

Managing Public Education Resources During the Coronavirus Crisis

Practical Tips and Considerations for School District Leaders

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This brief offers practical information and guidance to help school district and charter school leaders manage and strategically allocate resources amid widespread school closures and an almost certain reduction in education funding over the coming fiscal year due to the public health crisis caused by the new coronavirus. Districts and charter schools must make strategic decisions about how to allocate resources based on the specific needs of their own community. The decision-making principles detailed later in this brief, and summarized in the box to the right, provide some anchor points for education leaders to keep in mind when making these hard choices.¹

Effects of Current Public Health Crisis on Education

Concerns about the coronavirus, with the consequent school closures and a precipitous economic downturn, are having profound effects on the public education landscape — from how educators deliver instruction to the amount of revenue available for operating schools.

Millions of students are affected by school closures. As of April 14, 2020, concerns about the new virus had caused the closure of at least 124,000 public and private schools in the United States, affecting at least 55.1 million students.²

Decision-making Principles

Despite many unknowns, do not wait to plan. While responding to immediate critical needs is essential, set aside time to confer with other leaders in your district to plan ahead to next year's budget.

Ensure continuity of core work. To the greatest extent possible, but consistent with public health guidelines, ensure continuity of basic services, principally quality instruction, including technology for online learning, but also meals for eligible students.

Focus first on providing support for students who need it most. During school closures, attend to those students who are least able to get learning support and resources from home.

Keep the community informed. Leaders should communicate with the community about their efforts to support students and families and about anticipated budget challenges and potential shortfalls in the future.

1 This brief has adapted and expanded on a related California-specific publication: Willis, J., Krausen, K., & Caparas, R. (2020, April). *Managing public education resources in California during and after the coronavirus crisis: Practical tips and considerations for school district and charter school leaders*. WestEd. <https://www.wested.org/resources/managing-resources-during-coronavirus-crisis/>

2 *Education Week*. (2020). Map: Coronavirus and school closures. <https://www.edweek.org/ew/section/multimedia/map-coronavirus-and-school-closures.html>

The full fiscal effect for schools of closures and of the country's broader economic downturn is not yet known, but predictions are grim.

Economists and financial experts predict short-, mid-, and potentially long-term implications for school district and charter school budgets and the availability of resources, foreseeing reduced funding and increased costs.³ The Center on Budget and Policy Priorities estimates that states, collectively, will lose approximately \$500 billion in the next fiscal year.⁴ While there are signs of a looming recession, similar to those that were evident at the start of the Great Recession in 2008/09, this particular financial downturn has some distinct features:

- » **Speed:** Today's unemployment claims have been rising at an unprecedented rate. In December 2007, at the start of what became the Great Recession, unemployment claims were at 2.6 million; 18 months later they spiked at 6.6 million. In comparison, over the two-week period of March 14–28, 2020, as stay-at-home orders began rolling out across the country and many businesses considered to be non-essential

had to close their doors, U.S. unemployment claims rose from 1.8 million to 6.6 million.⁵

- » **Broad-based:** Every sector is being impacted by this crisis, whereas during the Great Recession, the most severe effects were tied to housing and banking.
- » **Externally triggered:** Today's financial downturn results from a public health crisis, not a structural weakness in any industry. During the Great Recession, the economic crisis was tied to structural weaknesses in the housing and financial sectors.
- » **Unknown factors:** The length and depth of today's economic downturn and the timing of the subsequent recovery are linked to public health, and many questions remain unanswered.

School districts and charter schools are trying to adapt quickly to the new context of schooling.

