



Taking Stock: Trends We're Seeing in ESSER Spending

February 28, 2022
Jessica Swanson

money

It's 2023. Where did the time go?

2023

| JANUARY | FEBRUARY | MARCH | APRIL |
|-------------|-----------------|-----------------|---------|
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ESSER was a grand experiment: What happens when feds give large sums to districts with few strings attached?



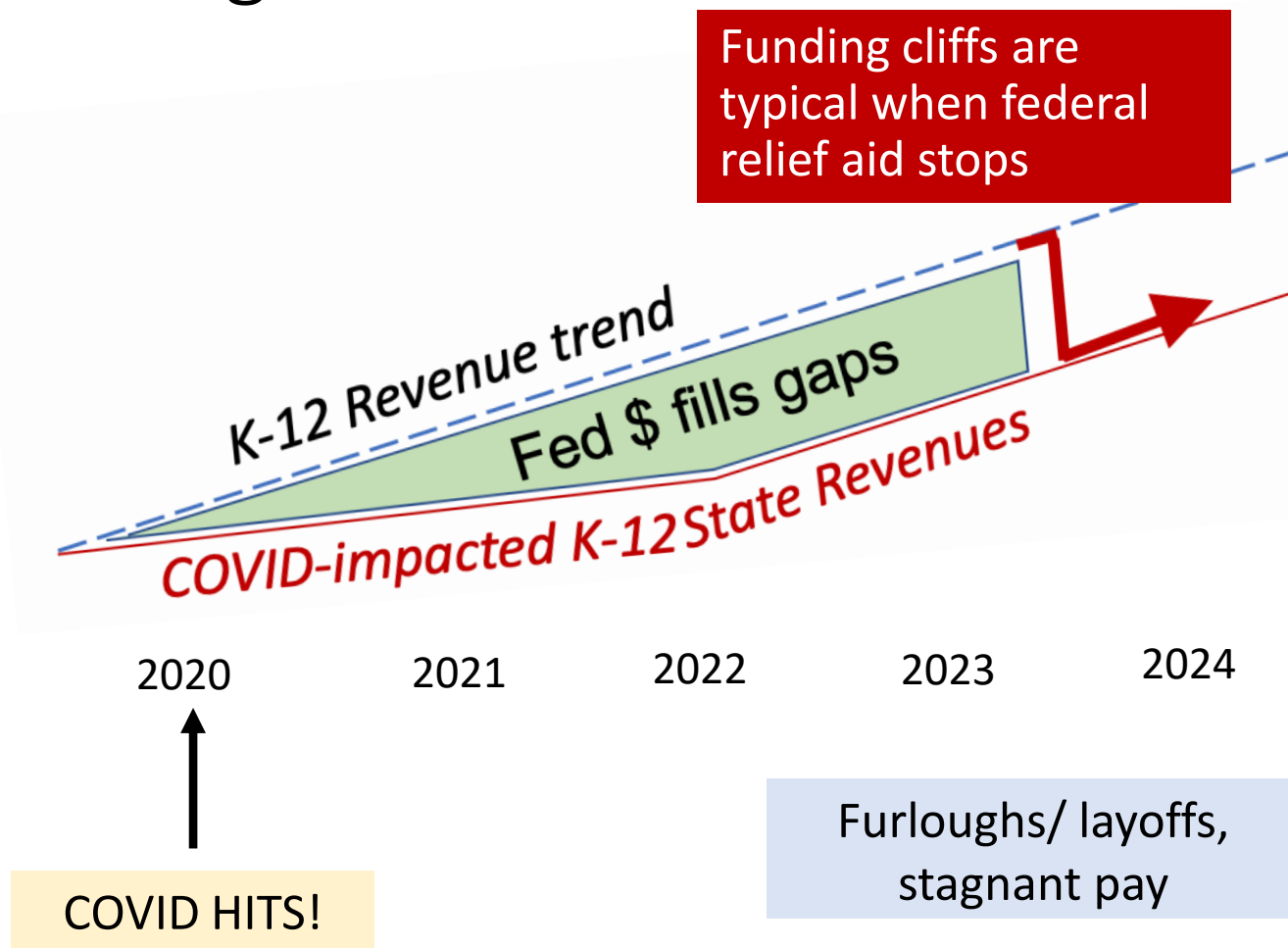


Five potential mistakes districts might be making with federal relief funds

- ➔ **1. Spending in a way that creates a disruptive fiscal cliff**
- 2. Issuing problematic contracts that come back to haunt leaders**
- 3. Deploying funds inequitably across schools**
- 4. Failing to make sure community sees/values investments**
- 5. Investing without demonstrating real results for students.**



