee for any student who opts in
- D. Pay for staff positions that would otherwise be cut due to enrollment declines
- E. Replenish the reserve fund **X**
- F. Use ESSER funds to supply COVID-19 tests at school sites

This money is highly flexible. Districts are the ones who decide how to spend it!



Compute per pupil costs to explore cost and value of investments



Compute per pupil costs to explore cost and value of investments

	Total cost	Target students	# students	Cost/student	Per student cost per hour
CT Summer program	\$11M	All ages	24,000	\$458/student	
Atlanta Summer Program	\$13M	All ages, priority for struggling students	20,000	\$650/student	
Boston K-1 Summer Enrichment	\$1.7M	K-1	500	\$3,400/student	\$24/hour pp
Boston's Extended sch year	\$7M	Students with IEPs	3,322	\$2,107/student	\$84/hour pp



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2. Commit to a multi-year spending plan

- a. Avoid adding new recurring costs to avert disruptive fiscal cliff.
- b. Maintain a long-term financial forecast.

3. Seek targeted investments to increase learning time for students who need it most

4. Consider how equitably funds are applied across schools

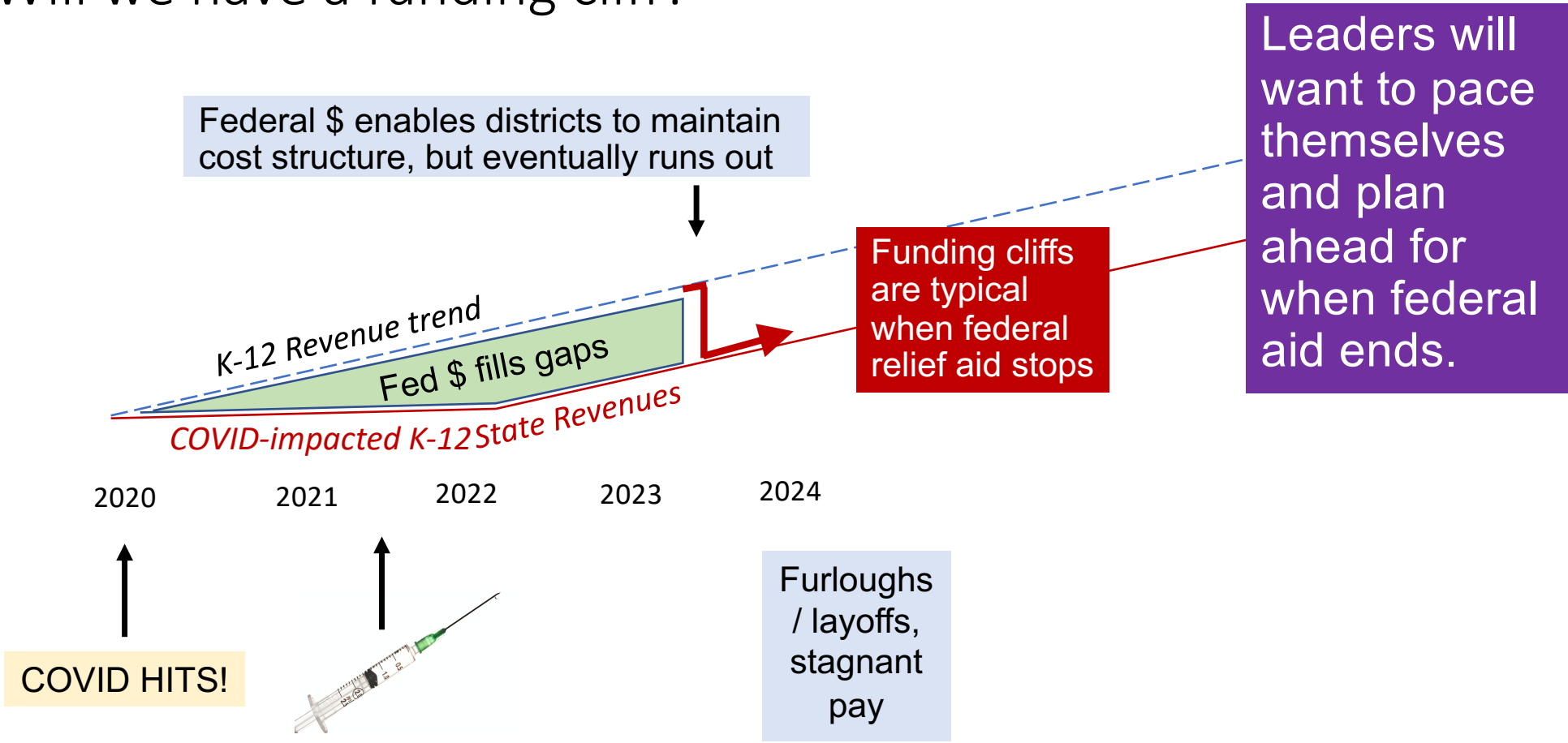
- a. Compute \$/student impacts on each school.

5. Be transparent and ensure broad participation in spending decisions

- a. Engage parents, communities and especially boards on spending choices.
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Will we have a funding cliff?



