

Protecting what Matters for Students after ESSER

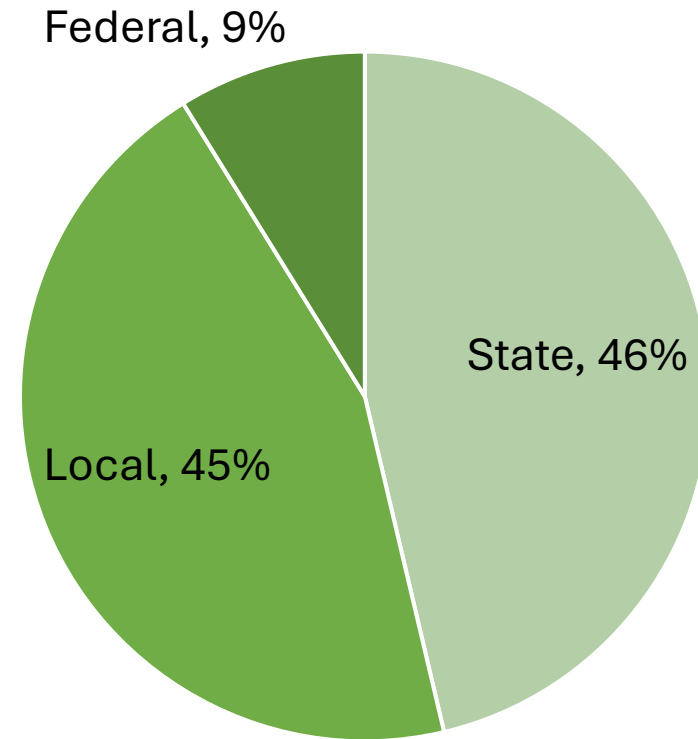
West Virginia Department of Education
July 9, 2024

Opening quiz: Jot your guess

1. How much on average did districts get per student in ESSER funds?

- Districts got an average of **\$3,850 per student**.
- **Why it matters:** Total annual spending is about **\$14,000 per student**.
- **Here's how:** The share of spending by revenue source varies by state/district, but overall, federal spending made up about 9%.

Share of Public K-12 Revenue, 2010-2020



Opening quiz: Jot your guess

2. What's the last day to spend ESSER funds?

- ARP funds must be spent or contracted by **September 30, 2024**.
- Districts can work with their state agency to apply to continue spending via contracts through **March 28, 2026**.
- **Why it matters:** The time for spending ESSER is running out. Right now, districts are now preparing leaner, no-ESSER FY25 budgets.



Activity 1: Sample forecasts

- Review the sample district forecasts in your packet.
- See prompts in packet.

