

Meeting the Moment

How Education Leaders Can Maximize Federal COVID Relief Aid to Support More Equitable Student Learning

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School districts across the country are receiving billions of dollars in federal relief aid. The unprecedented size of this investment — three separate aid packages providing nearly \$200 billion for K–12 education alone¹ — presents both an enormous opportunity and a challenge for state and local education leaders. The principle question is, how can education leaders strategically invest these dollars over a three- to four-year period to address the enormity of students' needs resulting from the COVID-19 pandemic?

This policy brief provides context on the sheer magnitude of this federal relief aid for K–12 education and describes the opportunities and challenges that the funding brings. The brief concludes with seven strategies for how state and school district leaders can strategically invest federal relief dollars, in coordination with state and local funding, to accelerate student learning and address students' current and long-term physical, social, and emotional well-being.

A Once-in-a-Lifetime Investment in Schools

The one-year anniversary of the COVID-19 pandemic in March 2021 brought with it the promise and opportunity of a once-in-a-lifetime infusion of more than \$125 billion in federal funding for K–12 education from the Amer-

ican Rescue Plan (ARP). This federal investment added to the two previous federal aid packages prompted by the COVID-19 pandemic: the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), passed in March 2020, which provided \$13.5 billion for K–12 education, and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), passed in December 2020, which provided \$57 billion for K–12 education (as shown in Table 1). These three federal aid packages all contain numerous funding provisions aimed at deploying immediate support to slow the spread of COVID-19 and to support the nation in getting back to work and to school.

¹ American Relief Act, H.R. 1319, 117th Cong. (2021). (enacted). <https://www.congress.gov/bill/117th-congress/house-bill/1319/text#toc-HC-9CE46A721204EB081A88ACD8FB287D5>. Office of Elementary & Secondary Education. (2021). Elementary and Secondary School Emergency Relief Fund. <https://oese.ed.gov/offices/education-stabilization-fund/elementary-secondary-school-emergency-relief-fund/>

Table 1. COVID-19 Federal Relief Aid Funding Sources for K–12 Education

Funding source	Passage date	Amount of funding for K–12 education
American Rescue Plan	March 2021	\$125 billion
Coronavirus Response and Relief Supplemental Appropriations Act	December 2020	\$57 billion
Coronavirus Aid, Relief, and Economic Security Act	March 2020	\$13.5 billion

