

One-Time Funding: Strategies for Achieving Sustainability



Learning Session Three

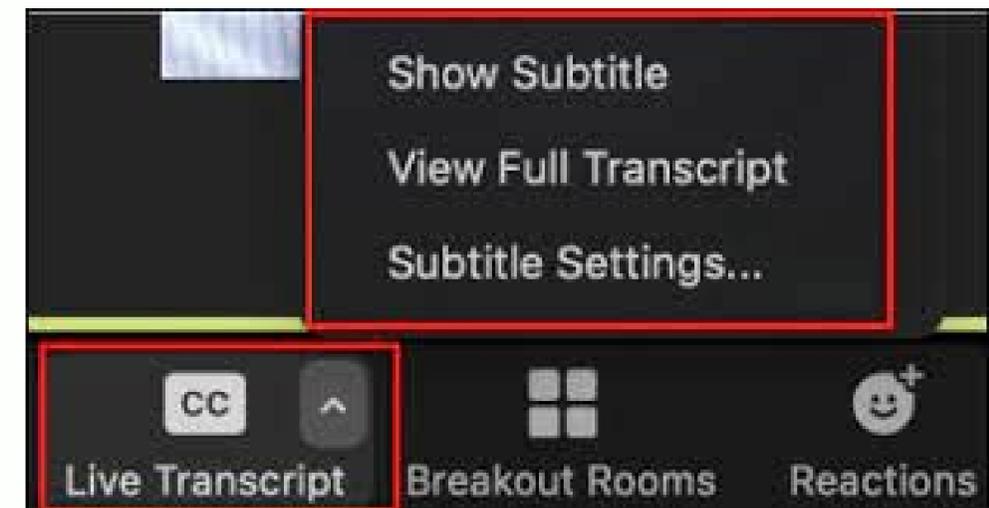
May 3, 5, 12 & 18

County Offices of Education
and Local Education Agencies



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Introductions



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In the Chat

What is a positive habit or tradition you've started during the pandemic that you plan to sustain into the future?

ESSER dollars are an opportunity for LEAs to create *sustained impact* that outlasts the period of fund availability.



These Federal emergency resources are available for a wide range of activities to address diverse needs arising from or exacerbated by the COVID-19 pandemic, or to emerge stronger post-pandemic, including responding to students' social, emotional, mental health, and academic needs...

*Frequently Asked Questions Elementary and Secondary School
Emergency Relief Programs Governor's Emergency Education Relief
Programs (May 2021)*

Source: U.S. Department of Education, 2021

Session Goals

LEAs will leave with an understanding of:

- **how to invest in strategies** that result in the best services for students and LEA sustainability;
- **the need to collect and monitor the impact** of investments (determining what measures to use to monitor progress from the outset);
- **strategies for marshaling support** for program investments, leadership, and community input and buy-in.





Agenda

- Trends shaping the economic landscape for LEAs
- Potential scenarios for sustainability
- Charting a path to sustainability: decision-making strategies
- Group discussion on implications for local contexts

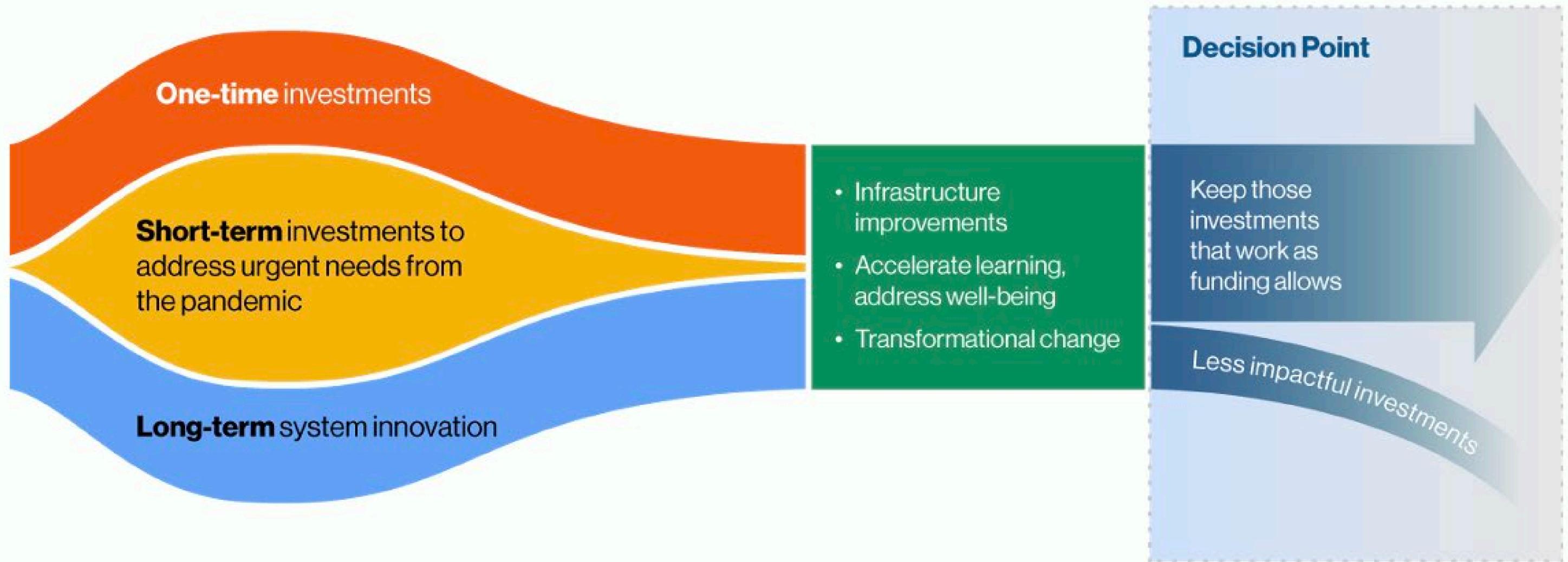


Sustainability Landscape

What Factors Impact Our Ability to Sustain Investments?

