



# Taking Stock: Trends We're Seeing in ESSER Spending

February 28, 2022  
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money

It's 2023. Where did the time go?

2023

JANUARY	FEBRUARY	MARCH	APRIL
W T F S	S M T W T F S	S M T W T F S	S M T W
4 5 6 7	1 2 3 4	1 2 3 4	
11 12 13 14	5 6 7 8 9 10 11	5 6 7 8 9 10 11	2 3 4 5

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

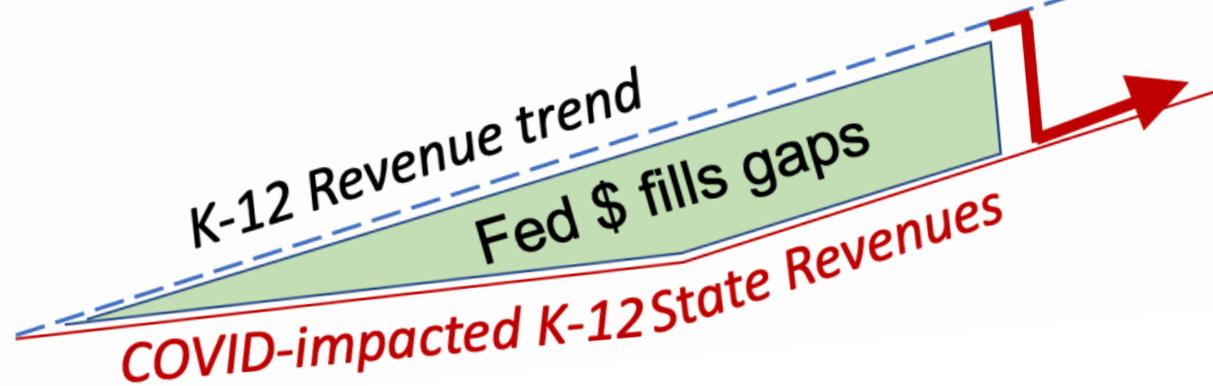
- ➔ **1. Spending in a way that creates a disruptive fiscal cliff**
- 2. Issuing problematic contracts that come back to haunt leaders**
- 3. Deploying funds inequitably across schools**
- 4. Failing to make sure community sees/values investments**
- 5. Investing without demonstrating real results for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



# Making of a cliff:

Funding cliffs are typical when federal relief aid stops

**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)

2020  
↑  
COVID HITS!