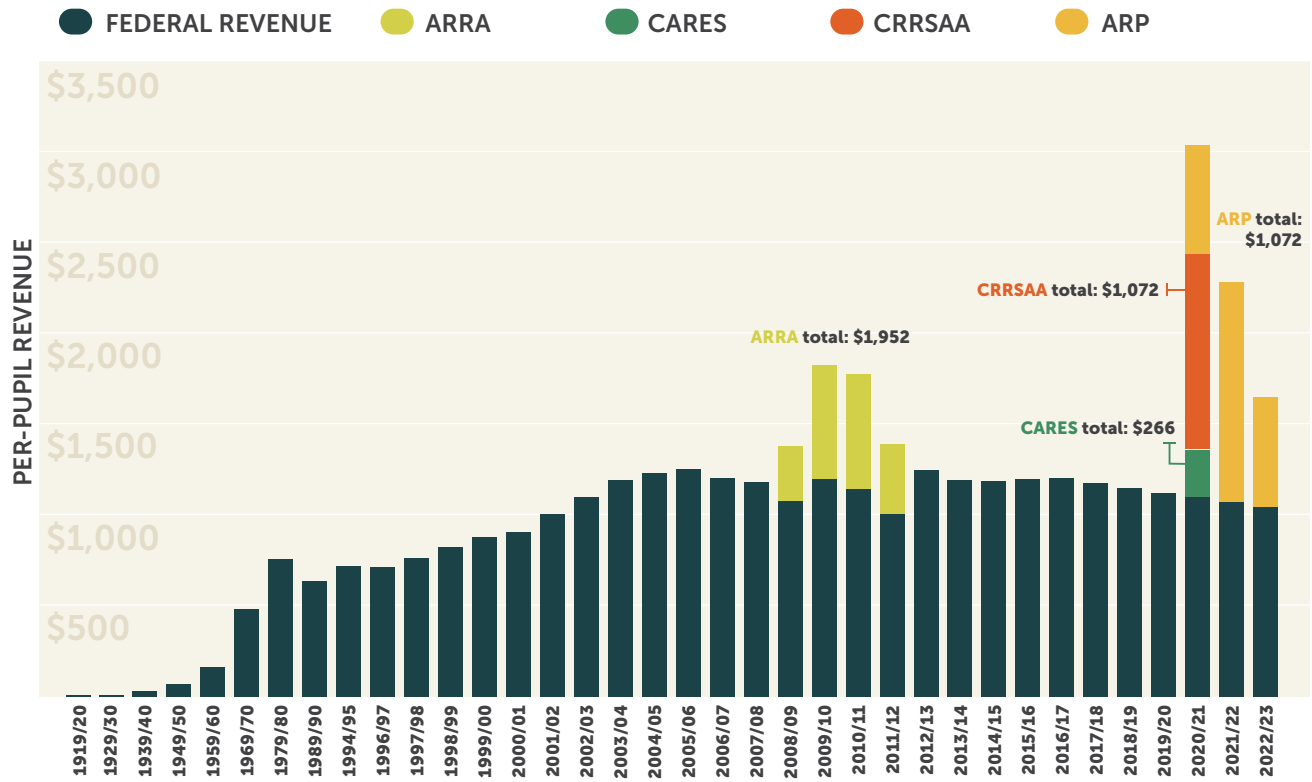
The CARES Act provides districts with \$267 per pupil; the CRRSAA provides \$1,072 per pupil; and the ARP² provides approximately \$2,400 per pupil — adding up to an average allocation of more than \$3,500 per pupil. In addition, federal relief aid provides billions of dollars through other funding streams to support the well-being of children and families.

Figure 1 provides a visualization of the historic enormity of the amount of federal aid that is flowing to local school systems. The figure models how federal relief funding will increase per-pupil funding beyond the

standard ongoing federal funding for K–12 education. Depending upon how school districts allocate their funds, the federal relief aid provides them with an average of two to three times as much funding per pupil than the standard federal funding for the 2020/21 and 2021/22 school years alone. For comparison, the figure also shows federal relief aid provided under the American Recovery and Reinvestment Act (ARRA), which provided approximately \$1,800 less per pupil, on average, than the combined total of the three COVID-related federal relief funding packages.

² The ARP (\$125 billion divided by ~50 million students per the National Center for Education Statistics' projection for 2020) is nine times larger than CARES (\$13.5 billion). Source: <https://www.ncsl.org/ncsl-in-dc/standing-committees/education/cares-act-elementary-and-secondary-school-emergency-relief-fund-tracker.aspx#:~:text=States%20receive%20funds%20based%20on,of%20ESEA%20Title%20I%2DA%20funds>

Figure 1. Ongoing Federal K–12 Revenue Since 1919/20 Against One-Time COVID-19 Relief Funds, Expressed in Inflation-Adjusted Dollars per Pupil



Notes: Data prior to 1996/97 from the National Center for Education Statistics on federal revenue per pupil is available only for selected years. Federal revenue from 2018/19 through 2022/23 is a forecast, assuming these years follow the same trend as the prior seven. The CARES, CRRSAA, and ARP funds are not regular, ongoing federal revenues; these funds must be spent prior to 2024.

Not since the New Deal, between World War I and World War II, has the federal government made such a large increase in funding to support public education in America. Compared with total federal revenue per pupil in 2017/18, the funding from the three federal relief packages

represents a 220 percent increase in federal revenue per pupil. This huge federal investment in education brings not only enormous potential, but also the challenge of investing these funds well to ensure positive student impacts.