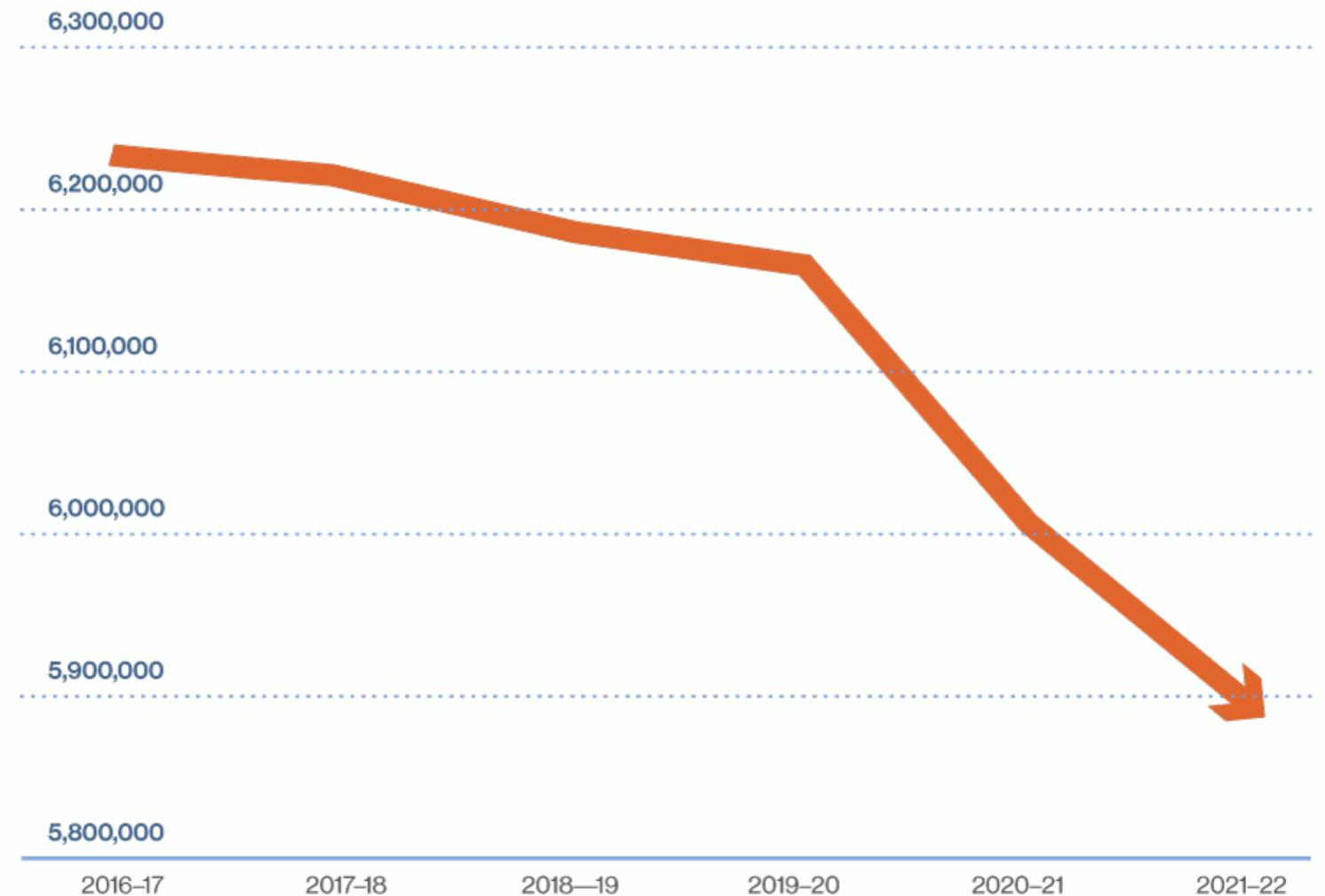
The Decision Point

Flow of investment priorities using one-time funds



California K-12 Enrollment is Declining

- **Declining** enrollment in grades one, seven and nine
 - Varying decreased enrollment across all student racial groups
- **‘Hold Harmless Provision’**: Districts have not been subject to revenue cuts due to ADA decline since the Pandemic. This provision is set to expire in the 2022-23 budget, though similar policies are under discussion.