	FY 2024 SCHOOL BOARD'S ADOPTED	FTES	FY 2025 PROJECTED	FY 2026 PROJECTED	FY 2027 PROJECTED
REVENUE					
Prior Year Budget - All Funds	\$749,727,021		\$804,392,800	\$763,798,124	\$769,461,589
CHANGES IN REVENUE					
Increase in County Revenue	\$30,487,943		\$6,612,669	\$9,736,198	\$11,352,020
County One-Time Revenue	\$13,841,500		\$0	\$0	\$0
County One-Time Revenue - Prior Year	(\$20,484,857)		(\$13,841,500)	\$0	\$0
Increase/(Decrease) in Local Revenue	\$1,105,989		\$200,000	\$200,000	\$200,000
Increase/(Decrease) in State Funds - All funds	\$6,007,852		\$1,395,364	(\$134,962)	(\$760,176)
Increase/(Decrease) in Federal Revenue	\$3,090,862		\$200,000	\$200,000	\$200,000
NET REVENUE	\$783,776,310		\$798,959,333	\$773,799,360	\$780,453,433
USE OF RESERVES					
VRS Reserve Used in Prior Year Budget	\$0		\$0	(\$1,000,000)	(\$47,239)
Debt Service Reserve Used in Prior Year Budget	(\$744,510)		(\$2,512,330)	(\$3,385,010)	\$0
Future Budget Years Reserve Used in Prior Year Budget	(\$3,490,121)		(\$18,065,791)	(\$2,154,902)	(\$2,154,902)
Compensation Reserve Used in Prior Year Budget	(\$16,850,000)		(\$21,123,000)	\$0	\$0
Capital Reserve Used in Prior Year Budget	\$0		\$0	\$0	\$0
Future Budget Years Reserve Used in Current Year Budget	\$18,065,791		\$2,154,902	\$2,154,902	\$2,154,902
Compensation Reserve Used in Current Year Budget ¹	\$21,123,000		\$0	\$0	\$0
Capital Reserve Used in Current Year Budget	\$0		\$0	\$0	\$0
VRS Reserve Used in Current Year Budget ¹	\$0		\$1,000,000	\$47,239	\$0
Debt Service Reserve Used in Current Year Budget ¹	\$2,512,330		\$3,385,010	\$0	\$0
NET USE OF RESERVES	\$20,616,490		(\$35,161,209)	(\$4,337,771)	(\$47,239)
TOTAL FUNDS AVAILABLE	\$804,392,800		\$763,798,124	\$769,461,589	\$780,406,194
EXPENDITURES					
Prior Year Budget - All Funds	\$749,727,021	5,119.55	\$804,392,800	\$827,929,286	\$847,089,822
BASELINE ADJUSTMENTS					
Salaries and Benefits Baseline Adjustments and Efficiencies	(\$2,354,789)		\$2,400,000	\$2,400,000	\$2,400,000
Baseline Savings					
Eliminate one-time costs in prior year	(\$5,402,647)	0.00	(\$5,263,902)	(\$2,154,902)	(\$2,154,902)
Other Funds					
Debt Service	\$5,024,660		\$6,770,021	\$368,815	\$2,973,734
Baseline services in other funds (CSA, F&NS, Grants, Ext. Day)	\$4,563,552	7.70	\$350,000	\$350,000	\$350,000
NET BASELINE ADJUSTMENTS	\$1,830,776	7.70	\$4,256,119	\$963,913	\$3,568,832

