

Navigating the post-pandemic fiscal landscape: Unraveling Covid-19 relief spending decisions and empowering education advocates

Christine Pitts, Lisa Chu, and Cara Pangelinan

Introduction

The Covid-19 pandemic upended U.S. student achievement and well-being, demanding an urgent federal response. In March 2021, President Joe Biden approved \$122 billion in emergency federal K-12 funding to support school and student recovery. However, it was difficult for schools and districts to effectively allocate these funds due to myriad pandemic crises, limited guidance from states, and scarce student academic and wellness data. Community organizers, leaders, and education advocates emerged as essential stakeholders to help ensure that federal relief funds were spent wisely.

States and districts made rapid spending decisions during the initial allocation of federal relief funds, often with limited student-level academic data, state governance, or accountability. While many state and district leaders prioritized long-standing budgetary gaps and immediate Covid-related issues, numerous districts [faced hurdles](#) in implementing evidence-based academic intervention programs. Confounding factors like teacher staffing challenges, declining enrollment, and uneven attendance further complicated efforts.

As we approach the final year for spending these federal relief funds, state education agencies and school district leaders should consult education advocates (e.g., state and local community leaders and coalition builders) who can identify which evidence-based programs could best serve the students who need them most, and which could be sustained beyond the expiration of federal surplus aid. Advocates can also call on districts to measure, track, and report the effectiveness of these programs.

By bringing advocates into the fold, school system leaders can understand the critical need for improved data collection, reporting, transparency, and trust from their community's perspective. By sharing insights and best practices, advocates can empower districts and states to better allocate resources and implement sustainable initiatives in the post-pandemic fiscal landscape.

Examining New England spending strategies

Within the evolving landscape of American Rescue Plan (ARP) spending and lagging reporting systems, advocates are in a position to press districts and states to measure where the billions of dollars in federal relief money went, what projects and plans were funded, and what the outcomes were. The urgency for answers is growing as [national test scores continue](#) to reveal deep inequities and serious student needs.

Our report discusses emerging evidence of the processes that states and school districts employed during spending and planning, as well as how they are preparing for a fiscal landscape without

pandemic relief funds. As part of an [ongoing research project](#) that focuses on pandemic impacts and innovation in New England, supported by the Barr Foundation, we conducted interviews in the 2022-23 school year with three school district leaders, two state department officials, and one educator, all from Connecticut, New Hampshire, and Vermont. The resulting insights that we share in this report may provide both the New England area and education advocates nationwide with ideas to guide their own conversations around local school spending priorities.

After the summary of our findings, we offer a step-by-step guide for advocates to better find information on relief fund spending, identify key power players, and meet with leaders in a position to make fiscal decisions. This guide is designed to help advocates influence funding decisions that will prioritize the students most in need.

Stakeholder engagement varied in quality, consistency, and success

The federal government mandated stakeholder engagement as part of the ARP decision-making process in each community, yet our analysis revealed a wide disparity in the quality and consistency of these efforts across states and districts. Many districts struggled to conduct authentic community engagement—only 57% of the 100 large and urban districts that our researchers track [created strategies for meaningful consultation](#). In places where meaningful engagement occurred, funding was likely more evenly distributed based on need. One district leader shared that their district designed a survey for stakeholders to rank their basic needs, then their leadership incorporated the feedback into their funding plan and shared it transparently during board and finance meetings.

Unfortunately, not all stakeholders felt genuinely engaged in the decision-making process. According to the National Parents Union, 50% of parents [surveyed in 2021](#) said they had heard “nothing at all to not much” about the additional infusion of funds. Lack of parent engagement, especially with historically marginalized communities, was and is a barrier for long-term solutions that can advance equity and justice. If states or school districts left marginalized communities out of the process, then their spending choices may have inadequately served or even harmed families in need of serious help during the pandemic. One teacher expressed frustration with district surveys that limited responses to multiple-choice options, eliminating the opportunity for open written feedback. Concerns were also raised about whether the district would truly act upon the feedback received or simply reinforce pre-existing plans. These issues underscore the need for greater authenticity and transparency in stakeholder engagement efforts, specifically centering the voices and needs of historically underserved communities.

The 2023-24 school year presents a crucial opportunity for districts to reengage with stakeholders, share their final spending decisions, and outline plans for sustaining valuable programs beyond the September 2024 recovery fund spending deadline. By empowering families—especially those from historically marginalized communities—and community partners as collaborative decision-makers, school district leaders can address students’ most pressing needs effectively.