They are attempting to navigate public health guidelines in a way that allows them to provide essential services for students, including technology to ensure connectivity for distance learning, curricular materials for learning from home, and, as needed, daily meals. This shift is easier for some districts and charter schools than for others. For example, those that had already integrated technology into their curriculum may have an easier time transitioning to fully virtual instruction, while others — particularly those in areas with more limited internet access — may face significant barriers in

3 Burnette, D., II. (2020, April 13). How will coronavirus affect school spending? 9 questions answered. *Education Week*. <https://www.edweek.org/ew/articles/2020/04/13/how-will-coronavirus-affect-school-spending-9.html>; Burnette, D., II. (2020, March 19). Districts brace for crash in state K–12 revenue due to coronavirus. *Education Week*. <https://www.edweek.org/ew/articles/2020/03/19/districts-states-brace-for-crash-in-k-12.html>; Mulvihill, G. (2020, March 27). Coronavirus deals one-two financial punch to state budgets. *Associated Press*. <https://apnews.com/c0f90f74b1c70e73d8102317af3682ef>

4 Burnette, D., II. (2020, April 15). For schools, this recession will be worse than the last. Here's why. *Education Week*. http://blogs.edweek.org/edweek/campaign-k-12/2020/04/coronavirus_recession_worse_schools.html

5 U.S. Department of Labor. (2020). *COVID-19 impact: The COVID-19 virus continues to impact the number of initial claims and insured unemployment* [news release]. <https://www.dol.gov/ui/data.pdf>; U.S. Department of Labor. (2020). *Unemployment insurance weekly claims data*. <https://oui.doleta.gov/unemploy/claims.asp>

providing students with access to virtual learning. Some districts must also address issues related to collective bargaining. Because teacher contracts do not address today's unanticipated working conditions, there may be a need to re-negotiate the length and structure of the working day.

School districts will need to make decisions on how to strategically allocate resources. Rapid shifts in how schooling takes place due to concerns about the new coronavirus have practical implications for the ways school districts and charter schools use their resources, including decisions about how to deploy and/or preserve resources in the near and longer term. Based on trends from previous economic recessions, it seems likely that, for many school districts and charter schools, state education funding will be flat or decline for the 2020/21 school year. While the federal government has approved \$13.5 billion in funding for schools through a recent federal stimulus package — the Coronavirus Aid, Relief, and Economic Security (CARES) Act — these one-time funds represent only a small portion of operating funds for a school district or charter school.

The above factors, perhaps coupled with some that are still unknown, will profoundly influence the operation and delivery of education across the country for the near future and beyond. An understanding of how to leverage funding from the CARES Act can support decision-making in these challenging times.

Estimated Aid From the CARES Act

The CARES Act allocates specific funding for K–12 education through both the Elementary and Secondary School Emergency Relief Fund and the Governor's Education Relief Fund for states to distribute to local education agencies (LEAs). The act also pro-

vides additional education-related funding through pre-existing federal funding programs (e.g., the Child Care Development Block Grant, Head Start). Unless otherwise noted below, information about the funding described in this section is drawn directly from *Division B – Emergency Appropriations for Coronavirus Health Response and Agency Operations, Title VIII-Department of Labor, Health, and Human Services, Education and Related Agencies* of the CARES Act, with statutory section citations provided.⁶

In thinking about the funding possibilities described below, keep in mind the limits of both the available amounts and their duration. For example, under the Elementary and Secondary School Emergency Relief Fund, the vast majority of LEAs will receive funding approximating 0.5 to 3 percent of their total operating budget, and that funding is only for one to two years (i.e., funds can be used by states or LEAs in the current or next fiscal year). Thus, in considering how to use new funds, school district and charter school leaders will want to avoid commitments that require ongoing investments, including hiring new staff and establishing longer-term contracts with external service providers.

K–12 Funding Under the CARES Act

The two funds described immediately below are specifically intended to support K–12 education.

Elementary and Secondary School Emergency Relief Fund (\$13.5 billion)

Money in this particular relief fund will be allocated “in the same proportion as each State received under part A of Title I of the Elementary and Secondary Education Act (ESEA) of 1965 in the most

⁶ The full text of the CARES Act is available at <https://www.govtrack.us/congress/bills/116/s3548/text>

recent fiscal year” (§ 18003[b]). Under this section, a state education agency (SEA) can reserve up to 10 percent of its Elementary and Secondary School Emergency Relief Fund allocation for SEA-level activities, including up to 0.5 percent for administrative purposes. These reserved funds can be used for SEA-determined purposes to address and respond to the coronavirus, and they can be allocated through grants or contracts (§ 18003[e]).