Youngstown	Actual	Forecasted				
	2023	2024	2025	2026	2027	2028
01.010 : General Property Tax (Real Estate)	\$ 19,967,121	\$ 20,775,762	\$ 20,338,244	\$ 20,686,266	\$ 20,807,698	\$ 20,918,281
01.020 : Tangible Personal Property Tax	\$ 5,613,660	\$ 5,808,708	\$ 6,091,845	\$ 6,203,317	\$ 6,348,269	\$ 6,499,561
01.035 : Unrestricted Grants-in-Aid	\$ 56,488,343	\$ 54,076,098	\$ 55,846,449	\$ 56,159,656	\$ 56,543,393	\$ 56,869,870
01.040 : Restricted Grants-in-Aid	\$ 8,077,017	\$ 8,292,403	\$ 7,635,018	\$ 7,274,322	\$ 6,754,888	\$ 6,494,073
01.050 : State Share of Local Property Taxes	\$ 3,146,598	\$ 3,064,546	\$ 2,974,929	\$ 3,173,264	\$ 3,183,569	\$ 3,193,775
01.060 : All Other Operating Revenue	\$ 1,656,986	\$ 1,795,106	\$ 1,804,043	\$ 1,813,172	\$ 1,822,495	\$ 1,830,609
01.070 : Total Revenue	\$ 94,949,725	\$ 93,812,623	\$ 94,690,528	\$ 95,309,997	\$ 95,460,312	\$ 95,806,169
02.050 : Advances-In	\$ -	\$ 14,491	\$ 14,491	\$ 14,491	\$ 14,491	\$ 14,491
02.060 : All Other Financing Sources	\$ 415,619	\$ 532,804	\$ 426,243	\$ 426,243	\$ 426,243	\$ 426,243
02.070 : Total Other Financing Sources	\$ 415,619	\$ 547,295	\$ 440,734	\$ 440,734	\$ 440,734	\$ 440,734
02.080 : Total Revenue and Other Financing Sources	\$ 95,365,344	\$ 94,359,918	\$ 95,131,262	\$ 95,750,731	\$ 95,901,046	\$ 96,246,903
03.010 : Personal Services - Employee Salaries & Wages	\$ 52,372,832	\$ 51,469,078	\$ 51,320,060	\$ 52,871,144	\$ 53,892,537	\$ 54,820,266
03.020 : Employees' Retirement and Insurance Benefits	\$ 23,772,476	\$ 25,111,585	\$ 25,898,028	\$ 26,917,910	\$ 27,960,901	\$ 29,028,964
03.030 : Purchased Services	\$ 15,030,201	\$ 15,242,998	\$ 14,965,671	\$ 15,378,532	\$ 15,805,444	\$ 16,246,957
03.040 : Supplies and Materials	\$ 2,604,127	\$ 2,464,391	\$ 2,527,834	\$ 2,593,017	\$ 2,659,988	\$ 2,728,798
03.050 : Capital Outlay	\$ 627,051	\$ 623,323	\$ 623,323	\$ 623,323	\$ 623,323	\$ 623,323
04.040 : Principal-State Advancements	\$ -	\$ 66,313	\$ 66,313	\$ 66,313	\$ 66,313	\$ 66,313
04.060 : Interest and Fiscal Charges	\$ -	\$ 45,825	\$ 45,825	\$ 45,825	\$ 45,825	\$ 45,825
04.300 : Other Objects	\$ 1,144,064	\$ 1,169,919	\$ 1,169,919	\$ 1,169,919	\$ 1,169,919	\$ 1,169,919
04.500 : Total Expenditures	\$ 95,550,751	\$ 96,193,432	\$ 96,616,973	\$ 99,665,983	\$ 102,224,250	\$ 104,730,365
05.010 : Operational Transfers-Out	\$ 751,319	\$ 455,000	\$ 455,000	\$ 455,000	\$ 455,000	\$ 455,000
05.020 : Advances-Out	\$ -	\$ 32,725	\$ 32,725	\$ 32,725	\$ 32,725	\$ 32,725
05.030 : All Other Financing Uses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
05.040 : Total Other Financing Uses	\$ 751,319	\$ 487,725	\$ 487,725	\$ 487,725	\$ 487,725	\$ 487,725
05.050 : Total Expenditures and Other Financing Uses	\$ 96,302,070	\$ 96,681,157	\$ 97,104,698	\$ 100,153,708	\$ 102,711,975	\$ 105,218,090
06.010 : Excess of Revenues over (under) Expenditures	\$ (936,726)	\$ (2,321,239)	\$ (1,973,436)	\$ (4,402,977)	\$ (6,810,929)	\$ (8,971,187)
07.010 : Beginning Cash Balance July 1 - Excluding Proposed Re	\$ 24,673,519	\$ 23,736,793	\$ 21,415,554	\$ 19,442,118	\$ 15,039,141	\$ 8,228,212
07.020 : Ending Cash Balance June 30 - Excluding Proposed Re	\$ 23,736,793	\$ 21,415,554	\$ 19,442,118	\$ 15,039,141	\$ 8,228,212	\$ (742,975)