In Connecticut, one effort focused on bringing students’ opinions to the forefront. The [Voice 4 Change](#) initiative, led by the Connecticut Department of Education, asked students in participating schools to submit proposals on how to allocate a \$20,000 budget within their schools. Student proposals ranged from funding basic necessities, like upgraded water bottle filling stations, to improving outdoor spaces at school and expanding mentorship programs. The initiative, which could easily be replicated elsewhere, highlights the importance of empowering students to share their day-to-day needs.

Noteworthy New England investments: Connecticut

The [guidance](#) that Connecticut’s Department of Education provided from the beginning—which many states did not offer—set core principles for districts’ spending decisions. This led to a greater collective focus on the issues that mattered most, including more comprehensive support for students’ emotional needs and mental health concerns. Districts were encouraged to leverage community feedback and the needs of students, based on their performance data or other metrics, to identify targeted areas for investment.

Connecticut also used the governor’s bucket of federal relief funds to supply its 15 highest-needs districts with an additional [\\$5.7 million to close achievement gaps](#) that widened during the pandemic. One district leader said some of those additional funds went toward creating a “portrait of a graduate”: a community-involved project that outlined the knowledge and skills students should possess upon graduation. The state’s flexible approach recognized the diverse needs of its districts and acknowledged the wide-ranging impacts of extended remote learning and hybrid models within different communities.

Connecticut’s Department of Education also launched the [Learner Engagement and Attendance Program](#) (LEAP) to tackle the chronic absenteeism and school disengagement that resulted from virtual learning. The program helped decrease student absenteeism by up to 30 points within six months of sending staff out to regularly visit students’ homes.

Many New England districts, like others around the country, prioritized their federal relief money on summer programming. One Connecticut district extended the school year by four weeks. They successfully served around 2,000 students across two summers and provided elementary school students with cost-covered afternoon summer camp programming. In addition, high school students were offered targeted credit recovery programs to ensure they were adequately prepared for the next year’s coursework.

Another Connecticut district used federal relief funds to remove pay-to-play policies. They eliminated athletic team fees to focus on recruiting often-marginalized students to team sports, in an effort to reengage them in academics through athletic participation.

Education advocates across the U.S. can increase the likelihood that impactful initiatives such as these continue, but they’ll have to think broadly about new sources of money.

Outcome measurement is essential for strong financial decision-making

Schools (and advocates) must measure the effectiveness of approaches, products, and programs to make the best funding decisions—districts must establish clear goals, metrics, and consistent tracking as part of their pandemic recovery efforts. One district leader explained that they “recognized there were mental health and social emotional learning needs,” at a time when they had been focusing on academic support. They were able to make real-time changes because the American Rescue Plan had given states and districts the flexibility to pivot as needed.

A district in Vermont was struggling to address their students’ social and emotional development needs. Our interviews revealed that the district was hindered by a lack of tools to measure those needs, despite the extra federal money. Student engagement and quality relationships continue to decline and mental health needs continue to grow, and districts must invest in quality social, emotional, and mental health data collection tools to address these challenges.

Connecticut was ahead of many states in tapping the expertise of its state education researchers and linking them with the Department of Education so they could track the effectiveness of pandemic relief spending. With access to statewide achievement and administrative data, researchers were able to highlight increased attendance rates among students receiving home visits, particularly among high school students. It’s not too late for education advocates to encourage their districts, regions, and states to leverage in-state research and evaluation partnerships.

By advocating for robust data collection, analysis, and evaluation, education advocates can hold districts accountable and ensure that evidence-based programs truly meet the needs of students who are facing serious challenges.

Focus on sustaining quality interventions

As New England states and districts navigate the approaching fiscal cliff, sustaining quality interventions will become a crucial concern. Many districts initially [crafted spending plans](#) without fully understanding the extent of students’ academic, social, and emotional needs, particularly for families hurt most by the compounding effects of the pandemic, racial inequity, and low household incomes.

Other districts made sure part of their federal spending went toward programs or new initiatives that would be continued after relief money ran out. For example, New Hampshire spent a portion of its federal pandemic relief money on literacy reform, directing some of its surplus toward training teachers in science-based reading pedagogy, bolstering core instructional habits, and investing in early literacy support. Dedicating funds to professional learning holds promise for lasting impact beyond 2024, as “science of reading” efforts continue to grow and shift more classrooms to stronger phonics-based instruction.