The Opportunity: Using Federal Relief Aid to Serve Communities Hardest Hit by the Pandemic

For K–12 education, the federal relief funding provides an opportunity to provide immediate, enhanced support for students and to stimulate investments that lead to longer-term structural changes to an education system that has persistently underserved low-income students and students of color.³ State and local education leaders can, for example, implement programs that help to accelerate student learning, particularly for the most underserved student populations, and eliminate opportunity and achievement gaps.

The persistent spread of COVID-19 has been accompanied by a debate on how and when to bring students back to in-person instruction. Although many states and districts have been able to implement successful reopening plans, as of April 19, 2021, roughly 38 percent of K–12 students in the United States attended schools that still had not returned to full-time, in-person instruction.⁴ The continued decline in COVID-19 cases, the rapid acceleration of vaccine deployment nationally,⁵ and the arrival of additional federal aid creates an opportunity for local education system leaders to invest in strategies

to bring students back for in-person instruction for summer learning and full-day instruction in fall 2021. The federal aid also offers an opportunity to provide enhanced academic and other supports to make up for a devastating year that has left many students struggling and falling behind academically.

Not all communities have experienced the pandemic in the same way, and the use of federal aid to provide educational support to students should reflect these differences. Federal aid should be prioritized for students and communities hardest hit by the pandemic — those communities with the highest infection and death rates and where students had access to fewer instructional opportunities due to remote learning.⁶ The resurgence of most capital markets in the United States by the end of 2020 (after hitting a low point in March 2020) compounded income gaps⁷ and led to a bifurcated economic recovery, resulting in very different economic realities for Americans through this pandemic. Simply put, the vast majority of Americans have struggled over the last year, with the pandemic driving millions of Americans into unstable housing, joblessness, and food insecurity.⁸

³ As discussed in Valdez et al. (2020), students of color and socioeconomically disadvantaged students have less access to qualified, experienced teachers (Adamson & Darling-Hammond, 2011; Cardichon et al., 2020) and less access to high-quality learning materials (U.S. Department of Education Office for Civil Rights, 2014) and facilities (Filardo et al., 2006), compared with their white peers and their socioeconomically advantaged peers. School districts serving the largest populations of African American, Latinx, and/or Native American students received approximately \$1,800, or 13 percent, less per student in state and local funding than those schools serving the fewest students of color (Morgan & Amerikaner, 2018).

⁴ Burbio. (2021, April 19). *K–12 school reopening trends*. Burbio's K–12 school opening tracker. <https://info.burbio.com/school-tracker-update-apr-19/>

⁵ Centers for Disease Control and Prevention. (2021). *COVID data tracker*. https://covid.cdc.gov/covid-data-tracker/#trends_dailytrendscases

⁶ Kaufman, J. H., & Diliberti, M. K. (2021). *Divergent and inequitable teaching and learning pathways during (and perhaps beyond) the pandemic: Key findings from the American Educator Panels Spring 2021 COVID-19 Surveys*. https://www.rand.org/pubs/research_reports/RR168-6.html

⁷ Fidelity Learning Center. (2020, December 31). *2020 stock market report*. <https://www.fidelity.com/learning-center/trading-investing/markets-sectors/2020-stock-market-report>

⁸ Silva, C. (2020, September 27). *Food insecurity in the U.S. by the numbers*. NPR. <https://www.npr.org/2020/09/27/912486921/food-insecurity-in-the-u-s-by-the-numbers>

People of color and low-income communities have been disproportionately impacted both by this economic instability and by higher COVID-19 infection rates.⁹

Public education provides students with wide-reaching social and economic benefits that can address the short- and long-term economic and social challenges faced by the United States.¹⁰ And schools play a particularly important role in supporting students and families, especially those most impacted by the pandemic. For example, schools provide needed services and additional adult support to students, some of whom have dealt not only with economic instability, but also with the loss of loved ones from COVID-19. In addition, universal in-person instruction will allow more parents to return to work full-time. The federal investment in education through various federal aid packages creates a period during which states and local education systems can demonstrate their capability to support students, families, and communities to recover effectively from an incredibly difficult year.

