

Federal Education Funding in the Era of COVID-19

The CARES Act

In the early stages of COVID-19 gaining community spread in the United States, Congress acted to provide funding for K-12 schools as they looked to move online to prevent spread as much as possible. The Coronavirus Aid, Relief, and Economic Security Act (CARES) created a large block grant called the Education Stabilization Fund for K-12 districts across the nation. The funds have very few requirements for how they are used and allow district leaders to use funds entirely for the highest needs of their communities.

The Education Stabilization Fund (ESF) Broken Down

Within the ESF there are three main funding areas specific to K-12 education: the Elementary and Secondary School Emergency Relief Fund (ESSER), The Governor's Emergency Education Relief Fund (GEER), and the Rethinking Education Models (ESF-REM) grants.

ESSER Fund

The uses of the ESSER Fund are simple: to “provide local educational agencies (LEAs), with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the Nation.” This is vague on purpose. Districts can prioritize based on their highest need. This fund was appropriated \$13.2B by Congress as a formula grant. States can reserve up to a 10% allocation of these funds for statewide uses.

This formula grant is based on a district's Title I Part A allocation. According to the Congressional Research Service, “a maximum grant is calculated by multiplying a “formula child count,” consisting primarily of estimated numbers of school-age children in poor families, by an “expenditure factor” based on state average per pupil expenditures for public K-12 education. In some formulas, additional factors are multiplied by the formula child count and expenditure factor. These maximum grants are then reduced to equal the level of available appropriations for each formula, taking into account a variety of state and LEA minimum grant and “hold harmless” provisions. In general, LEAs must have a minimum number of formula children and/or a minimum formula child rate to be eligible to receive a grant under a specific Title I-A formula.

The initial award period was from March 13, 2020, through June 30, 2022, and LEAs have until September 30, 2022, to expend funds. State education agencies (SEAs) must award funds to LEAs within one year. These are federal guidelines—states might make their own deadlines, so it is of the utmost importance to know those dates as well. Several states had deadlines for application of the funds, and most of the deadlines were on or before July 31, 2020; however, there are some exceptions. Most states are releasing funds upon the approval of an application from an LEA, and based on a limited sampling, most LEAs have their ESSER Fund dollars.

GEER Fund

The GEER Fund stipulations are also very straightforward. The United States Department of Education (USDE) states that the GEER Fund was created to empower Governors to, “decide how best to meet the current needs of students, schools, postsecondary institutions, and other education-related organizations in your State so that faculty continue to teach and students continue to learn.” This fund is again very flexible and allowed Governors to best choose to cover specific needs to their state. Governor’s received a total of \$3B to distribute among districts as they best saw fit. An LEA, IHE, or education-related entity receiving a subgrant from the Governor must obligate the funds by September 30, 2022. The Hunt Institute has a complete list of GEER Fund projected uses [here](#).

ESF-REM

This nature of this grant is newer to the education world. This fund of \$180M was created as a competitive grant, and allowed states to apply for 3 specific areas of use:

- Microgrants, so that states can ensure families have access to the technology and services to advance learning remotely (absolute priority 1);
- Statewide virtual learning and course access programs, so that students can access a full range of subjects, even those not taught in their assigned setting (absolute priority 2); or
- New, field-initiated models for providing remote education to ensure that every child is learning and preparing for successful careers and lives (absolute priority 3).

11 states were recently [awarded](#) these grants and could have great opportunities to advance social-emotional learning in remote settings.

Social Emotional Learning in Return to Learn Plans with CARES Act Funding

According to the [Centers for Disease Control](#), “isolation and uncertainty about the COVID-19 pandemic can create feelings of [hopelessness and anxiety](#) while removing important sources of social support. Some students may have experienced trauma through the loss of a loved one from COVID-19. Increases in anxiety and depression may occur when students do not have the structure and routine that being in school brings to their daily lives.” All of these funding blocks provide opportunities for social-emotional learning and encourage the mental health of students to be a top priority.

It is a critical time for districts to focus on ensuring that students are safe both physically and mentally as the uncertainty of the world and education landscape is still very present - and while federal funding streams are available to help support students in this way.

The Consolidated Appropriations Act of 2021

The Consolidated Appropriations Act of 2021 was signed into law on December 27, 2020. Part of the ACT, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), provides approximately \$57 billion for K-12 education. The funds will be distributed largely in the same way as the CARES Act. The majority of this fund (\$54.3 billion) will be for public schools. The funds will be allocated to the Education Stabilization Fund (ESF). State education agencies (SEAs) must distribute at least 90% of funds to local education agencies (LEAs).

This new legislation also includes \$4.1 billion for the Governors Emergency Education Relief Fund, in this round called the GEER II Fund. This fund is available for governors to direct to either K-12 or higher education based on the needs in their states. In this version of the GEER fund, there is \$2.75 billion set

aside for private schools. To receive these funds, private schools must agree not to apply for funds from the Payment Protection Program.

Allowable Uses of the ESF Funds

The legislation states that districts can use the funds to address learning loss, improve school facilities and infrastructure to reduce the risk of transmitting the coronavirus, and purchase education technology. This funding may be spent through September 2022.

The allowable uses specifically for technology and online learning include:

- Purchasing educational technology that aids in regular and substantive interaction between students and educators.
- Planning and coordinating long-term closures, including providing technology for online learning.
- Planning and implementing online learning during the summer months.
- Supporting provisions in major education laws, including the Every Student Succeeds Act (ESSA) and the Individuals with Disabilities Education Act (IDEA). (Title IV-A of ESSA and Part D of IDEA permits federal funds toward professional learning in effective edtech use.)

These allowable uses are fairly vague, giving LEAs flexibility regarding how they will spend the funds.

American Rescue Plan Act of 2021

At least 20% of the funds allocated for K-12 education must be used to **address learning loss** through evidence-based interventions that respond to students' **academic, social, and emotional needs**. The remaining funds can be used for any allowable use under the [Elementary and Secondary Education Act](#); [Individuals with Disabilities Education Act](#); [Carl D. Perkins Career and Technical Education Act](#); and [Adult Education and Family Literacy Act](#).

Other uses include:

- Purchasing educational technology (including hardware, software, and connectivity as well as assistive technology or adaptive equipment)
- Addressing learning loss
- School facility repairs to reduce risk of coronavirus transmission and support student health
- Summer learning and supplemental after-school programs
- Mental health services

- Conducting activities to address the needs of students from low-income families, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and youth in foster care
- Coordinating with public health departments
- Implementing public health protocols including policies in line with guidance from the Centers for Disease Control and Prevention for school-reopening
- Implementing activities to maintain the operation and continuity of services and to employ existing staff

The *Alliance for Excellent Education* has a helpful fact sheet [here](#).

The states also have a couple of stricter requirements for fund uses as well. The state is required to allocate 87.5%, which means they are able to keep 12.5% of funds, up 2.5% from the prior two funding rounds. States are also required to spend their funds in the following ways:

- 5% to address learning loss
- 1% for evidence-based, comprehensive after school programs
- 1% for evidence-based summer enrichment
- 2.5% for educational technology

Connecting students is also still at the top of mind for educators, and after the \$3 million removed for the Federal Communications Commission's E-Rate program out of the last round of funding, the education community successfully advocated for \$7.2 billion to help both access and affordability for students and educators.