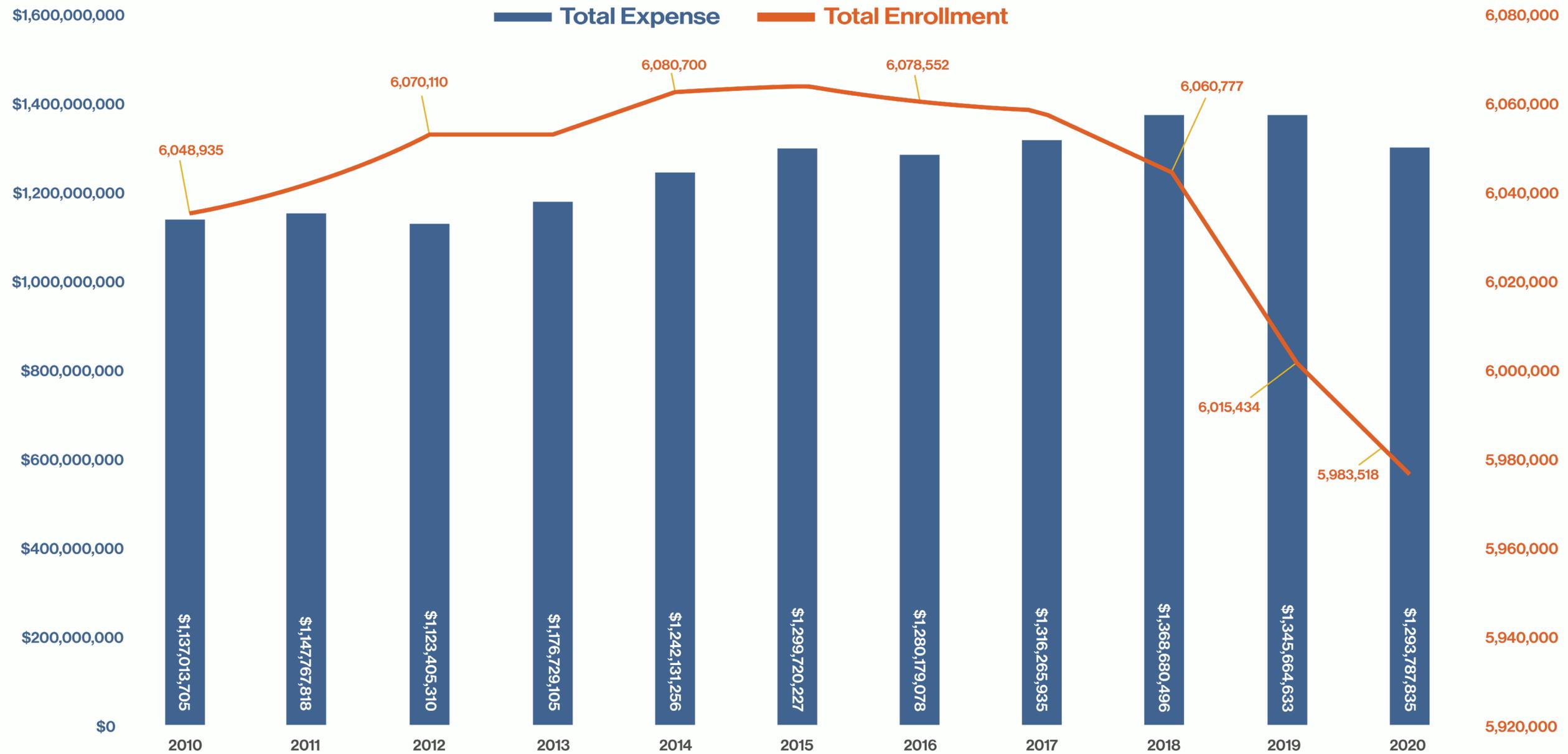


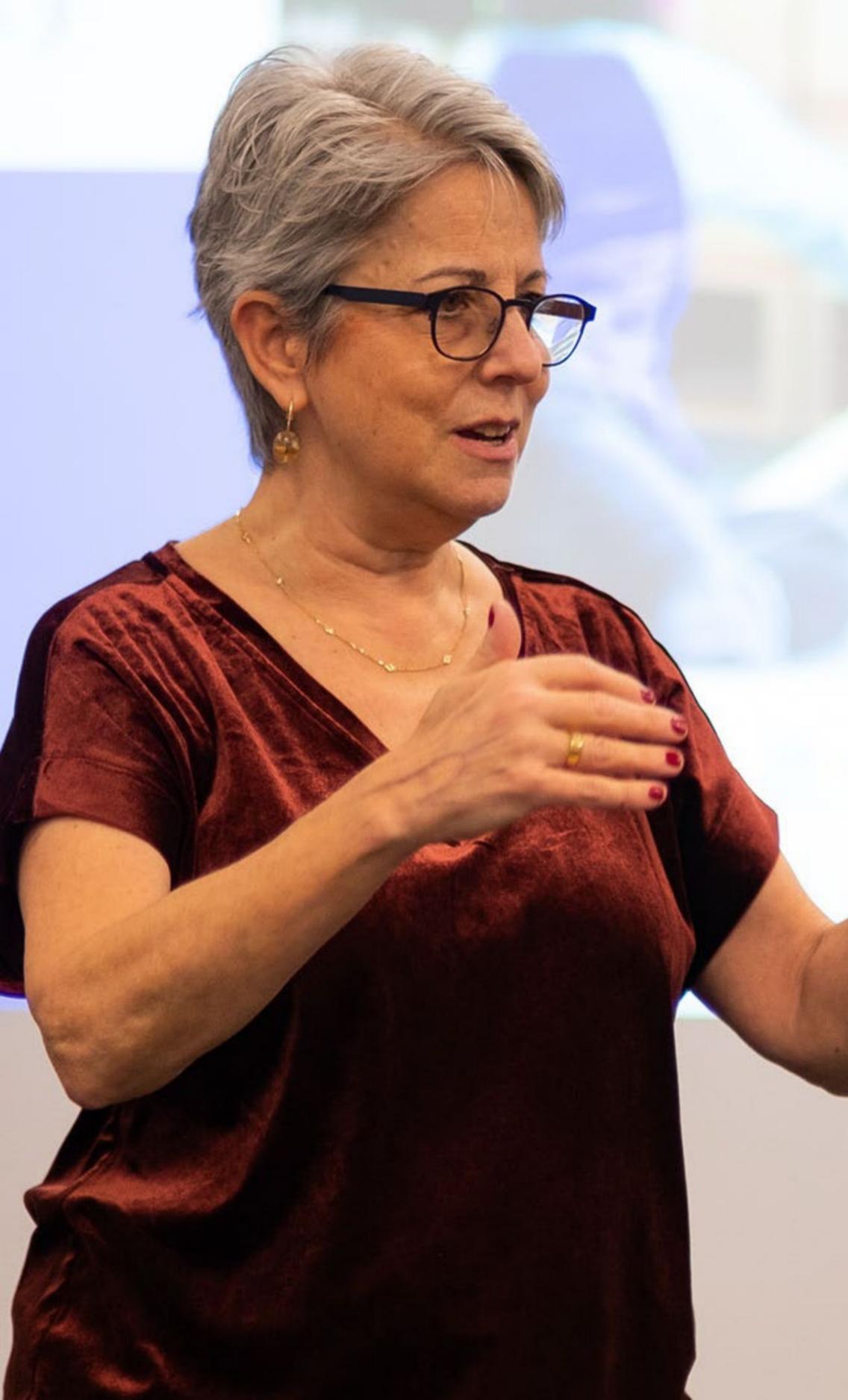
Source: CDE DataQuest, 2022

Highest COLA Rate in 15 Years

- **6.56% COLA in 2022/23**
 - This has an estimated price tag of ~\$5 billion for schools and colleges for 2022/23.
- **The LAO cautiously predicts COLA will decrease and stabilize.**
 - 3.5% in 2023/24 and 3% in 2024/25 and 2025/26
 - Roughly \$3 billion per year
- **Depending on economic recovery, the rate may remain high.**
 - If the statutory COLA rate stabilizes at 5% annually, the annual associated cost is estimated at \$4.5 billion for the years 2023/24 through 2025/26.
- **COLA for LCFF and certain Prop 98 programs are covered by the state and are distributed to districts as discretionary funds.**

Statewide District Utility Costs Have Not Decreased Along with Enrollment