The Challenges: Time-Bound, One-Time Funding

Although the federal relief aid will provide major opportunities for state and district education leaders, there are two key aspects of the federal relief funds that complicate their use.

The Use of Federal Relief Aid Is Time-Bound.

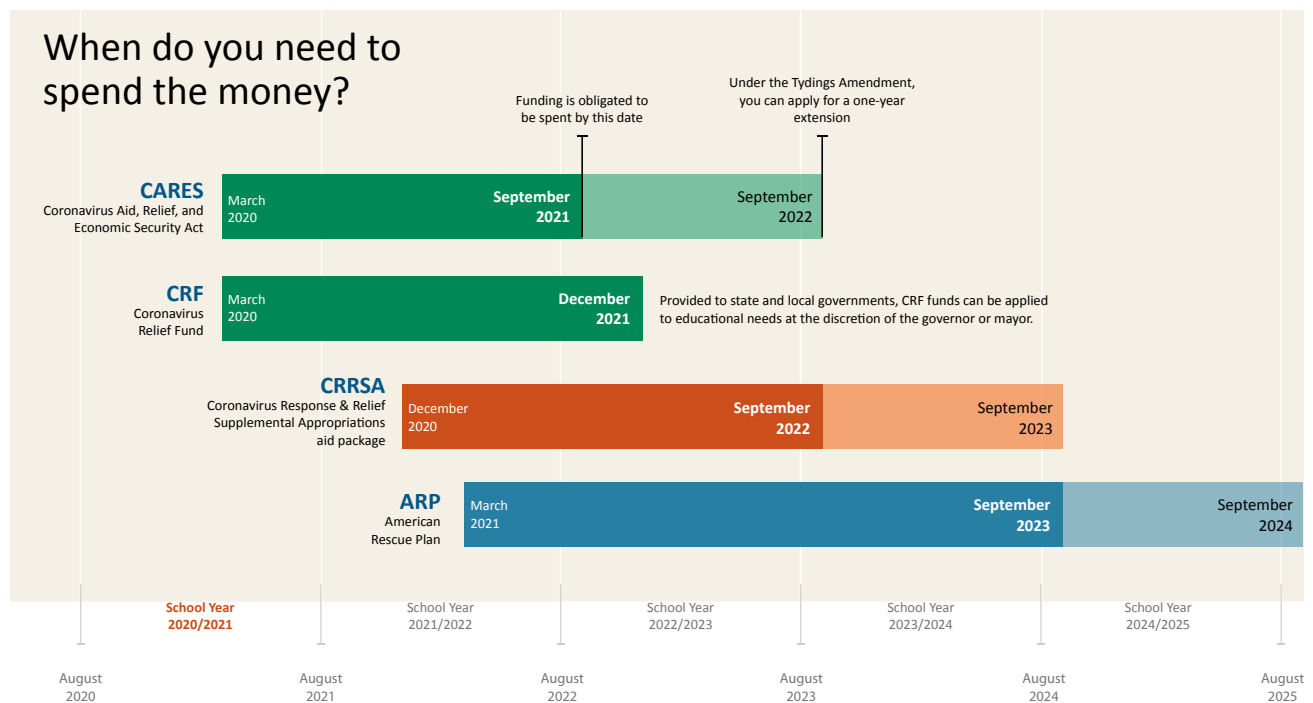
Each of the three federal relief packages has a timeline during which the funding needs to be used, as shown in Figure 2. Accordingly, state and district leaders must plan relatively quickly to use the funds and strategically invest them over a short period of time. State and local education agencies have until September 2022 to use their CARES Act funding, until September 2023 to use their CRRSAA funding, and until September 2024 to use their ARP funding. Notably, the Tydings Amendment (as incorporated in the General Education Provisions Act) allows state and local education agencies to carry over for one additional year any federal education funds that were not obligated in the period for which they were appropriated.¹¹