Making of a cliff:



Beware of adding recurring labor costs!

Instead of recurring labor costs:

- **New hires** (nurses, counselors, VPs)
- **Base pay raises:** % raises, COLAs
- Increased **benefits**

Consider one-time strategies:

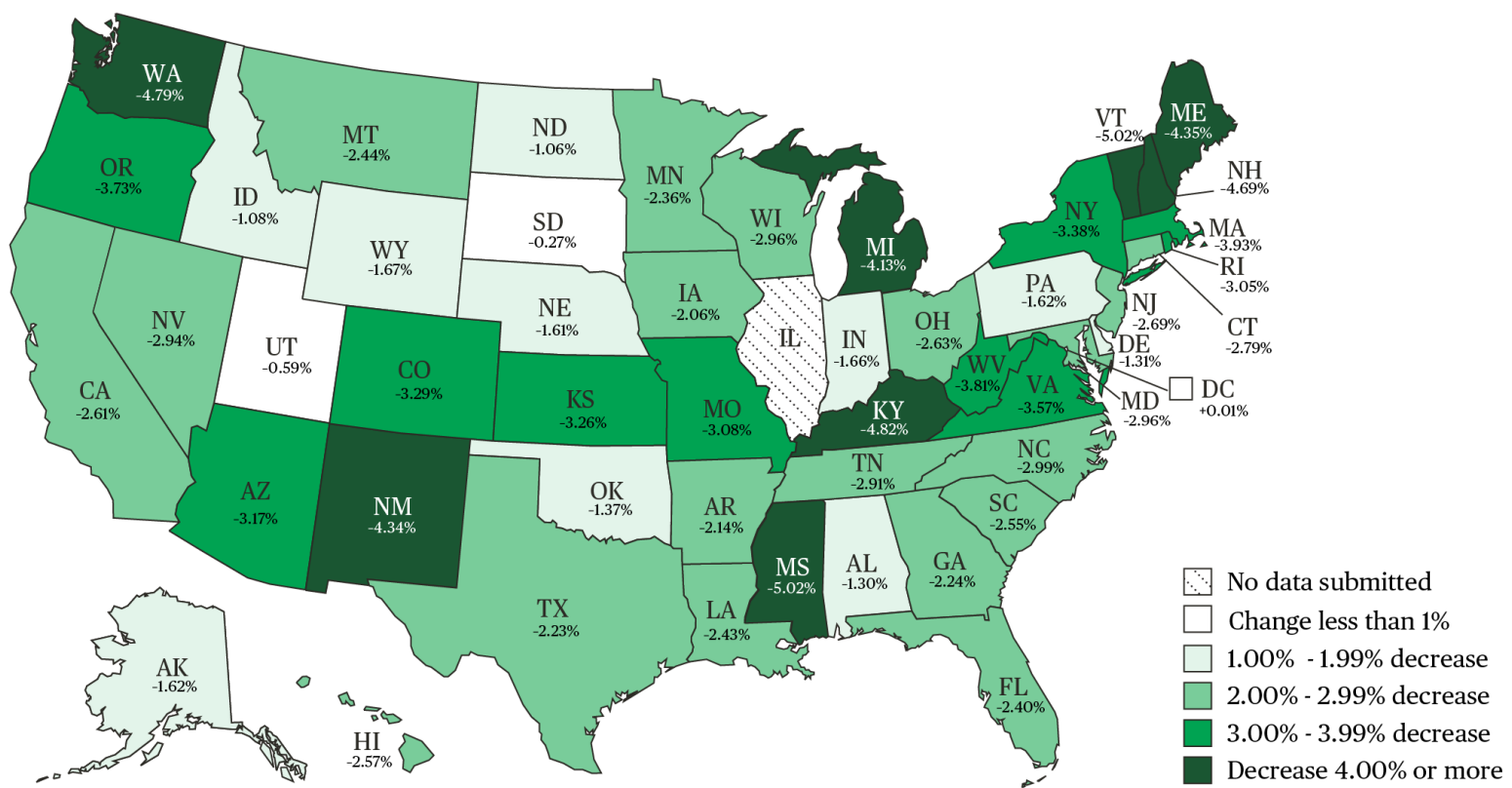
- ✓ **Stipends**
- ✓ One time bonuses
- ✓ **Contractors** (e.g. nurses, tutors)