Poll: Aside from the end of one-time funds, what are the most critical factors impacting sustainability for your LEA?

- A. Decreases in enrollment/ADA
- B. Increased costs due to inflation
- C. Increasing staffing costs
- D. Staffing shortages/attrition due to better wages in other sectors
- E. Staffing shortages/attrition due to better working conditions in other sectors
- F. Other – tell us in the chat

Why planning for sustainability is important...especially now

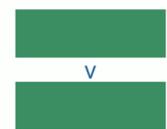
Uncertain
Economy



Decrease in
enrollment
(revenue)



Increase in
inflation
(costs)



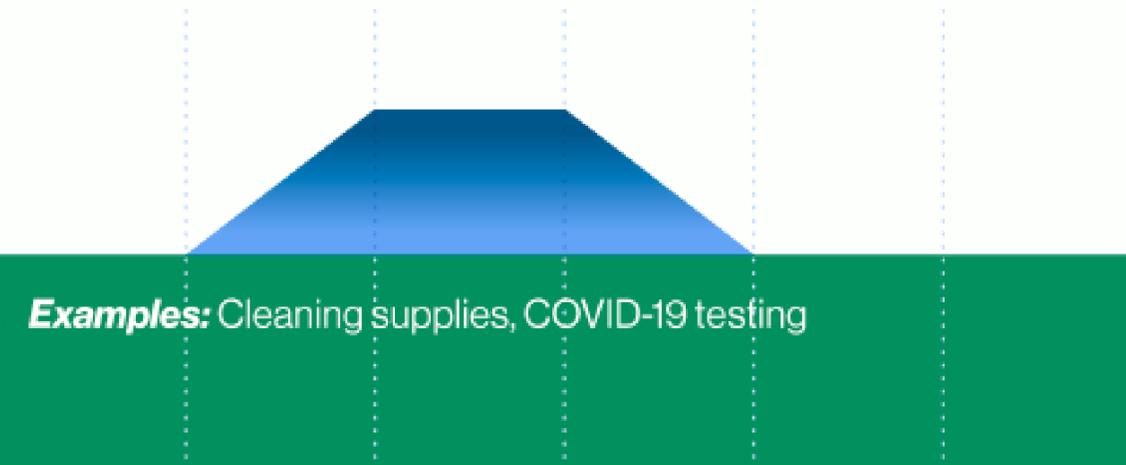
Every dollar matters, and we need to be strategic about how to sustain the investments that matter (and can't rely on new revenue to fill the void when one-time dollars run out).

But each district is impacted differently.

