

LEAs have until 2024 to obligate newest federal funds:

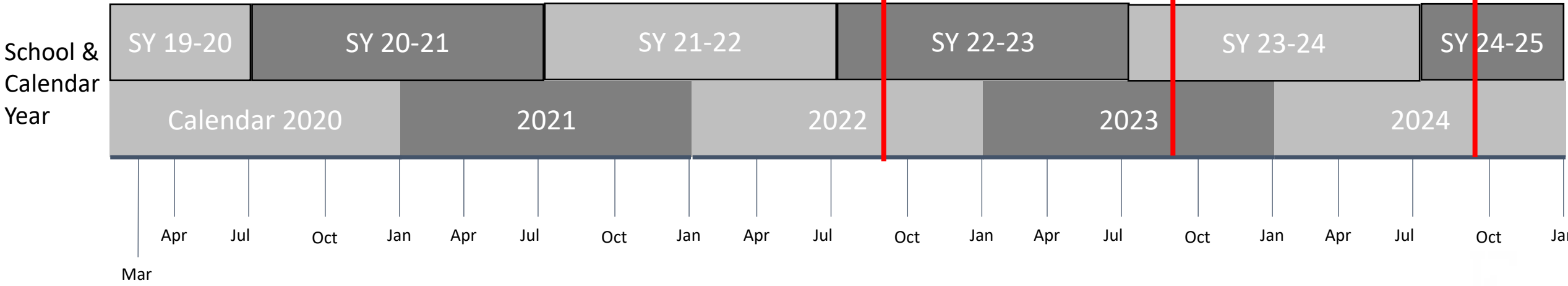
\$123B ARP ESSER III. LEAs must obligate by 9/ 2024 ~ **\$2400 /pupil**

\$54B CRSSA ESSER II. LEAs 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.



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

We're seeing lots of this:

- A. Thank you payments to staff
- B. Filling budget gaps
- C. Plans to hire counselors, nurses, specialists
- D. Class size reduction (hiring more teachers)
- E. Facilities projects
- F. Planning time for staff

and not much of this:

- A. Tutoring
- B. Added weeks to school year
- C. Pass through allocations to schools (for flexible use)
- D. Customized options where families select what works for them
- E. New delivery models
- F. New content/ course options



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 school)
- ✓ **Contractors** (e.g. nurses, tutors)
- ✓ **One-time** hazard pay
- ✓ **Facility** upgrades
- ✓ One-time summer school
- ✓ Temporarily added weeks of school



And brand NEW is: Maintenance of EQUITY

Huh?

SEAs cannot (for FY 22 and 23):

- Cut per-pupil \$ to high-need LEAs at a steeper rate than other LEAs
- Reduce state per-pupil \$ for highest-poverty LEAs below 2019 levels

Does Maintenance of Equity apply to LEAs?

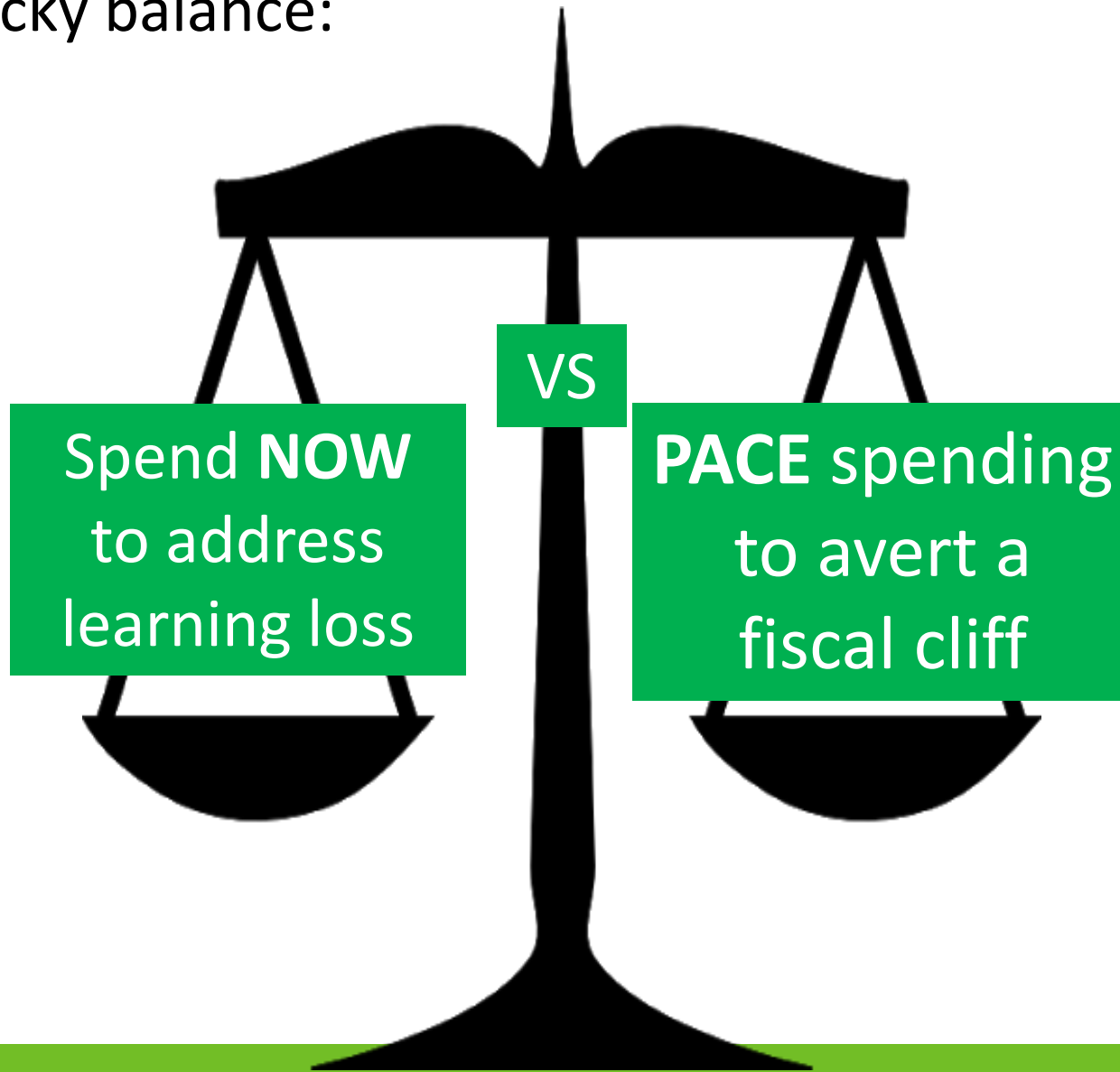
Yes!* for FY 22 and 23, LEAs cannot cut per-pupil \$ or per-pupil staff FTEs at most economically-disadvantaged *quartile* of schools at disproportionately high rates

This means districts will want to keep track of **spending by school**

*Does not apply to LEAs with 1) <1000 enrollment, with 1 school, that serve all students in each grade in a single school, and with exceptional circumstances as determined by the Secretary



Tricky balance:



Step 1: Make a spending plan.

How about...?

40% SY21-22

30% SY22-23

20% SY23-24

10% SY24-25