Innovations in Teacher Pay



School districts have a hard time downsizing. Public school enrollments fell 3% last year.¹ Will all students come back?

- School district revenues are tied to the number of students they enroll
- A “COVID baby-bust³” suggests enrollment declines may continue



¹ <https://nces.ed.gov/blogs/nces/post/new-data-reveal-public-school-enrollment-decreased-3-percent-in-2020-21-school-year>
² https://nces.ed.gov/programs/digest/d20/tables/dt20_203.10.asp
³ <https://www.brookings.edu/blog/up-front/2021/05/05/the-coming-covid-19-baby-bust-is-here/>
* In 2017, Roza examined spending data from districts >20,000 with and without enrollment declines. A powerpoint covering the analysis and findings is available upon request.



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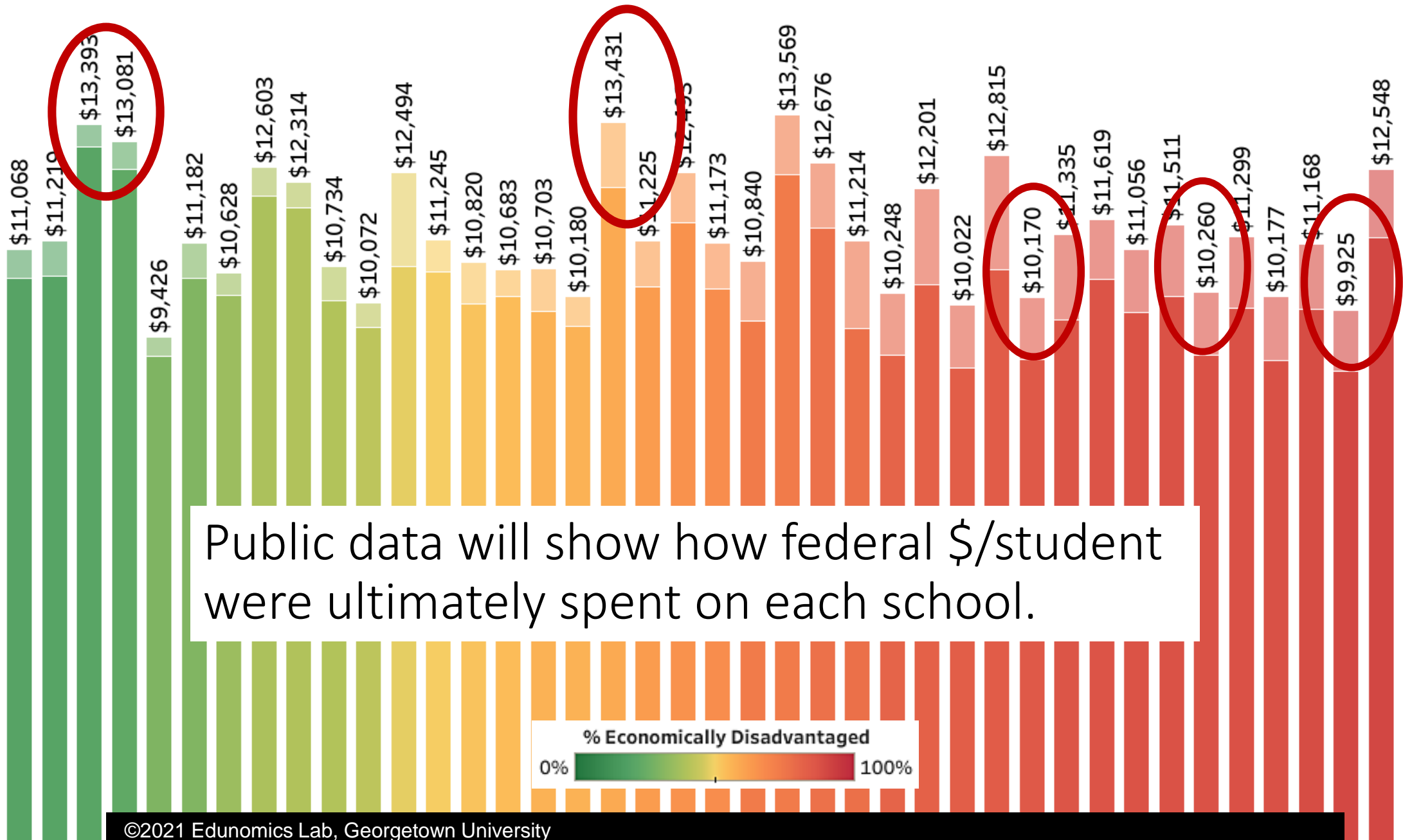
"It's Procurement-palooza!"

