30-Minute Webinar: Federal Funds Are Flowing! Here’s What We’re Finding So Far

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Edunomics Lab, Georgetown University
Slides available at edunomicslab.org

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Note: Presentation is on-the-record but Q/A after is off-the-record unless otherwise noted.
For districts, the clock is ticking...

- **3/11 ARP passes**
- **Today**
- **DoEd issues draft regs 4/22**
- **2021-22**
- **States must give 2/3 of eligible ESSER3 funding to districts by May 24**
- **Mar**
- **Apr**
- **May**
- **Jun**
- **Jul**
- **Aug**
- **Sep**
- **Oct**
- **Nov**
- **Dec**
- **Jan**
- **Feb**

**District ESSER funds are highly flexible. Districts will choose how to spend those funds.**

Note: We’re focusing only on district spending here. State agencies also have 10% of ESSER funds for their use. Those plans are separate.

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For districts, the clock is ticking...

District ESSER funds are highly flexible. Districts will choose how to spend those funds.

Next 3 months will be busy: Districts must complete plans to spend their share of ESSER ($=110B) while creating annual budgets and preparing for SY21-22.

- **3/11** ARP passes
- **Today**
- **5/24** States must give 2/3 of eligible ESSER3 funding to districts by May 24

**2020-21**
- **3/24** DoEd releases 2/3 ESSER3 ($81B) to states 3/24

**2021-22**
- **Aug 24** Districts must submit ESSER3 plans to states w/in 90 days of receipt of $.
- **Local** Budgets approved locally by June 30
- **Aug 24** Districts must submit ESSER3 plans to states w/in 90 days of receipt of $.
For districts, the clock is ticking...

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DoEd issues draft regs 4/22

States must give 2/3 of eligible ESSER3 funding to districts by May 24

Mar 2021

Apr 2021

May 2021

Jun 2021

Jul 2021

Aug 2021

Sep 2021

Oct 2021

Nov 2021

Dec 2021

Jan 2022

Feb 2022

2020-21

DoEd releases 2/3 ESSER3 ($81B) to states 3/24

Annual SY21-22 budgets approved locally by June 30

Aug 24: Districts must submit ESSER3 plans to states w/in 90 days of receipt of $.

For districts, the clock is ticking...

Today

District ESSER3 planning must involve “meaningful consultation”

- Students
- Families
- School admins
- District admins
- Spec. Ed admins
- Teachers
- Principals
- Other educators,
- School staff,
- Employee unions

... and if relevant:
- Tribes
- Civil rights orgs
- Disability rights orgs
- Stakeholders representing students types including:
  - Disabilities
  - English learners,
  - Experiencing homelessness,
  - Foster care,
  - Migratory,
  - Incarcerated,
  - Other underserved

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District ESSER3 planning must involve “meaningful consultation”

We’re tracking available district board docs, draft budgets, local media coverage and conversations with current district finance staff.

Taking the pulse on spending plans is challenging at this stage. Findings are preliminary and may change in the months ahead.

For districts, the clock is ticking…

- Districts are in early stages of planning for use of federal funds.

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It’s still very early, but in our tracking of districts, so far:

We’re seeing lots of this:

• Thank you payments to staff
• Filling budget gaps
• Plans to hire counselors, nurses, specialists
• Class size reduction (hiring more teachers)
• Facilities projects
• Tech/Curric updates
• Planning time for staff

and not much of this:

• Tutoring
• Added weeks to school year
• Pass through allocations to schools (for flexible use)
• Customized options where families select what works for their kids
• New delivery models
• New content/course options
It’s still **very early**, but in our tracking of districts, so far:

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Not much in here for students

Lots of “as-usual” spending

Lots of one-size-fits-all vs. targeting to high-needs kids

What about adding learning time?
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These investments involve hiring new employees.

Filling budget gaps and hiring new staff brings recurring costs and a potential cliff.
Plans that involve hiring may present a challenge in the current labor climate.

The number of **job openings** in public education is outpacing the number of **hires** employers are able to make.

For districts, the clock is ticking...

- **Today**: Districts must review/revise/update ESSER3 plans twice a year.
- **Aug 24**: Districts must submit ESSER3 plans to states w/in 90 days of receipt of $.
- **States must give 2/3 of eligible ESSER3 funding to districts by May 24**
- **Annual SY21-22 budgets approved locally by June 30**
- **District ESSER3 planning must involve “meaningful consultation”**
- **What happens if districts can’t make good on their plans?**
- **DoEd issues draft regs 4/22**
- **DoEd releases 2/3 ESSER3 ($81B) to states 3/24**
- **3/11 ARP passes**

**Districts will likely need to adjust plans even after they are submitted.**
A few other patterns

✓ Some plans involving labor are proposed and then rescinded.
✓ Some plans do exist for summer programs.
  • Difficult to distinguish from typical summer programming.
  • Some offered by state agencies.
✓ Very little transparency at this stage into the planning process, options, etc. (More will come.)
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- Annual SY21-22 budgets approved locally by June 30
- Aug 24: Districts must submit ESSER3 plans to states w/in 90 days of receipt of $. 
- District ESSER3 planning must involve “meaningful consultation”
- Districts must post ”spending plans” publicly 
- Districts must review/revise/update ESSER3 plans twice a year
A few other patterns

- Some plans involving labor are proposed and then rescinded.
- Some plans do exist for summer programs.
  - Difficult to distinguish from typical summer programming.
  - Some offered by state agencies.
- Very little transparency at this stage into the planning process, options, etc. (More will come.)
- Contracts are being negotiated with little public visibility at this stage.
We’re hearing it’s “Procurement-palooza” in many districts.

<table>
<thead>
<tr>
<th>Use contracts to:</th>
<th>While also ensuring:</th>
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<tbody>
<tr>
<td>✓ Innovate, do things differently</td>
<td>✓ Accountability for outcomes</td>
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<tr>
<td>✓ Add capacity</td>
<td>✓ Transparency for the public</td>
</tr>
<tr>
<td>✓ Avoid the cliff</td>
<td>✓ Proper procurement processes</td>
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So far, there is very little visibility into district contracts.
Still to watch: How will plans stack up on five principles for district ARP 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.
Q & A

Note: Q&A is off the record unless otherwise stated

Keep us posted on how things are playing out in your locale:
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Mini-course: Ed Finance in 2021
A WHOLE NEW BALLGAME!

JUNE 21-24, 2021
1:00-3:00 PM ET

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