⁹ Centers for Disease Control and Prevention. (2020, December 10). *Risk of severe illness or death: Why are some racial and ethnic minority groups disproportionately affected by COVID-19?* <https://www.cdc.gov/coronavirus/2019-ncov/community/health-equity/racial-ethnic-disparities/disparities-illness.html>

¹⁰ Miltra, D. (2011). *Pennsylvania's best investment: The social and economic benefits of public education*. Education Law Center. https://www.elc-pa.org/wp-content/uploads/2011/06/BestInvestment_Full_Report_6.27.11.pdf

¹¹ Lew, H. (2004). *Final audit report: Monitoring grant award lapsed funds*. U.S. Department of Education. Office of Inspector General. <https://www2.ed.gov/about/offices/list/oig/auditreports/a04d0015.doc#:~:text=Congress%20adopted%20the%20Tydings%20Amendment,the%20Federal%20funds%20they%20receive.&text=Unless%20an%20extension%20is%20approved,end%20of%20the%20funding%20period>

Figure 2. Timeline for the Use of Federal Relief Aid for Education



Although intended to address immediate needs in the system, federal relief funds can be spread out over the next few years and used to stimulate longer-term improvement in education systems.

Recent research by WestEd suggests that during the period of the last recession (2007–2009), school districts were less efficient with their use of federal relief aid in the first year of receiving ARRA federal aid as compared with later years.¹² The window of opportunity for the use of COVID-related relief funding is narrow, and student needs in the system are great. Accordingly, it is critical to plan now for the use of these federal

resources, including organizing professionals to execute the intended strategies.

The timeline for the use of funds, as shown in Figure 3, requires careful planning by state and local education leaders. State education agencies were required to submit their plan for the use of ARP funds by June 7, 2021, and local education agencies must submit a plan for the use of ARP funds within 90 days of the receipt of funding. State and local leaders are also required to engage stakeholders to provide input on these plans. Many state and local education leaders have expressed concern about the need to plan for the use of such a large sum

¹² WestEd, Learning Policy Institute, & Friday Institute for Educational Innovation at North Carolina State University. (2019). *Sound basic education for all: An action plan for North Carolina*. WestEd. <https://www.wested.org/wp-content/uploads/2020/03/Sound-Basic-Education-for-All-An-Action-Plan-for-North-Carolina.pdf>

of money from the federal government on such a short timeline. However, the U.S Department of Education has signaled that education leaders will be able to revise their plans over time as more school systems return to full-time in-person instruction and the full breadth of student needs is more thoroughly understood. Nevertheless, local education leaders should begin planning now for how they will deploy resources in summer 2021 and at the start of the 2021/22 school year to address student needs. This includes planning for how to assess student needs and determining which metrics will be used to measure the impact of investments on student achievement and well-being.

The Federal Relief Aid Is One-Time Funding.

The second main challenge with current federal relief funding is that it is one-time funding, so spending on ongoing expenses should be wisely planned. State and local education leaders must consider how to invest their dollars in programs that do not lead to a fiscal cliff once the federal funds are no longer available, so they should not obligate funds for ongoing expenses such as across-the-board raises for teachers. For example, many local education agencies will likely want to invest in increased staffing to support students' academic needs as well as their social-emotional needs. However, unless structured appropriately, investing one-time federal funding in staffing can create long-term funding obligations for school districts, leading to fiscal distress and insolvency if the state does not appropriate additional funds to cover the increased costs of these new staff positions.

The next section details strategies for investing federal relief aid, with attention to some of the opportunities and challenges presented in this brief.

Eight Strategies to Consider During Early Planning to Maximize the Impact of Federal Aid

Given the opportunity and challenges that federal relief aid presents to school districts, this section outlines a set of strategies for state and local education leaders to help them in their planning efforts to maximize the impact of federal aid on student outcomes. These strategies are drawn from research; lessons learned from WestEd's work in the field helping states and districts with the strategic use of resources, including COVID-19 relief funding; and reviews of education news publications on the relief funding investment strategies that state and local education leaders are planning to use or are currently employing.