Other types of investments, such as money spent on staffing, have less direct impact on long-term outcomes. Advocates can weigh in on the merits of these investments in teacher workforce changes or staffing bonuses.

Human capital emerged as a significant focus across New England states. Connecticut, for example, [allocated more than double](#) the amount of ESSER III funds for staffing compared to academic recovery. This regional trend aligns with national data about big investments in staff. These investments allowed for reduced class sizes, new early childhood classrooms, targeted reading and math interventions, and additional counselors and trauma-informed interventionists. However, many of these new positions will likely be cut unless community stakeholders weigh in about which

pandemic-funded staffing positions are critical to keep.

States should also be guiding districts as they grapple with fiscal pressures stemming from declining enrollment and the expiration of federal relief funds. In New Hampshire, for example, leaders contracted with Georgetown University to provide online training to districts on navigating impending fiscal cliffs. By completing finance coursework, leaders gained insights into managing challenging budgeting decisions.

There are growing uncertainties about the post-Covid fiscal reality. The leaders we spoke with emphasized the challenge of transitioning to a “new normal” without a clear understanding of what that entails. Advocates can help states and districts use the remaining runway provided by federal relief funds to explore additional revenue sources and prepare for difficult conversations.

One example of an innovative, sustainable program is the student-managed bookstore in West Hartford Public Schools, Connecticut. Using federal funds, the district established a vocational skill development opportunity for students with special needs. The bookstore, located near the city’s town hall, attracted attention from the community and received numerous book donations. The store’s modest monthly revenue does not cover all costs; however, the district plans to continue the program beyond the relief funds through a special tax funding structure with the city.

By advocating for alternative funding strategies, exploring partnerships, and engaging in conversations about long-term sustainability, advocates can help secure the future of initiatives that benefit students and communities alike.

How advocates can play a more meaningful role in post-ESSER financial planning

By building coalitions, advancing bold campaigns, and putting timely pressure on state and local leaders, advocates can significantly influence district and state budgeting decisions. To further the success of students and shape investments on their behalf, advocates should consider the following steps:

Build relationships and foster connections.

- Follow school district and state leaders on social media, including employees in state cabinet-level positions, school board members, and/or state education board members. Advocates can also engage with community organizers and business leaders with similar interests in education and youth development.
- Establish strong relationships with local reporters who cover education-related topics. Connect with them on social media and inform them of important meetings and events.
- Explore whether a school district or state board has a participatory budgeting element. Contact the district or school board office to determine if community review committees or task forces exist. Request the names and contact information of committee members and explore opportunities to get involved.

Schedule regular meetings.

- Identify school district leaders, school board members, or state board members with whom you can schedule regular meetings.
- Schedule quarterly coffee chats or similar interactions to discuss emerging fiscal tensions and issues in the district.

Discuss fiscal stability.

- Engage in open conversations with state and local leaders to better understand their post-ESSER fiscal plans.
- Encourage leaders to be transparent, consistent, and inclusive in their discussions with stakeholders.
- Ask leaders the following questions and share the answers publicly:
 - Who serves on committees responsible for school budgets beyond the federal relief funding deadline?
 - How can advocates contribute to these discussions?
 - How has the state or district reviewed federal relief spending and their contribution to student improvements?
 - Are there formal evaluations or assessments of existing investments that are being released and with whom are they are being shared?
 - Do spaces or opportunities exist for districts across the state to share information about successful programs and fiscal solutions like resource pooling or grant identification?

Prioritize transparency and equity.

- Advocate for increased transparency in budgeting decisions and demand that students and families be included in fiscal decision-making processes.
- Encourage state and school district leaders to develop strong data collection and evaluation practices as federal relief funding diminishes.

Advocates have the power to collectively ensure that their voices, as well as a range of voices in their communities, are heard and considered, and they can help ensure student equity remains a top consideration in budget decisions for late 2024 and beyond. Together with states and districts, you can help shape a future that supports the needs of all students and communities.

About the Center on Reinventing Public Education

The Center on Reinventing Public Education (CRPE) is a nonpartisan research organization at [Arizona State University's Mary Lou Fulton Teachers College](#). We rigorously examine and test transformative ideas, using our research to inform action. We are truth tellers who combine forward-thinking ideas with empirical rigor. Since 1993, we have been untethered to any one ideology but unwavering in a core belief: public education is a goal—to prepare every child for citizenship, economic independence, and personal fulfillment—and not a particular set of institutions. From that foundation, we work to inform meaningful changes in policy and practice that will drive the public education system to meet the needs of every student.