SEAs are required to allocate no less than 90 percent of these funds to LEAs through subgrants based on each LEA’s respective Title I share from fiscal year 2019 (§ 18003[c]). On average, CARES Act funding under this section will be the equivalent of approximately 60 percent of each state’s Title I allocations.

The act affords LEAs a great deal of flexibility in how the funds can be used, stating that they can be applied to any activity authorized by the ESEA, the Individuals with Disabilities Education Act (IDEA), the Adult Education and Family Literacy Act, the Carl D. Perkins Career and Technical Education Act of 2006, and subtitle B of Title VII of the McKinney-Vento Homeless Assistance Act. Such activities include, for example, purchasing education technology, providing professional learning for educators on how to address students’ mental health and social-emotional learning (SEL) needs, services such as meals and special education during school closures, and supporting activities related to summer learning and supplemental afterschool programs (§ 18003[d]).

Governor’s Emergency Education Relief Fund (\$3 billion)

This relief fund provides money for governors to make additional grants to K–12 LEAs as well as to institutions of higher education (IHEs) that are more significantly affected by the coronavirus.

These funds will be allocated to each state based on two population counts: 60 percent of the funds will be given out based on the state’s population of individuals aged 5 through 24 (§ 18002[b][1]), and 40 percent will be given out based on the count of children used to calculate Title I, Part A funding allocations (§ 18002[b][2]).

Among the potential uses for these funds are enabling LEAs, IHEs, or other education-related entities to continue providing education services, child care and early childhood education, SEL support, and protection of education-related jobs (§ 18003[d]).

Other Education-related Funding Under the CARES Act

In addition to the K–12 education funding described above, the CARES Act provides supplemental education-related funding through pre-existing federal grant programs, with some of that funding specifically intended to support early childhood education. Given this focus, school district and charter school leaders would benefit from collaborating with local partners (e.g., child care and other early childhood education providers). These additional funding allocations are described below.

Child Care and Development Block Grant (\$3.5 billion)

The Child Care and Development Block Grant (CCDBG) was legislatively established in 1990. Its funds are administered to states through formula block grants and are intended to (a) support child care assistance for low-income working families and (b) fund child care quality initiatives.⁷ In

⁷ Child Care Aware of America. (2020). *Everything you need to know about the Child Care Development Block Grant (CCDBG)*. <https://info.childcareaware.org/ccdbg-ccdf>

addition to providing more funding for this grant program, the CARES Act expands allowable use of the funds to include financial assistance for child care providers affected by the coronavirus, enabling them to:

- » remain open in the case of decreased enrollment or closures related to the coronavirus or to reopen as appropriate;
- » provide child care assistance to essential workers; and
- » appropriately clean and sanitize their facilities.⁸

Community Services Block Grant (\$1 billion)

The Community Services Block Grant (CSBG) Act, rooted in the mid-1960s “war on poverty,” provides funds for states to distribute to local entities to support activities that assist low-income families and individuals in becoming self-sufficient. Local entities can include, for example, local governments, migrant and seasonal farm worker organizations, and Community Action Agencies (CAA). According to the originating legislation, funds are meant to be focused on education, with particular attention on improving families’ literacy skills, as well as addressing “the needs of youth in low-income communities through youth development programs ... such as ... after-school child care programs” (CSBG Act, 42 U.S.C. § 9908).