1. Plan for change.

The short timeline for community engagement and state plans for the use of ARP funding presents a challenge for leaders. However, state and local education leaders do not need to commit the use of funds right away. They can revisit and revise their plans as they better understand student needs, which allows them more time for community engagement around the use of funds in fall 2021 and beyond. State and local leaders, therefore, should include information in their ARP plans about how they will monitor data on an ongoing basis and adjust spending based on student needs and input from the community. State and local leaders should avoid locking themselves into long-term investments of large portions of their funds that do not allow for flexibility down the line.

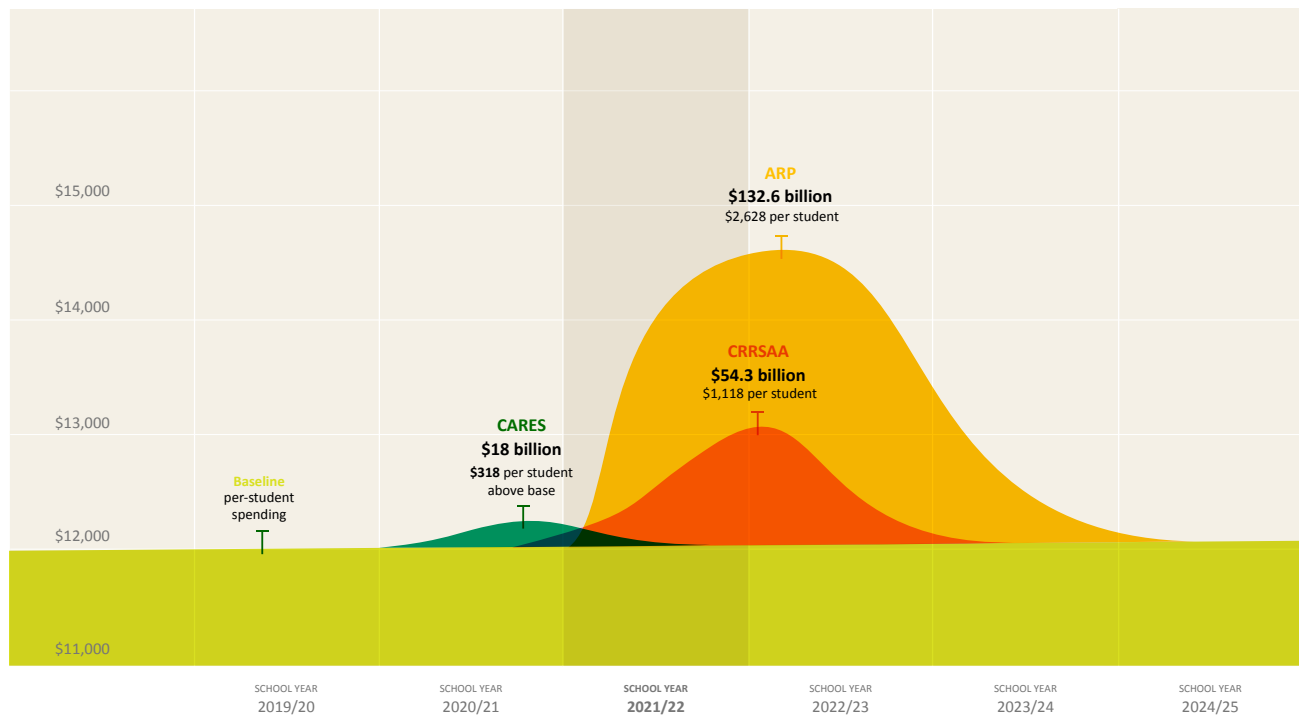
2. Think about the use of relief funding in phases.

The size of the federal investment in education requires careful planning by state and local education leaders. When planning for the timing and duration of their investments, leaders may want to divide their investments into discrete phases based on the outcomes they want to see for students. For example, some local leaders may wish to focus early investments on what some experts refer to as a “restorative restart” to schooling — a six-week period focused on centering relationships, focusing on the whole child, and reimagining schooling.¹³ Adopting this approach may require a steep increase in investments in the early part of fall 2021, with a tapering off as the school year progresses, followed by potentially larger investments in reimagining learning for summer 2022.