Furloughs/ layoffs,  
stagnant pay

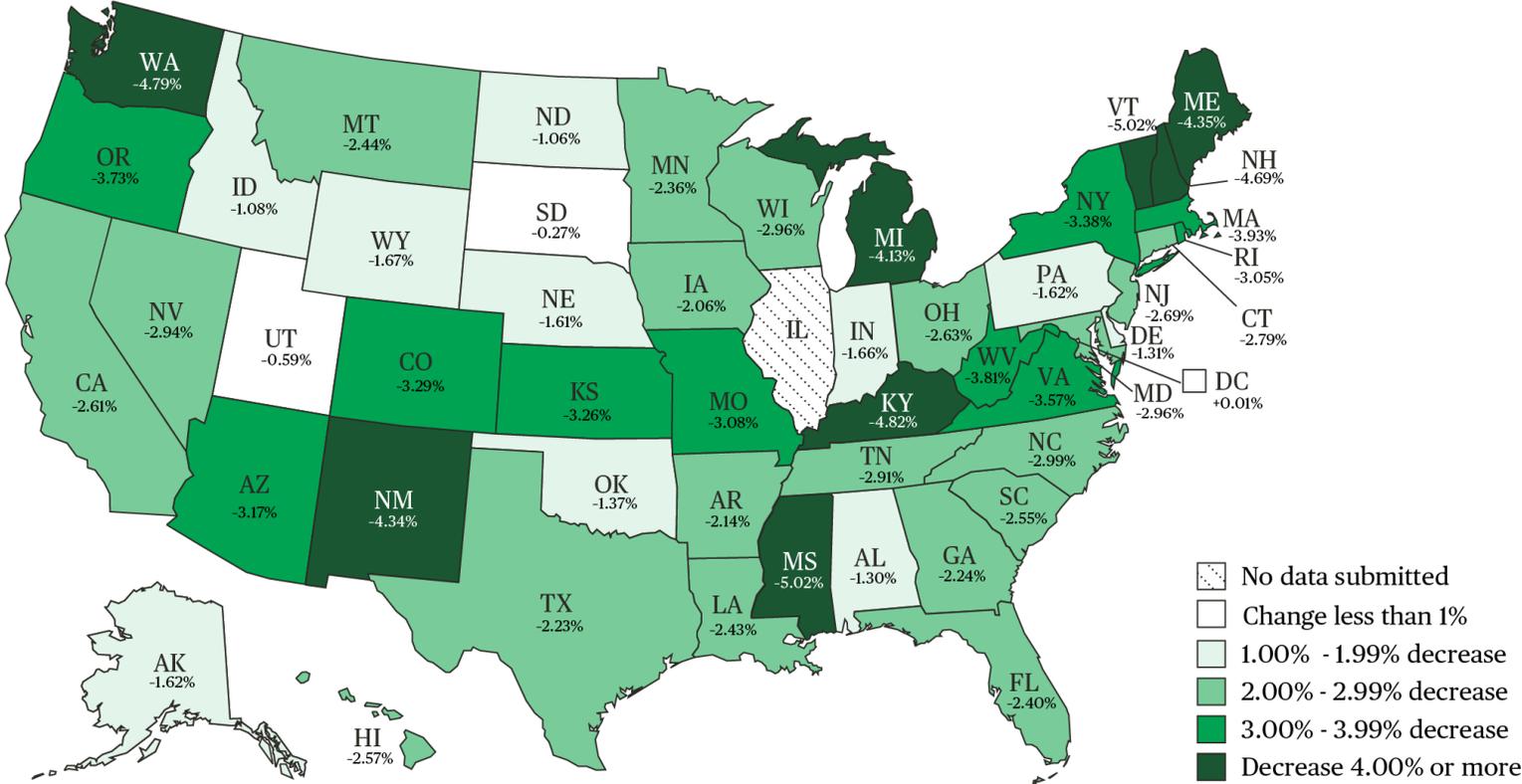


# Innovations in Teacher Pay



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

- School district revenues are tied to the number of students they enroll
- A “COVID baby-bust<sup>3</sup>” suggests enrollment declines may continue



<sup>1</sup> <https://nces.ed.gov/blogs/nces/post/new-data-reveal-public-school-enrollment-decreased-3-percent-in-2020-21-school-year>  
<sup>2</sup> [https://nces.ed.gov/programs/digest/d20/tables/dt20\\_203.10.asp](https://nces.ed.gov/programs/digest/d20/tables/dt20_203.10.asp)  
<sup>3</sup> <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.



# Five potential mistakes districts might be making with federal relief funds

“It’s Procurement-palooza!”

1. Spending in a way that creates unmanageable 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

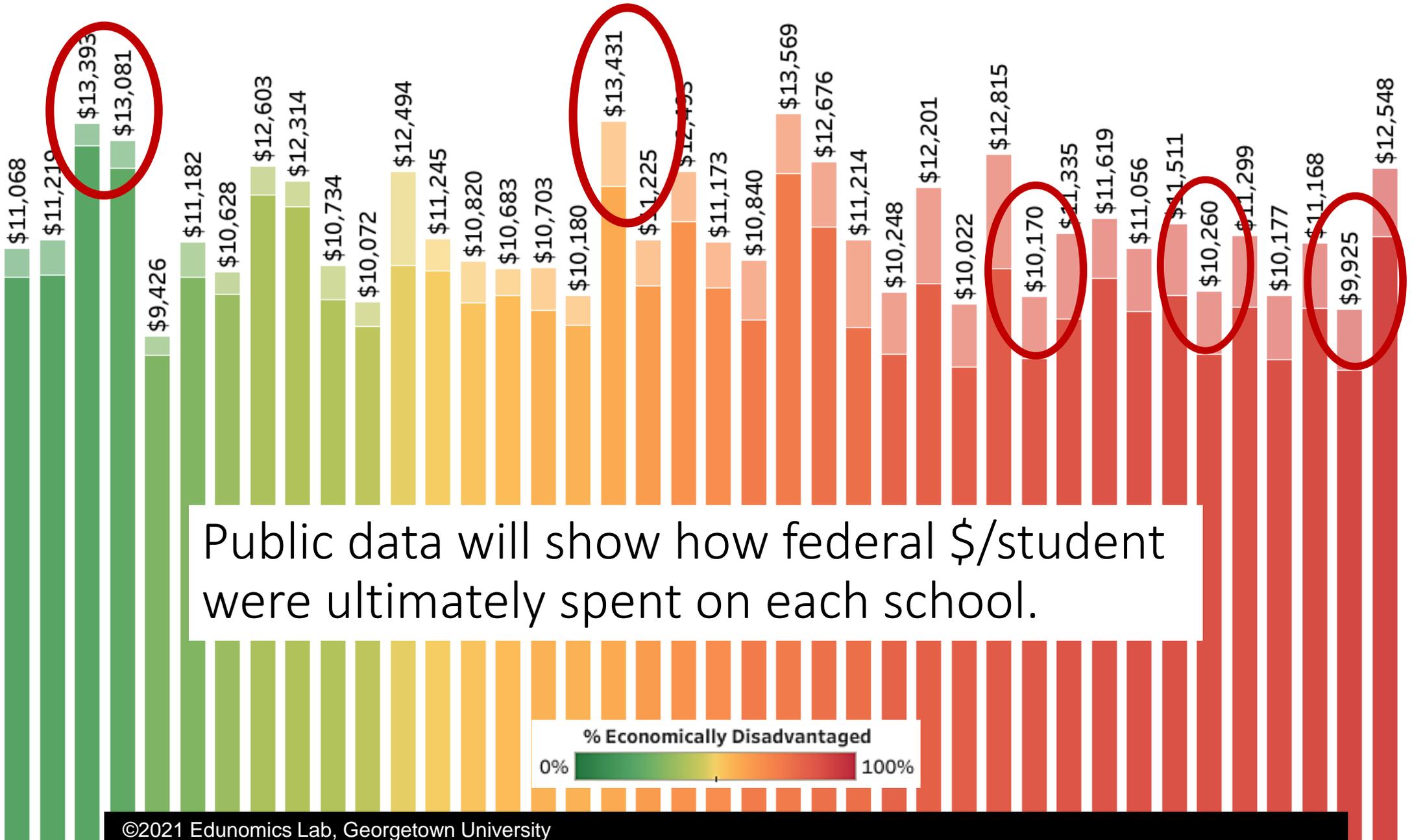
5. Investing without demonstrating real results for students.