The CSBG legislation established the federal poverty line as a criterion for determining eligibility for the services funded under this grant, with states being permitted to revise the poverty line but not

⁸ There is no section number for this portion of the CARES Act. It can be found by searching for “Child Care and Development Block Grant” at <https://www.govtrack.us/congress/bills/116/s3548/text>

to exceed 125 percent of the official poverty line (CSBG Act, 42 U.S.C. § 9902). Now, under the CARES Act, states are permitted to “revise the income limit for eligibility ceiling from 125 to 200 percent when determining grantee eligibility during FY2020 and 2021.”⁹

Head Start (\$750 million)

Funds under this section of the CARES Act will be allocated by the federal government to each Head Start agency (i.e., program) in proportion to the number of children it serves. These funds are intended to support emergency staffing, operational costs, and summer learning opportunities during the coronavirus crisis.¹⁰

Decision-making Principles Throughout the Crisis

If education funding does indeed stay flat or decline in the upcoming months or, even, years, prioritizing how to allocate available dollars will be challenging. The following principles can help district and charter school leaders make what may be very difficult decisions.

Start Planning Now

District and charter school leaders will have many choices to make in the coming weeks, months, and years about how to most efficiently and effectively allocate their likely more-limited resources to ensure

⁹ Office of Community Services, An Office of the Administration for Children & Families. (2020, April 13). *CSBG IM 2020-157 Immediate guidance on COVID-19 response*. <https://www.acf.hhs.gov/ocs/resource/csbg-im-2020-157-immediate-guidance-on-covid-19-response>

¹⁰ There is no section number for this portion of the CARES Act. It can be found by searching for “Head Start Act” at <https://www.govtrack.us/congress/bills/116/s3548/text>

services to students, support for teachers and other staff, and the health and safety of their communities. On top of facing potentially flat or decreased budgets, school districts and charter schools may well see increased staffing costs. During healthy economic times, school systems can usually count on some year-to-year savings in staff costs as their more-veteran teachers retire and their empty positions are filled with newer, less costly educators; however, during downturns, veteran educators are less likely to retire or otherwise leave.¹¹

In light of this challenging scenario, the time to start planning is now. District and charter school leaders should be intentional about setting aside time to confer with others in their district or charter school to plan, strategize, and think ahead to next year's budget. Leaders should consider taking a phased planning approach in which they think through stages of action, with possible funding sources. These stages are (1) immediately, during this period of most urgency over the next 1 to 2 months; (2) during a recovery period between 2 and 8 months from now; and (3) during a stabilization period between 6 and 12 months from now (see "Examples of phased action, with potential funding sources," on page 8).

One consideration for such planning is the possibility that some districts and charter schools could end the current fiscal year with a budget surplus. Potential areas for short-term savings include, for example, unspent funds that were planned to be used for consultants to provide enrichment programs for students, for professional learning, and/or for contracts with vendors or consultants in both

general and special education. District and charter school leaders should consider whether to save all or part of the surplus funds, so as to have money available for unexpected future needs, or to strategically allocate all or part of the funds in the near term, for example, in the area of increased staffing time used to mitigate students' possible learning loss as a result of school closures (e.g., summer school, extended fall instruction).

Value of looking ahead to next year's budget

Many states are expecting sharp reductions in their revenue collection for FY2021,¹² a situation that would likely translate to reduced state allocations for local districts and charter schools. For this reason, it is vital for district and charter school leaders to set aside time to engage with other leaders in their district or charter school to begin planning next year's budget. A key strategy for the budgeting process is to identify (a) what constitute districts' and charter schools' most critical services (i.e., define the "base" or core operational functions), (b) which strategic investments the local district or charter school can afford to make, and (c) which functions may be reduced or eliminated — at least temporarily — to make up for revenue gaps.

Ensure Continuity of Core Services

While districts need to be looking toward next year's budget, they also need to be planning right now for how best to complete the current school year under circumstances that are challenging for educators, students, and families alike. A first priority for school districts and charter schools is

11 Roza, M. (2020). *What will the financial turmoil mean for public education?* [March 2020 webinar]. Edunomics Lab, Georgetown University. <https://edunomicslab.org/2020/03/24/what-will-the-financial-turmoil-mean-for-public-education/>

12 Burnette, D., II. (2020, April 15). For schools, this recession will be worse than the last. Here's why. *Education Week*. http://blogs.edweek.org/edweek/campaign-k-12/2020/04/coronavirus_recession_worse_schools.html

to ensure continuity of essential services, starting with the most central of all: instruction. If teaching and learning are to take place with schools closed, students and teachers alike must be given the technology necessary to engage from their homes — hardware, software, and internet access — along with the support needed to use technology effectively. For some teachers, that support may include help in how to shift from face-to-face to online instruction. Eligible students should also continue to receive free or subsidized meals.