Although districts will need to decide the flow and cycle of investments based on their local needs, it will be important for district leaders to model how funding will be used over the next three years. It will also be important for district leaders to communicate regularly with all stakeholders about the timeline for using funds and about the allowable, fiscally responsible uses of those funds. System leaders will need to make decisions about when (or whether) to make bolder investments to accelerate learning and to support the needs of students, teachers, and administrators in the system and about when (or whether) to maintain a more consistent set of investments. Regardless of the model of spending, careful planning and transparency around these choices will ease the transition when federal relief aid is no longer available. Figure 3 provides an example of the type of modeling a district might conduct to help communicate how funds will be used over the three-year period.

¹³ Policy Analysis for California Education. (2021, April). *Reimagine and rebuild: Restarting school with equity at the center.* <https://edpolicyinca.org/publications/reimagine-and-rebuild>

Figure 3. Model of How a District Might Ramp Up, Then Ramp Down Its Investments in Education Using Federal Relief Aid



3. Focus on moving the big boulders.

The enormity of need in the education systems due to the pandemic can make it difficult to know where to focus investments for maximum impact. To maximize impact, state and local leaders will likely need to focus on a relatively small set of manageable, high-leverage priorities.

In early planning and investment decisions, state and local education leaders may want to consider focusing their discussions on some of the big opportunities that have been identified in education

nationally. For example, EducationWeek conducted interviews with district leaders, school budget officials, and school finance researchers in spring 2021 to learn about the key areas of focus for investments of federal relief funding.¹⁴ The responses focused on making up for lost instructional time, providing enrichment and emotional support, expanding technology capabilities, building new and safer facilities, and improving special education services. State and district leaders can seek focused input from the community on a small set of these and/or other locally determined areas of need to get more specific recommendations and input. WestEd's work

¹⁴ Lieberman, M. (2021, April 5). *How school districts plan to spend \$130 billion in federal stimulus money*. EducationWeek. https://www.edweek.org/leadership/how-districts-plan-to-spend-130-billion-in-federal-stimulus-money/2021/04?utm_source=nl&utm_medium=em-l&utm_campaign=eu&M=59924405&U=1159419&UUID=65e05d1bf94e85ee0e8ae9e334b7e9c9

with state education leaders revealed their plans to use the state set-aside funding provided through the ARP on a range of areas for investment, including reopening schools and keeping them open, accelerating student learning, closing the digital divide, and creating strong postsecondary pathways. These are examples of some of the “big boulders” that state leaders are considering. Another area that is likely important for states to focus on as students are returning to full-time in-person learning is diagnostic assessment. Both academic and developmental in their nature, diagnostic assessments will be crucial for assessing where students are and what supports will be necessary for addressing achievement gaps and providing mental health and behavioral supports.

4. Direct resources to students with the greatest need.

Critical across all state and local investments is targeting resources to students with the greatest need. Federal and state funding can be used to address long-standing inequities that existed prior to and were exacerbated by the pandemic. This federal aid provides states and districts with an opportunity to determine how to use these funds to bring about change and design a new, equitable normal — which likely will require doing things differently from before. For example, states should consider ways to support districts to ensure they target investments of federal relief aid based on need, including providing districts with resources to help them analyze per-pupil expenditures, disaggregated by student group. To guide strategic resource allocation, states and districts may want to use various data sources, such as diagnostic assessments administered in the fall, data on COVID rates, and access to in-person learning.