Four Approaches to Determine the Long-term Strategy for Each Initiative

1. Ramp Up and Roll Back

Works where need and funding source have the same timeline

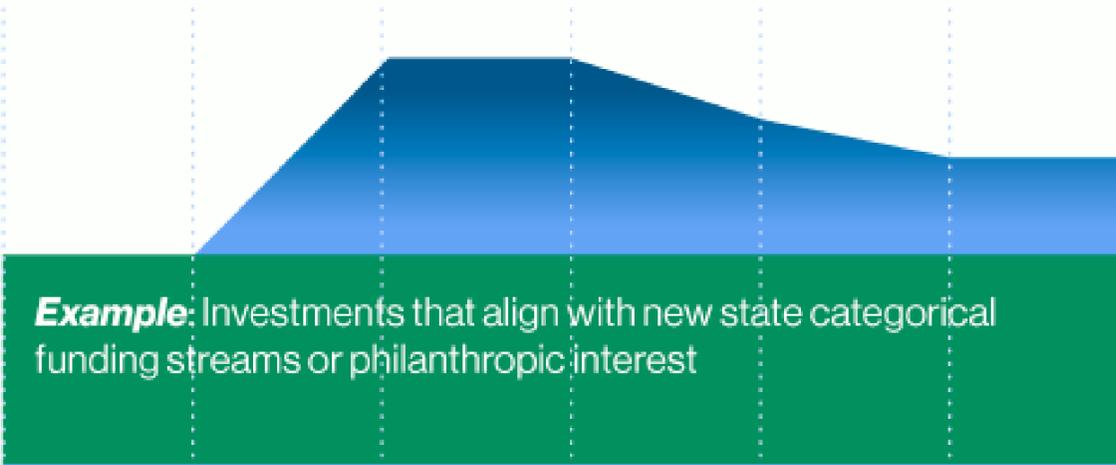


Examples: Cleaning supplies, COVID-19 testing

2019-20 2020-21 2021-22 2022-23 2023-24 2024-25 2025-26

2. Ramp Up and Seek Funds

Works for investments where we anticipate finding new funding sources



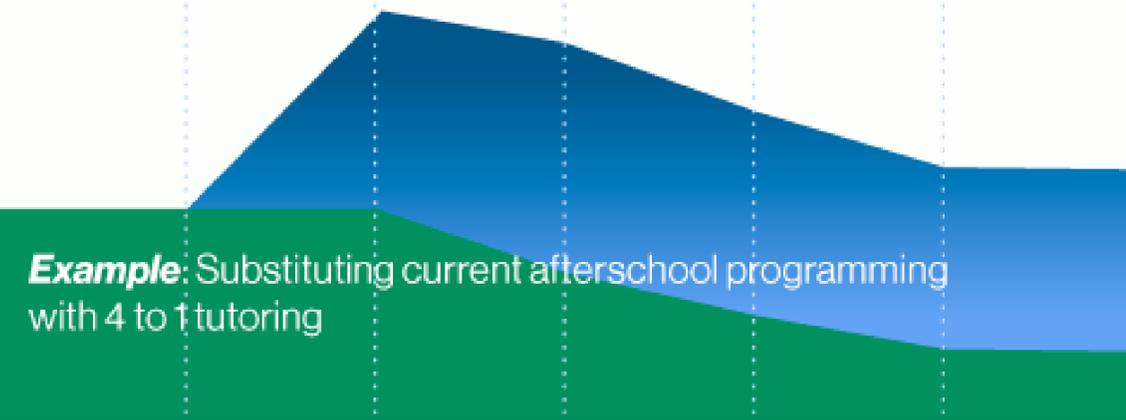
Example: Investments that align with new state categorical funding streams or philanthropic interest

2019-20 2020-21 2021-22 2022-23 2023-24 2024-25 2025-26

- One-time fund strategies
- Current strategies
- Increased efficiencies

3. Ramp Up and Make Trade-offs

Works for investments where we can make trade-offs to sustain, like reallocation funds from less-effective programs



Example: Substituting current afterschool programming with 4 to 1 tutoring

2019-20 2020-21 2021-22 2022-23 2023-24 2024-25 2025-26

4. Sustain Innovation

Works for one-time investments that build capacity beyond the length of the grant period or decrease future costs



Example:

- Partnerships with community organizations to provide services
- Improved tier 1 instruction can decrease the need for tier 2/3 support

2019-20 2020-21 2021-22 2022-23 2023-24 2024-25 2025-26

Group Discussion:

What approaches is
your LEA
considering?