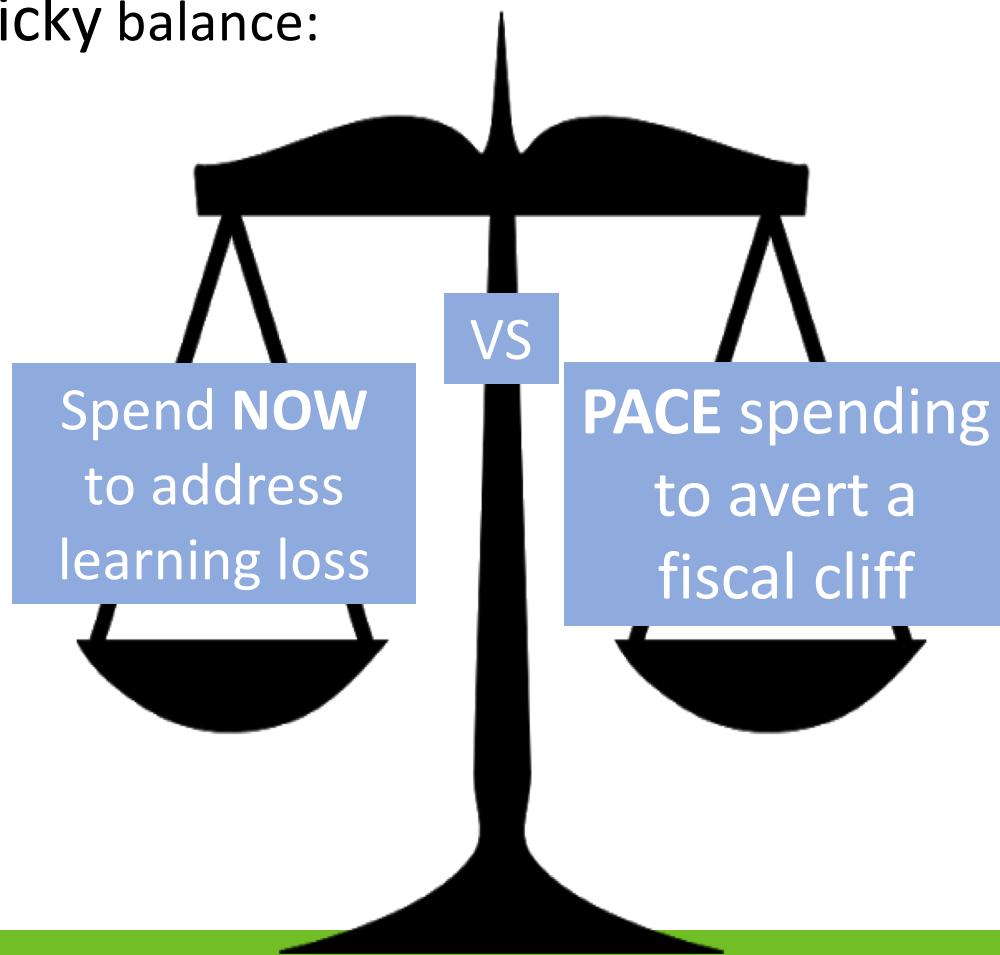
Poll

What portion of your remaining federal funds will you use in SY21-22?

- A. 0-25%
- B. 25-50%
- C. 50-75%
- D. More than 75%
- E. Not sure



Tricky balance:



Make a plan for spending down the funds.

How about...?

40%	SY21-22
30%	SY22-23
20%	SY23-24
10%	SY24-25

Beware of adding recurring costs!

Instead of recurring expenses:


- **New hires** (e.g., nurses, counselors, VP, teachers, tutors)
- **Base pay raises:** Across-the-board % raises, COLAs
- Increased **benefits**
- Permanent calendar changes
- Changes to class sizes

Consider one-time expenses:

- ✓ **Stipends** (e.g., for tutoring, summer)
- ✓ Use retirees, or student teachers
- ✓ **Contractors** (e.g., nurses, tutors)
- ✓ **One-time** hazard pay
- ✓ **Facility** upgrades
- ✓ One-time summer school
- ✓ Temporarily added weeks of school



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Poll

Consider different \$1000 pp investments to address learning loss. Would you rather:

- A. Reduce class sizes by two students for a year
- B. Extend a school year by four weeks for all students
- C. Provide one-third of students with a year's intensive tutoring
- D. Offer 4-week learning camps for all K-5 students this summer and next
- E. Give principals the money to decide what makes the most sense for their students and staff