5. Make intentional and innovative investments in staffing that do not create long-term fiscal obligations.

As local education leaders consider investments in personnel, they should be mindful of making any ongoing funding commitments with no end dates. Accordingly, many education leaders are considering investments in temporary personnel, stipends for teachers and tutors, short-term reductions in class sizes for summer learning, micro grants to community-based organizations, and investments in the infrastructure and startup costs necessary to establish longer-term partnerships with other agencies and community partners. Funds can also be used to address teacher and leader recruitment and retention needs and to incentivize teachers and leaders to move to schools in communities hardest hit by COVID-19. Some of these strategies — such as training out-of-school providers and other community-based partners to support quality instruction beyond the school day — also have the potential benefit of adding to the teacher pipeline if newly trained providers decide to extend their reach by becoming credentialed teachers.

As COVID-19 infection rates decrease, education systems are designing ways to extend and accelerate in-person learning environments to support the academic growth and well-being of students, particularly at-risk populations, through summer learning, extended school years, and expanded out-of-school learning opportunities. However, implementing accelerated learning time will likely require additional staff. For example, in summer 2021, many classroom teachers will need a much-deserved break after a particularly difficult year of teaching during the pandemic. This may open the door to consider

other possible qualified personnel from colleges and universities or recently retired school personnel.

6. Plan for sustainability while investing one-time funding.

Although this one-time federal funding should not be used for ongoing costs unless other funding will be available to cover these costs once the federal aid ends, state and local leaders should still consider the sustainability of their investments as a part of the planning process. For example, state and local education leaders may want to consider investments in building the capacity of staff to increase instructional quality, creating blended intervention strategies for specific student groups (e.g., providing tailored instructional support to students with disabilities who are also English learners). Other potential investment areas that have long-term benefits include infrastructure, such as facilities and expanded access to devices and connectivity, and early academic and social-emotional interventions that have long-term benefits for student outcomes.

This federal aid also provides a chance to support equitable opportunities and outcomes by investing staff time and other resources in examining existing district systems and processes that may be holding inequities in place and identifying the ways in which these systems and processes have underserved certain student groups. Teams can then use that information to work toward improvements, such as changes to class schedules, course offerings, and intervention approaches.

7. Maximize investments through interagency collaboration.

Federal relief aid is being deployed to child-serving agencies beyond K–12 education, including Health and Human Services (which provides health and well-being support for children and families) and the Department of Agriculture (which is responsible for the National School Lunch Program). School systems can partner with these sorts of agencies to optimize support for the students they serve. For example, after nearly a year of distance learning, many at-risk populations have experienced trauma or other adverse events that may manifest in different ways as they return to in-person instruction. Because teachers and other school-based staff may need help in supporting these students, states can coordinate with agencies such as county behavioral health services to deploy mental and behavioral health professionals into school environments to assist with these pressing student needs.

8. Track, report, and disseminate information to stakeholders on the use of funds.

The state can also play a vital role in supporting local education agencies to track and report on the use of funds, ensure transparency, and communicate about the impact of funding on student outcomes. Currently, the federal aid packages allow states the flexibility to use some federal funds to support tracking and reporting on the use of the funds. In order to ensure that dollars are not just directed to, but are actually reaching students with the greatest need, state and local education leaders should develop concrete strategies for monitoring how funding is used at the local level. States can detail some of these monitoring strategies in their state

ARP plan and in the design of their local education agency reporting templates. States may also consider providing additional technical assistance to local leaders, aligned to other major policy requirements, such as Resource Allocation Reviews, to support local leaders in tracking spending data and in using these data to understand how dollars are being distributed based on need and the impact they are having on student outcomes. In addition, state and local education leaders will want to measure and track which strategies and interventions are working so they can adjust their investment plans as needed and sustain those efforts that are having a positive impact. Finally, tracking, reporting, and disseminating information on the use of funds is essential for being able to communicate how public education has made wise choices for the investment of these federal resources.

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How Education Leaders Can Maximize Federal COVID Relief Aid to Support More Equitable Student Learning

The strategies outlined in this report will be explored in further detail in a planned series of briefs that will be released in summer 2021. For more information or to request a presentation on strategies for investing ARP funds to accelerate student learning and address student well-being, please contact Jason Willis, jwillis@wested.org, or Kelsey Krausen, kkrausen@wested.org.



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