Sustaining Effective Investments

Decision-Making Strategies

Planning for Sustainability Involves Reorienting the Planning Mindset

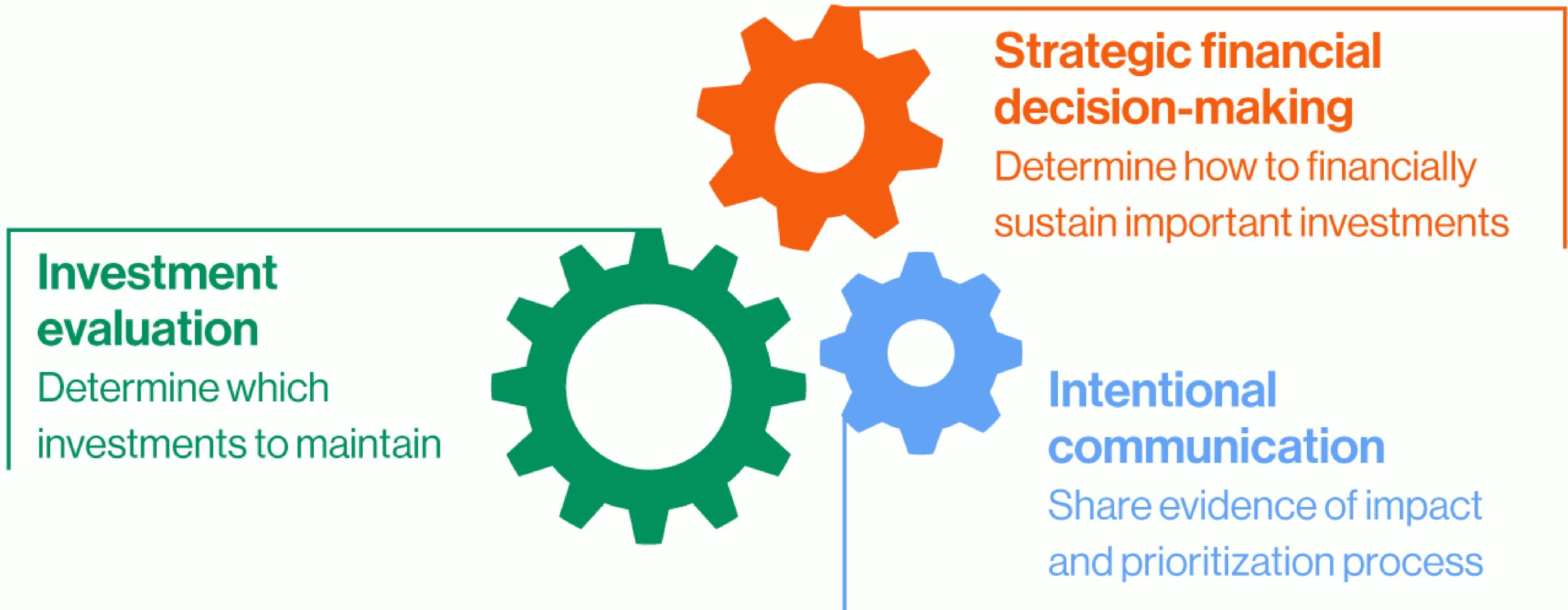


Poll

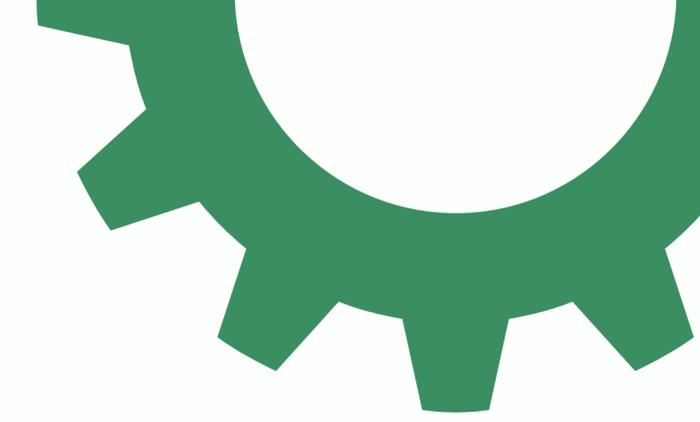
What is one practice or program your LEA has started during the pandemic that you feel is important to sustain into the future?

- A. High-dosage tutoring
- B. Differentiated pay to recruit teachers and staff in high-need areas
- C. Extended school day/year
- D. Use of online instructional platforms
- E. Virtual schooling options
- F. Increased cleanliness protocols
- G. Infrastructure investments
- H. Other - tell us in the chat

Elements of Planning for Sustainability



Investment Evaluation: How do we decide which programs to keep?



Student Needs

- Have student needs shifted?
- Have we already successfully eliminated some student need?
- Do investments target students most impacted by the pandemic?

Staffing Needs

- What positions are vacant or hard to hire for?
- Where is attrition highest?
- What internal staff are available to fill positions necessary for this program?

Community Priorities

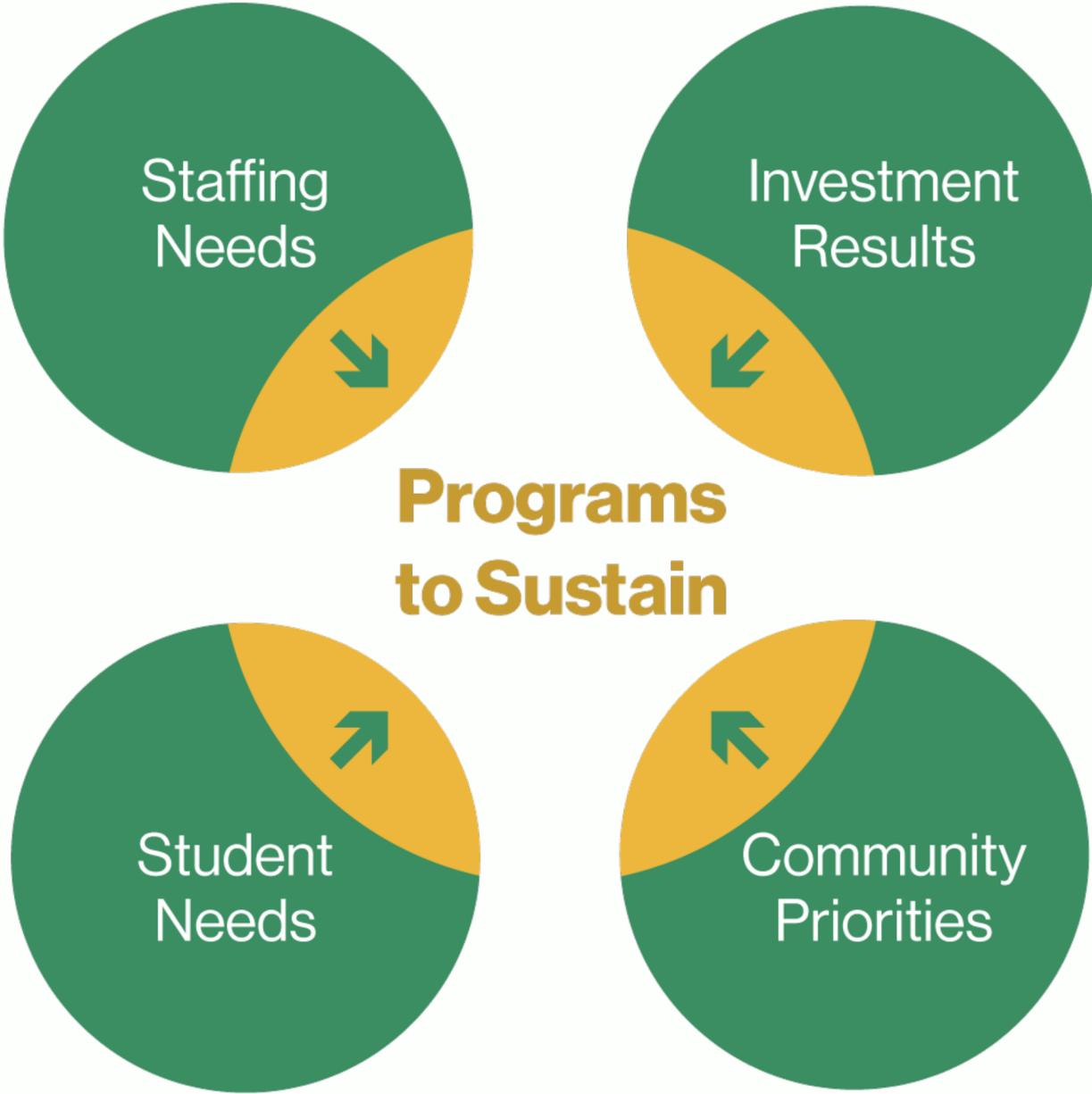
- How do investments align with community priorities?
- Are community partnerships possible to help sustain these programs?