Leaders should consider:

- » prioritizing a small number of services and providing them well, rather than trying to roll out a range of new initiatives all at once;
- » attending to the effective implementation of strategies;
- » providing teachers with support and professional learning opportunities to support distance-learning initiatives; and
- » evaluating the success of different approaches to providing basic services, including tracking which students they are and are not reaching (e.g., by measuring student use of online instruction and related resources).

Focus Support on Students Who Need It Most

Vulnerable students — including those from low-income families, students with special needs, students of color, students in foster care, students who are unhoused, and those who are English learners — are disproportionately affected during

times of economic crisis.¹³ In addition to challenges related to food and housing security, during school closures many of these students are likely to experience disruptions in learning, key services, and supports they traditionally receive at school and, thus, to fall behind academically. Indeed, research shows that students lose academic skills and knowledge during summer break, and when it comes to reading achievement, these losses are greater for low-income students than for the general student population.¹⁴ Consequently, district and charter school leaders should keep equity at the forefront of decisions made about resource allocation, attending first to those who are least likely to have consistent learning support at home. Providing meals for eligible students and redeploying staff to support instructional learning are two ways to mitigate the disruption of critical services for vulnerable students during the coronavirus crisis.

Provide meals for eligible students

For some students, meals served at school may be their only nourishment during the weekdays. In a nationally representative 2012 survey, 56 percent of teachers said that “a lot” or “most” of their students depend on school meals as their primary source of nutrition.¹⁵ In California, about 1 in 5 children comes

13 Fishbane, L., & Tomer, A. (2020, March 20). *As classes move online during COVID-19, what are disconnected students to do?* Brookings Institution. <https://www.brookings.edu/blog/the-avenue/2020/03/20/as-classes-move-online-during-covid-19-what-are-disconnected-students-to-do/>

14 Quinn, D. M., & Polikoff, M. (2017). *Summer learning loss: What is it, and what can we do about it?* Brookings Institution. <https://www.brookings.edu/research/summer-learning-loss-what-is-it-and-what-can-we-do-about-it/>

15 Share Our Strength and APCO Insight. (2012, June). *Hunger in the classroom: Share our strength teacher report 2012 — Survey of K-8 public school teachers nationally*. <http://join.nokidhungry.org/site/DocServer/2012-teacher-report-full-final.pdf>

Examples of phased action, with potential funding sources

In response to the widespread school closures and to the economic downturn resulting from the current public health crisis, district and charter school leaders need to take a phased approach, with decisions made and actions taken during what this brief refers to as the “urgent period” (as soon as possible, but minimally within the next two months); the “recovery period” (between two and eight months from now); and the “stabilization period” (between six months and a year from now). What follows are some examples of key actions that districts, and in some cases charter schools as well, might take in each phase, with a potential funding source identified for each action.

Urgent Period (next 1 to 2 months)

Transition to distance learning for all students.

- Redeploy their intervention specialists and coaches to provide additional online instructional support (Funding Source: Title 1 funds).
- Equip buses with Wi-Fi and park them in different locations in the district so as to create internet “hot spots” that would provide internet access for families and teachers who are currently without access (Funding Source: CARES Act stimulus package).

Recovery Period (2 to 8 months from now)

Provide additional academic interventions to help mitigate students’ lost learning time during the crisis, especially for student groups most in need of such learning support. Begin preparing for teachers and students to return to their classrooms in the fall, assuming the health crisis abates.