SUMMARY OF GENERAL FUND BUDGET

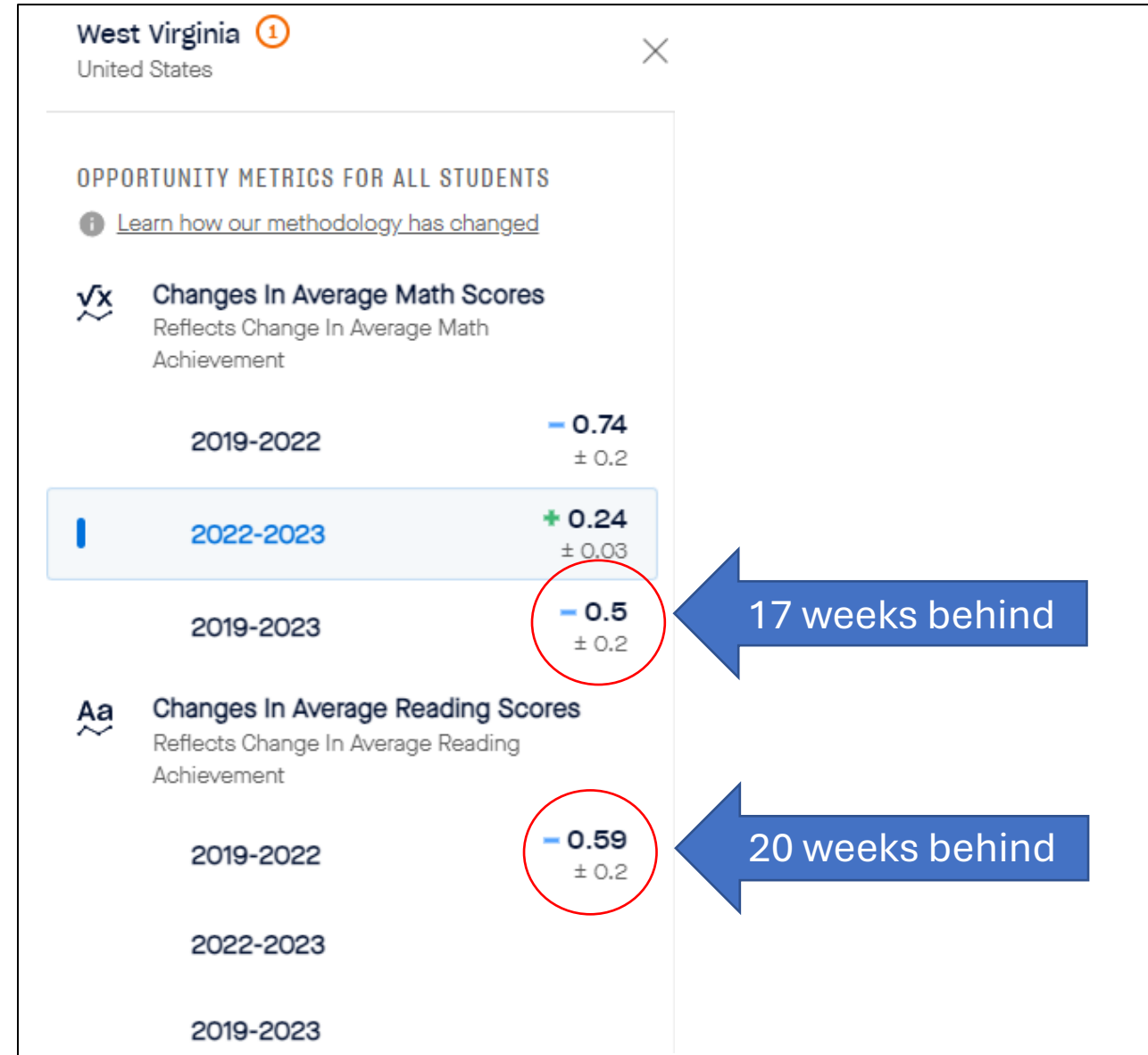
	2023-2024 Current	2024-2025 Forecast	2025-2026 Forecast	2026-2027 Forecast
REVENUES AND OTHER FINANCING SOURCES				
1000 Local Taxes	190,365,760	197,028,562	200,969,133	204,988,515
2000 Local Nontax Support	18,033,817	18,033,817	18,033,817	18,033,817
3000 State, General Purpose	533,553,810	560,522,598	573,975,141	584,880,669
4000 State, Special Purpose	181,191,757	189,180,921	193,721,263	197,401,967
5000 Federal, General Purpose	19,463	19,463	19,463	19,463
6000 Federal, Special Purpose	73,690,715	63,240,628	63,240,628	63,240,628
7000 Revenues from Other School Districts	750,000	750,000	750,000	750,000
8000 Revenues from Other Entities	44,636,748	44,636,748	44,636,748	44,636,748
9000 Other Financing Sources	50,802,222	50,802,222	50,802,222	50,802,222
A. TOTAL REVENUES AND OTHER FINANCING SOURCES	1,093,044,292	1,124,214,959	1,146,148,415	1,164,754,029
EXPENDITURES				
00 Regular Instruction	509,346,683	522,071,041	539,821,455	555,476,278
10 Federal Special Purpose Funding	9,140,285	0	0	0
20 Special Education Instruction	248,446,780	281,355,429	295,423,201	310,194,361
30 Vocational Education Instruction	20,931,928	21,957,592	22,704,151	23,362,571
40 Skill Center Instruction	1,900,513	1,993,638	2,061,422	2,121,203
50 and 60 Compensatory Education Instruction	91,832,974	96,332,790	99,608,105	102,496,740
70 Other Instructional Programs	68,834,629	72,207,526	74,662,582	76,827,797
80 Community Services	1,065,757	1,117,979	1,155,990	1,189,514
90 Support Services	221,069,452	231,901,855	239,786,518	246,740,327
B. TOTAL EXPENDITURES	1,172,569,001	1,228,937,850	1,275,223,424	1,318,408,791
C. OTHER FINANCING USES--TRANSFERS OUT (G.L.536) 1/	0	0	0	0
D. OTHER FINANCING USES (G.L.535) 2/	0	0	0	0
E. EXCESS OF REVENUES/OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (A-B-C-D)	-79,524,708	-104,722,891	-129,075,009	-153,654,762