1. Spending in a way that creates a massive fiscal cliff
- ➔ 2. Issuing problematic contracts that come back to haunt leaders
3. Deploying funds inequitably across schools
4. Failing to make sure community sees/values investments
5. Investing without demonstrating real results for students.

Five potential mistakes districts might be making with federal relief funds

1. Spending in a way that creates a disruptive fiscal cliff
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- ➔ 3. Deploying funds inequitably across schools
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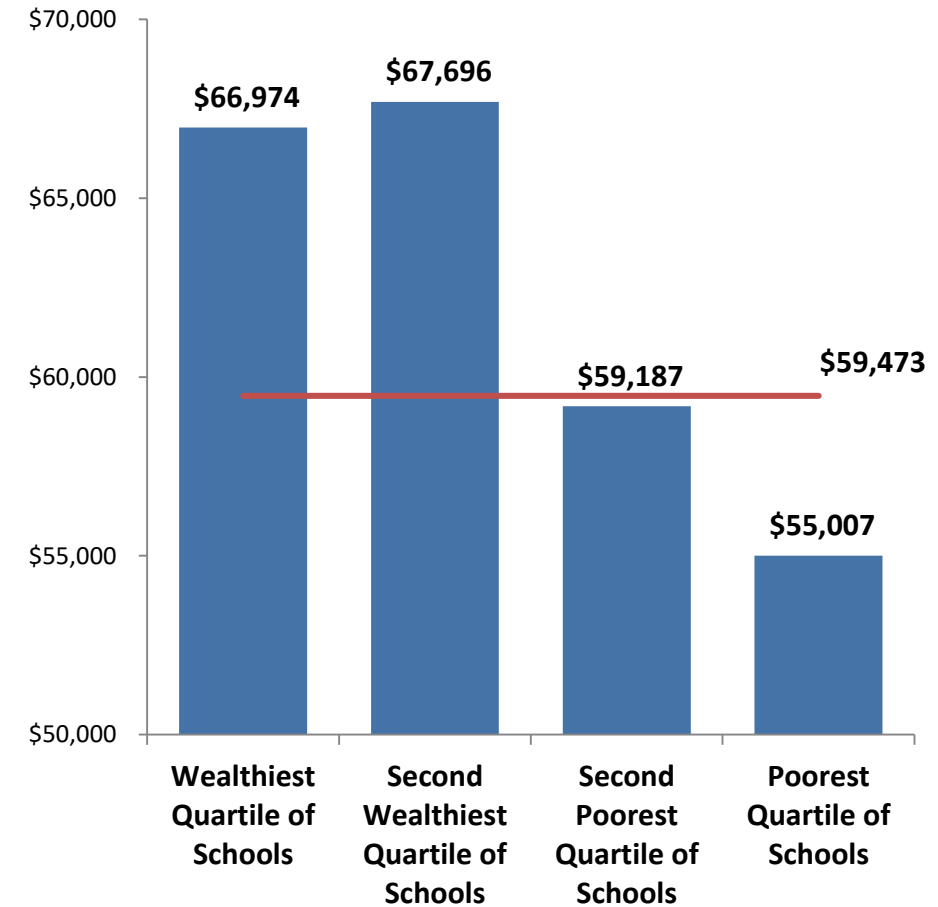