# Five potential mistakes districts might be making with federal relief funds

1. Spending in a way that creates a disruptive fiscal cliff
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
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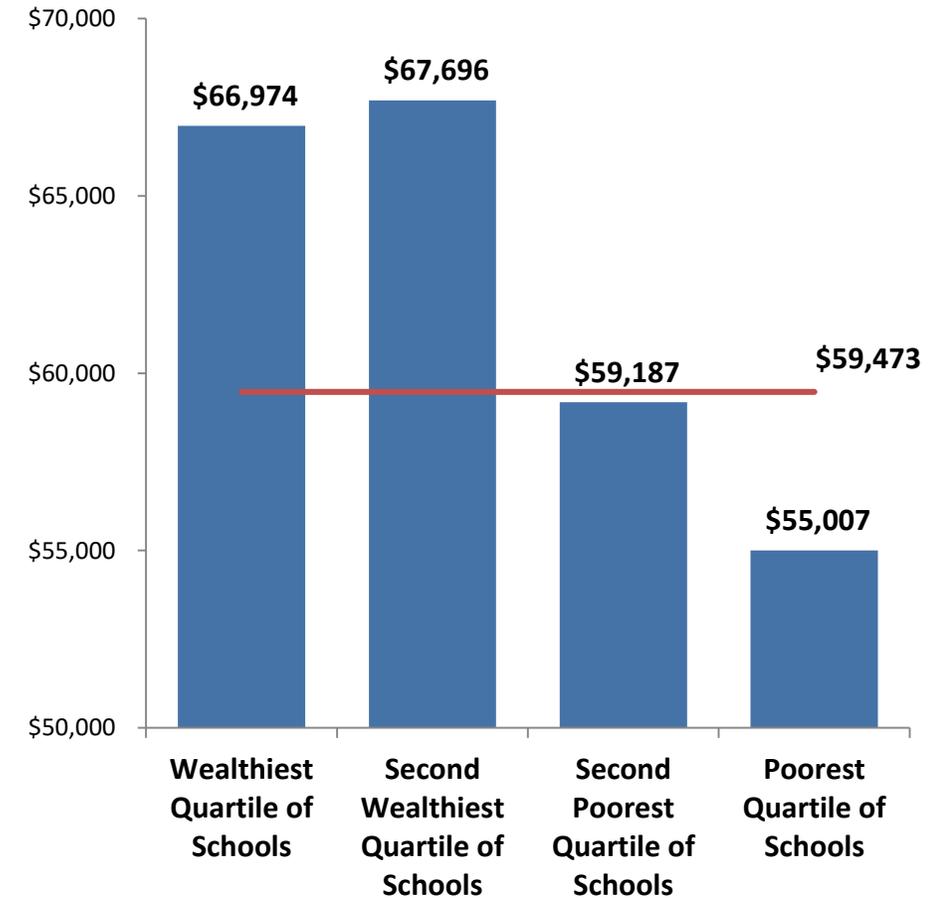


Public data will show how federal \$/student were ultimately spent on each school.

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 district 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 high-quality 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!

The graphic is split into two parts. The left part is a dark blue rectangle with the text 'GEORGETOWN UNIVERSITY' at the top, 'Certificate in Education Finance' in large white letters in the center, and 'CEU/CPE credits available. No prerequisites or advance preparation required.' in smaller white text below. At the bottom of this rectangle is the URL 'mccourt.georgetown.edu/cef'. The right part is a photograph of a large, historic brick building with two prominent spires, likely a part of Georgetown University, set against a clear sky.

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