Objectives

- Describe the complications districts are facing in FY25.
- Identify strategies to protect what matters for students in your budget.

1. Intense academic acceleration still needed

- Students have made academic progress post-pandemic.
- **Yes, but:** Students have not yet reached pre-pandemic achievement levels.
- **Why it matters:** Districts must focus on academic acceleration while facing the fiscal cliff.



ESSER was the largest one-time infusion of \$ to schools

- **The background:** \$190B total (average of \$3,850 per student)
- Districts with more students experiencing economic disadvantage got more funds.



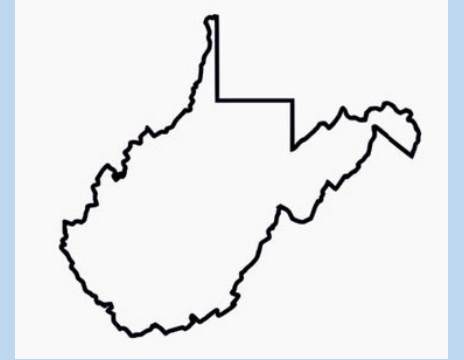
2. End of ESSER

- Districts that got more ESSER will face a bigger cliff.
- **And:** These districts tend to have more ESSER to spend in the final year, making the cliff steeper still.



West Virginia

- West Virginia got **\$1.2B (\$4,847 per student)** in total ESSER funding.



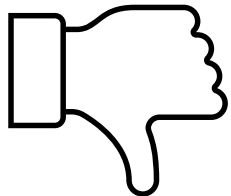
- As of ED-reported data from 3/31/24, **\$272M (\$1,112 per student)** in ESSER remains to be spent by September.

<https://covid-relief-data.ed.gov/profile/state/WV>

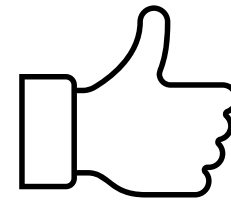
What's your vote?

An Ohio district with declining enrollment used ESSER to hire staff is now laying off 30+.

Sup't: "We are overstaffed but some of that was intentional to try and attack some of the deficiencies that we have academically, but we knew that we couldn't necessarily sustain it."