Investment Results

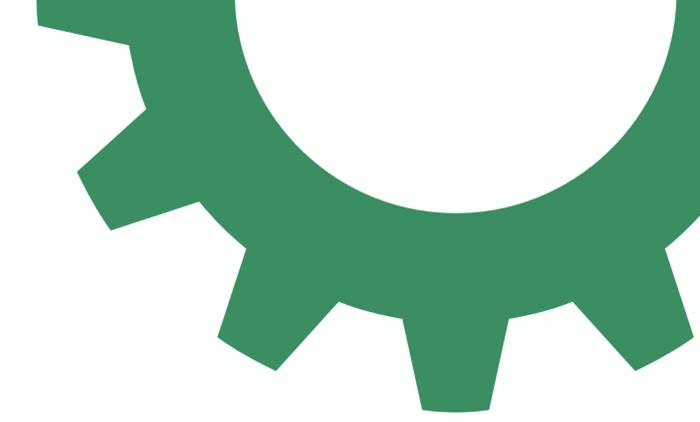
- What was the impact on student outcomes?
- What was the cost per student? Or cost per student per gain?
- What did not work or could not be implemented?



Multiple Sources of Data Should Inform Decisions on which Programs to Keep



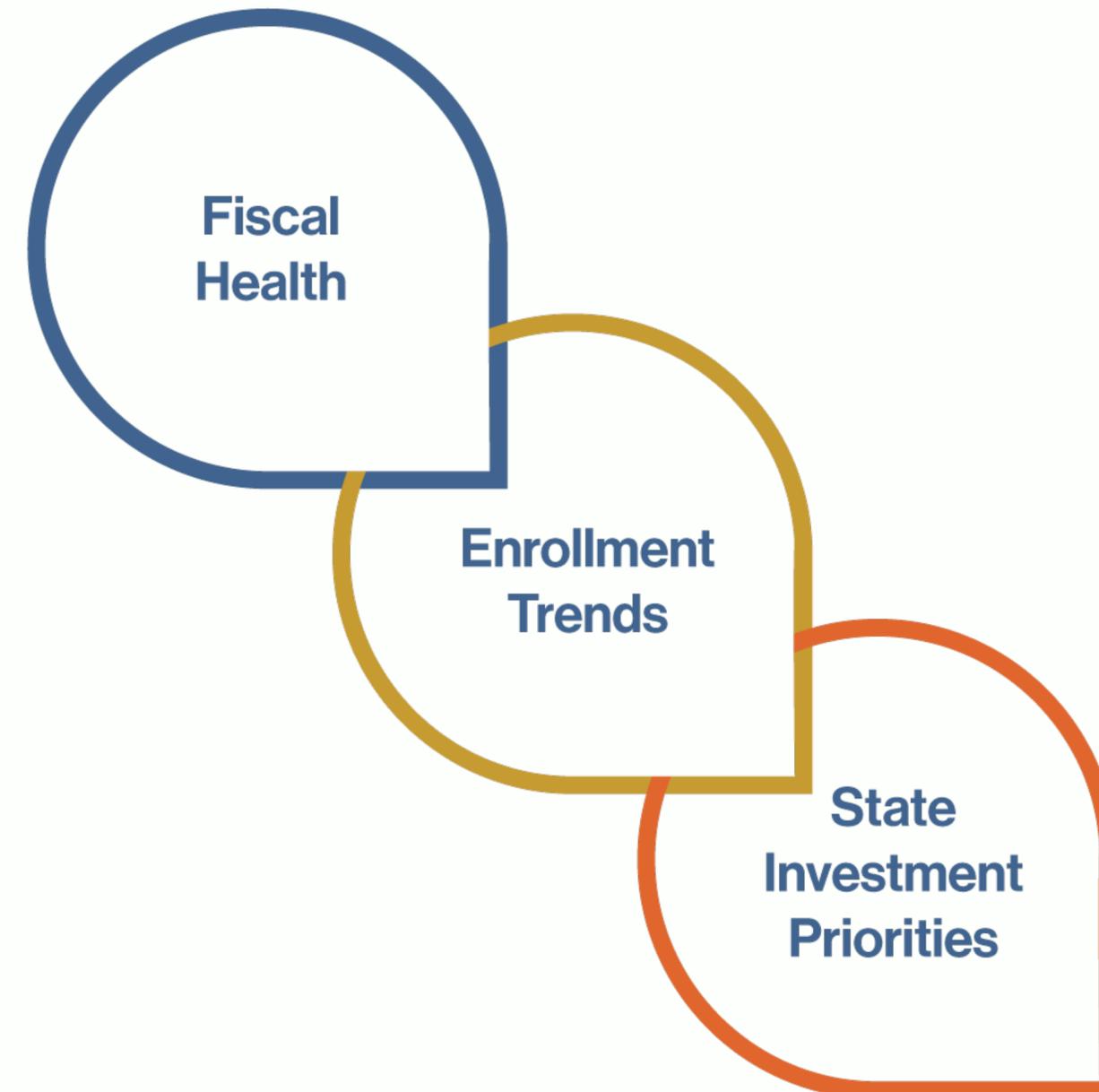
In the Absence of Outcome Data, How Do We Evaluate Investments?