- Offer students who are struggling academically the opportunity to receive four to six weeks of additional instruction during the summer (Funding Source: Title 1/IDEA Part B/CARES Act stimulus package).
- Take carry-over funds from teacher professional learning opportunities that have been cancelled in the spring and apply them, instead, to covering additional planning time for teachers to prepare to resume in-person classroom instruction (Funding Source: Title 2/Title 3/IDEA Part B/CARES Act stimulus package).

Stabilization Period (6 to 12 months from now)

Faced with flat or declining budgets and, for many districts, increasing costs (e.g., related to pensions, special education), consider how best to use the limited dollars in moving forward.

- Use unspent funds that were previously allocated for improvement efforts at underperforming schools to support additional intervention programs in the summer or in the next school year to address learning gaps (Funding Source: CSI/TSI).
- Engage stakeholders to help determine district or school priorities on the basis of student need and goals for student achievement and well-being (Funding Source: all funds).

from a food-insecure household.¹⁶ With widespread school closures across the state, school district and charter school leaders can help ensure their students do not go hungry. For example, they can:

- » establish locations where families can come to pick up meals;
- » consider using district-owned school buses for meal delivery, as well as redeploying any other contracted transportation providers for that same purpose (some school districts that are using their transportation services department to deliver meals are also having them deliver curricular materials [e.g., devices, books, and other materials]); and
- » engage counselors, social workers, and other available staff in a dual role whereby they help deliver meals and, at the same time, check in (from a safe distance) with students and their families. Gauging students' emotional well-being is particularly important because, as noted by the Centers for Disease Control (CDC), the heightened fear, stress, and anxiety prompted by infectious disease outbreaks can be particularly overwhelming for children and teens.¹⁷

Redeploy staff to support instruction and learning for vulnerable students

District leaders should consider how to redeploy skilled non-classroom staff by mapping their availability and matching their skill sets to help meet

16 California Association of Food Banks. (n.d.) *Hunger fact sheet*. <http://www.cafoodbanks.org/hunger-factsheet>

17 Centers for Disease Control and Prevention. (2020). *Coronavirus Disease 2019 (COVID-19), Daily life & coping: Stress and coping*. <https://www.cdc.gov/coronavirus/2019-ncov/daily-life-coping/managing-stress-anxiety.html>

student and family needs in a distance-learning environment, especially for those students who struggle most even in a classroom setting. Such staff might include principals, assistant principals, instructional coaches, staff who provide academic intervention, librarians, and counselors or social workers. For example, a reading intervention specialist could prioritize time to work over video with struggling students. An assistant principal could support other staff in setting up schedules to check in with vulnerable students and/or could connect with parents to assess their potential needs related to providing at-home learning supports for their children. And a counselor could assess needs and provide emotional support for students and their families through a mix of virtual communication (e.g., telephone, computer-based video) and, as proposed earlier, face-to-face communication carried out from a safe distance in the course of meal delivery.

Keep the Community Informed

As is true during any crisis, it is critical that school districts and charter schools be intentional in their communication with the school community. This requires involving community stakeholders not just to help leaders identify challenges in the school district or charter school, but also to engage the education community (i.e., students, families, teachers, staff, community members) as problem-solvers. The current pandemic has created unprecedented upheaval in districts and charter schools, in communities, and in individual families. This upheaval, most apparent and alarming to people and systems in the short-term, will undoubtedly have ripple effects in the years to come. Ongoing communication with the public about budgets (for this year and next), any potential shortfalls, and, for districts especially, any implications for collective bargaining with teachers is critical. Moreover, districts and

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charter schools should use these communication opportunities to reinforce how budget decisions are intended to align with their goals for student achievement and well-being. This includes communicating about how resources are being directed to support vulnerable student groups.

Given the difficult choices school district and charter school leaders everywhere are having to

make now and, likely, in the coming year or two, they should communicate clearly and consistently about the rationale for these critical decisions. The public should also be kept informed of the possibility of future school closures, as well as of school districts' and charter schools' proactive efforts to plan for this scenario.

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