Public data will show how federal \$/student were ultimately spent on each school.

Which is likely to drive more dollars per pupil to lower-income schools:

- A. An across-the-board raise of 4%
- B. Add a new counselor to each school.
- C. Extend school day by 30 minutes, paying \$2K per teacher.
- D. Deliver \$250 per student to each school plus an extra \$100 per low income or EL student for principals to use to increase engagement.

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



Five potential mistakes districts might be making with federal relief funds

1. Spending in a way that creates a disruption
2. Issuing problematic contracts that come back to haunt leaders
3. Deploying funds inequitably across schools
- ➔ 4. Failing to make sure community knows what's going on
5. Investing without demonstrating real results for students.

Community: Where'd that money go?

Principal: Who knows how they spent it. All I know is we didn't get any.

Parent: I'm not sure if the money made a real difference.

Teacher: They always spend it on central office and then blame us when kids do poorly.

Growing concerns for what we're getting from ESSER

At a spicy House Ed Committee Hearing on Nov 17:

- When will taxpayers know how \$ is spent and what students are getting?
- Why has so little ESSER been spent?
- How do we know money isn't misused (fraud)?

ProPublica: “Feds gave billions to America’s schools for COVID relief. Where did the money go?... Limited tracking of \$190 billion in pandemic support funds sent to schools has left officials in the dark.”

OIG Dec 7th report:
USED faces “challenges related to tracking the use of COVID-relief funds.”

Districts did create plans

Analysis of plans

Districts are planning for:

All of the items to the left and...

- Tutoring
- Curriculum
- PD
- Summer
- Data systems
- Special ed
- Facilities
- “Supports”

But, plans are already being delayed/ hampered/thwarted by:

- Labor shortages
- Administrator overload
- COVID



SEAs are starting to gather data on spending. The data doesn't tell us much.

WA tracks districts' 80%:

28 % Sanitization
11 % Assist Disadv.
8 % Tech
6 % HVAC
1 % Mental Health
<1 % Summer/After Sch
49 % Other

AR tracks districts' ESSER 1-3:

1 % Food
9 % Facilities
21 % Student support
27 % Tech
41 % Systemic procedures

NC tracks ESSER3 by object:

63 % Salaries/benefits
27 % Supplies/materials
6 % Purchased services
2 % Capital
1 % Other

But patterns in early data are emerging (even if numbers aren't precise):

Expenditure data

Spending has been slow

- Less spending on the 20% for learning loss than on the 80%

Largest category is typically “other” or “systemic” with some using it to

- Backfill budget gaps
- Pay one-time salary payments.

And some spending on:

- Tech
- Sanitization
- Facilities
- Pay increments
- Hiring SEL staff
- Backfilling budget gaps
- Contracts (hard to tell what they are for)



Five potential mistakes districts might be making with federal relief funds

1. Spending in a way that creates a disruptive
2. Issuing problematic contracts that come back
3. Deploying funds in a way that lowers
4. Failing to invest in long-term investments
- ➔ 5. Investing without demonstrating real results for students.



Low outcomes happen
when leaders take their
eye off the ball!

ESSER needs a North Star!

Congress and USED offered no clear mission statement for its mammoth investment in schools.

But that shouldn't stop states or districts from articulating their own measurable objectives.

@MargueriteRoza suggests* focusing on:

- Reading, especially K-5
- Math, all grades
- High schoolers on track to graduate
- Student attendance and engagement

Q&A and Thank you!



Let's stay in touch:

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