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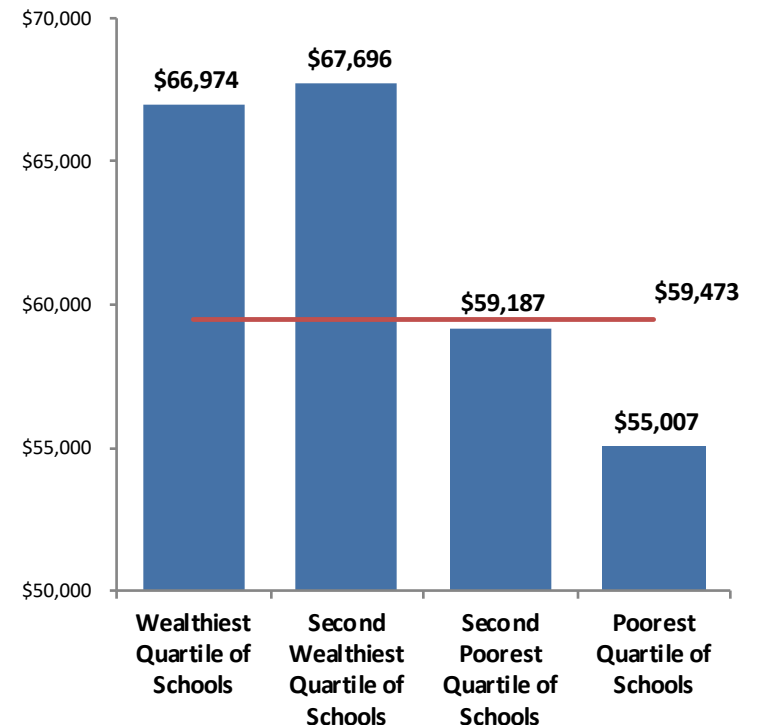
Poll

If your district is adding learning time with current staff, how are you paying the current staff?


- A. Fixed dollar amount (e.g., \$35 per hour per teacher or \$1300 for starting school 2 weeks early)
- B. Use of current salaries (e.g., each teacher's hourly rate based on individual salaries)
- C. Don't know yet
- D. Not applicable

Using current salaries could exacerbate current inequities across schools.

Average Salary by % of L-I Students - School Level



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Poll

What is the current threshold by which your district must seek board approval for contracting?

- A. \$0 - \$25,000
- B. \$25,000 - \$50,000
- C. \$50,000 - \$100,000
- D. \$100,000 - \$250,000
- E. >\$250,000

Chat: have you recently made a temporary or permanent change in the threshold during Covid?

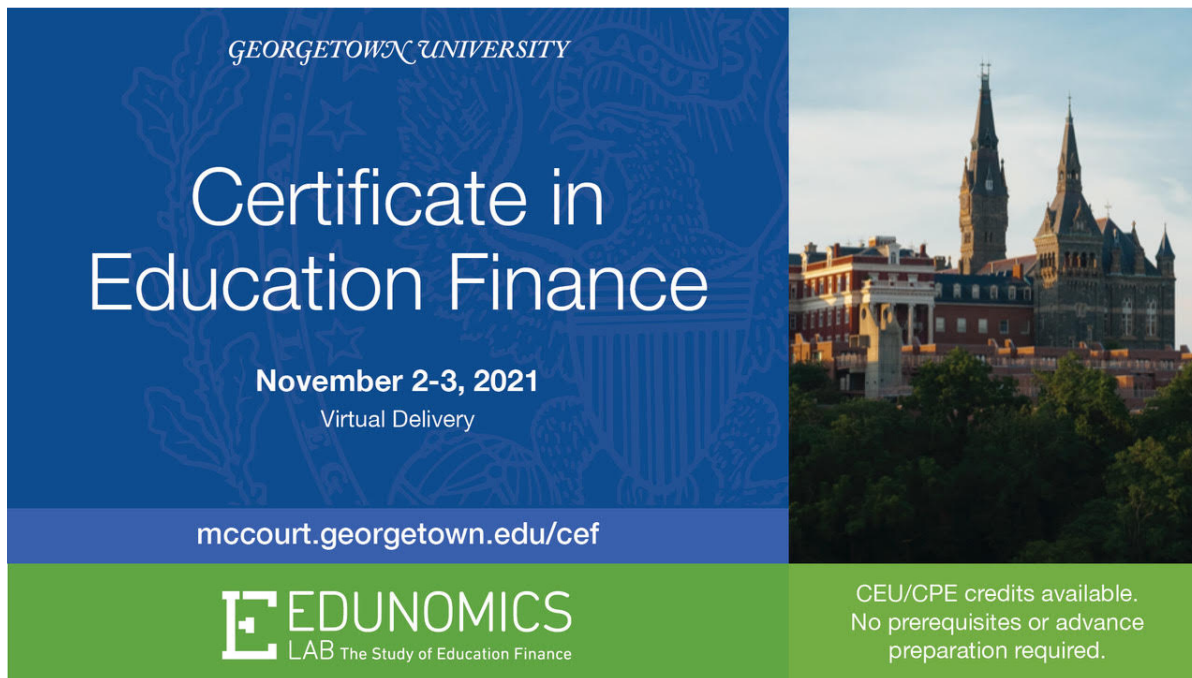
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Clarify dollars alongside intended benefits for students:
“We’re investing \$XY in ____, in order to do ____ for our students so that they can ____.”

Q&A and Thank you!

Visit EdunomicsLab.org for resources on school finance, school-by-school expenditure data, and more!



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