Strategic Financial Decision-Making: How do we continue to fund these initiatives?

Consider:

- Current funding levels from state, federal and local sources
- Stability of funding streams over time
- State priorities
- One-time uses of fund balance



Develop an Objective Way to Determine Which Programs to Fund



| Name of program | Student Needs (targeted student populations; feasibility) | Staffing Needs | Community Priorities | Investment Results (Implementation, leading outcome) | Fiscal Health + Enrollment | Funding Streams + State Priorities |
|------------------------------------|--|--|---|---|--|--|
| <p>High-dosage tutoring</p> | <p><i>Targets under-credited high schoolers in our district</i></p> <p><i>Students who work cannot attend after school</i></p> | <p><i>Popular with teachers but teachers may feel overworked</i></p> | <p><i>Parents have expressed concern about post secondary readiness, which tutoring addresses</i></p> | <p><i>50% of eligible students participated</i></p> | <p><i>District can only sustain for a few years due to moderate funds balance</i></p> <p><i>Cost per student is expensive given resource constraints</i></p> | <p><i>Unclear if program meets requirement for new state categorical funds</i></p> |
| | <p>Score: 4/5</p> | <p>Score: 3/5</p> | <p>Score: 5/5</p> | <p>Score: 2/5</p> | <p>Score: 3/5</p> | <p>Score: 2/5</p> |

Group Discussion:

How is your LEA planning to determine which programs to sustain?

Who will be involved in these discussions?

What types of data are you drawing from to make decisions about which programs to sustain?

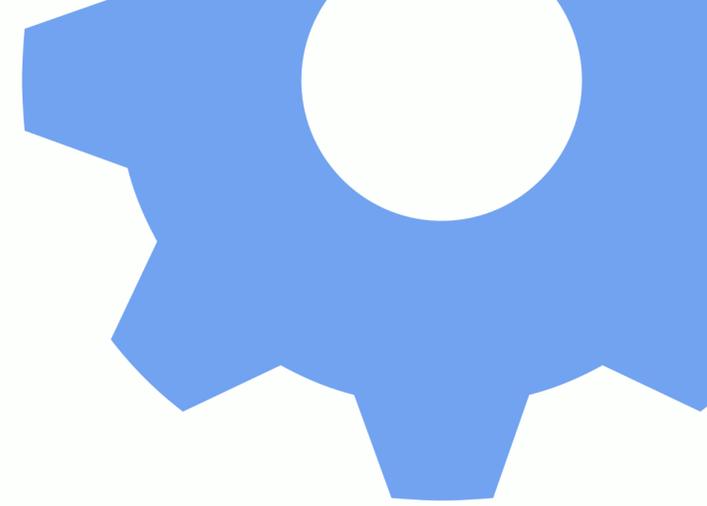


Intentional Communication: How do we tell the story of the impact our investments are making?



- Show evidence of impact or lack of impact *on students*
- Share prioritization rubrics and who was involved in providing input and decision-making
- Be transparent about how long the next round of investments are expected to be maintained and what might increase/decrease expenditures in this area
- Communicate clearly by avoiding jargon and using easy-to-understand visuals

Demonstrate Stakeholder Engagement Efforts



Students

- **xx** student survey responses across grades
- **xx** meetings with student groups



Teachers

- **xx** teacher survey responses
- **xx** teacher focus groups
- **xx** teachers union meetings



Community

- **xx** community survey responses
- **xx** community forums
- **xx** ELAC
- **xx** Special Ed
- **xx** LCAP Advisory



Principals

- **xx** principal survey responses
- **xx** principal focus groups



Staff

- **xx** staff survey responses
- **xx** staff focus groups

Outline Assumptions and Potential Reasons for Budget Adjustments



Short-Term Investments (what we're doing now)

Longer-Term Investments in System Innovation (what we're building toward)



As of Spring 2022

\$ XM

\$ XM



What could make us
spend *more*?

- Further waves of the pandemic
- Return to remote learning
- Sustained enrollment loss reducing state funding
- Rising costs of services due to inflation

- Strategic planning with experts to identify opportunities for redesigning schools
- High interest, from students, families, and staff, in programs
- Longer term learning and SEL supports needed



What could make us
spend *less*?

- Retention of existing staff
- Supply chain issues
- Additional federal funding for infrastructure costs, releasing ESSER funds from those planned investments

- Need to allocate additional funds to keep schools open and safe and/or recover
- Alternative sources of funding provided to sustain programs



As of Spring 2023

\$ XM

\$ XM

Group Discussion:

What communication strategies around investment decisions have worked well in your LEA?





Closing

Takeaway Resources

- **Rubric to determine investments to sustain**
- **Coaching questions**

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