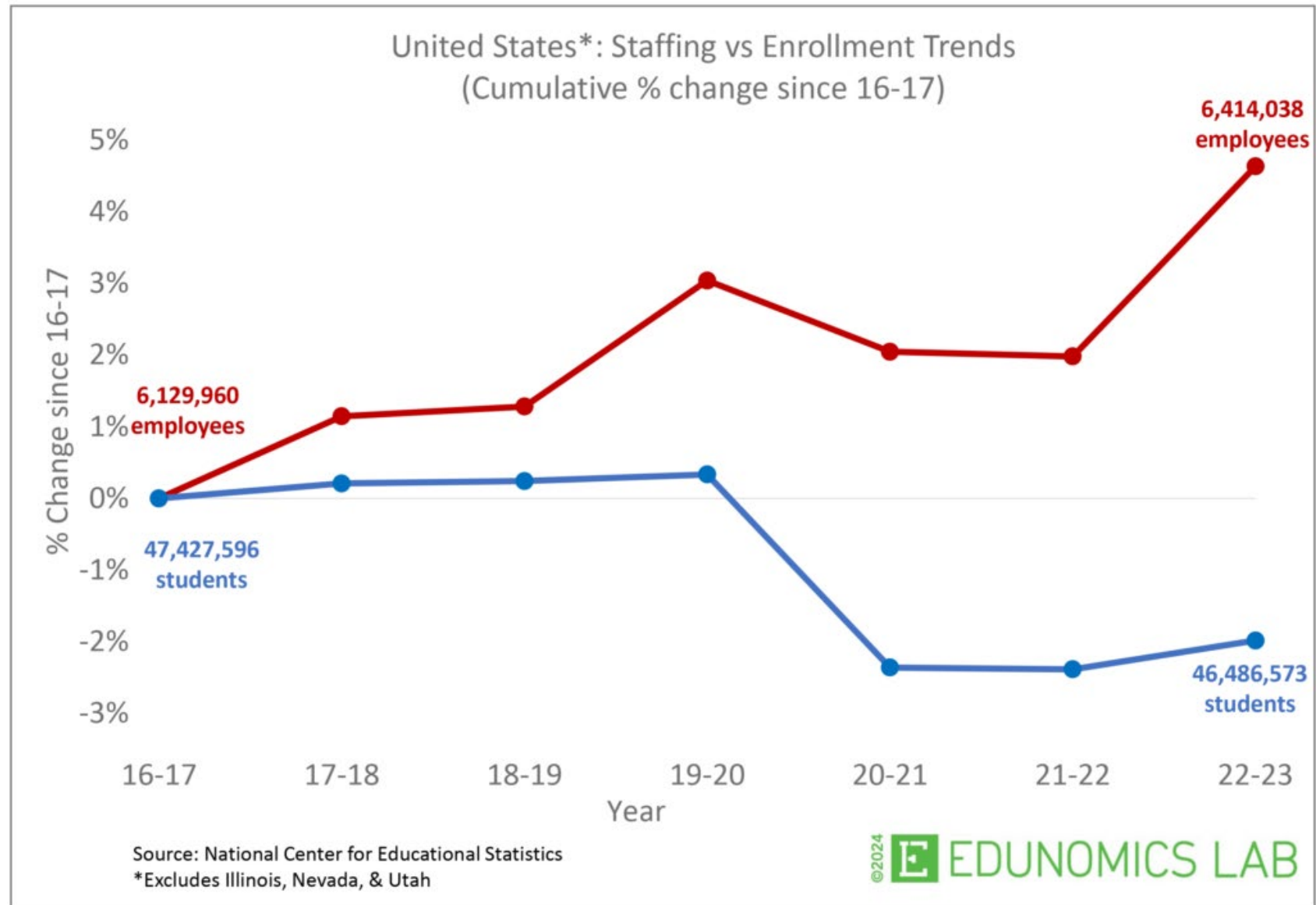
Worrisome



Sensible

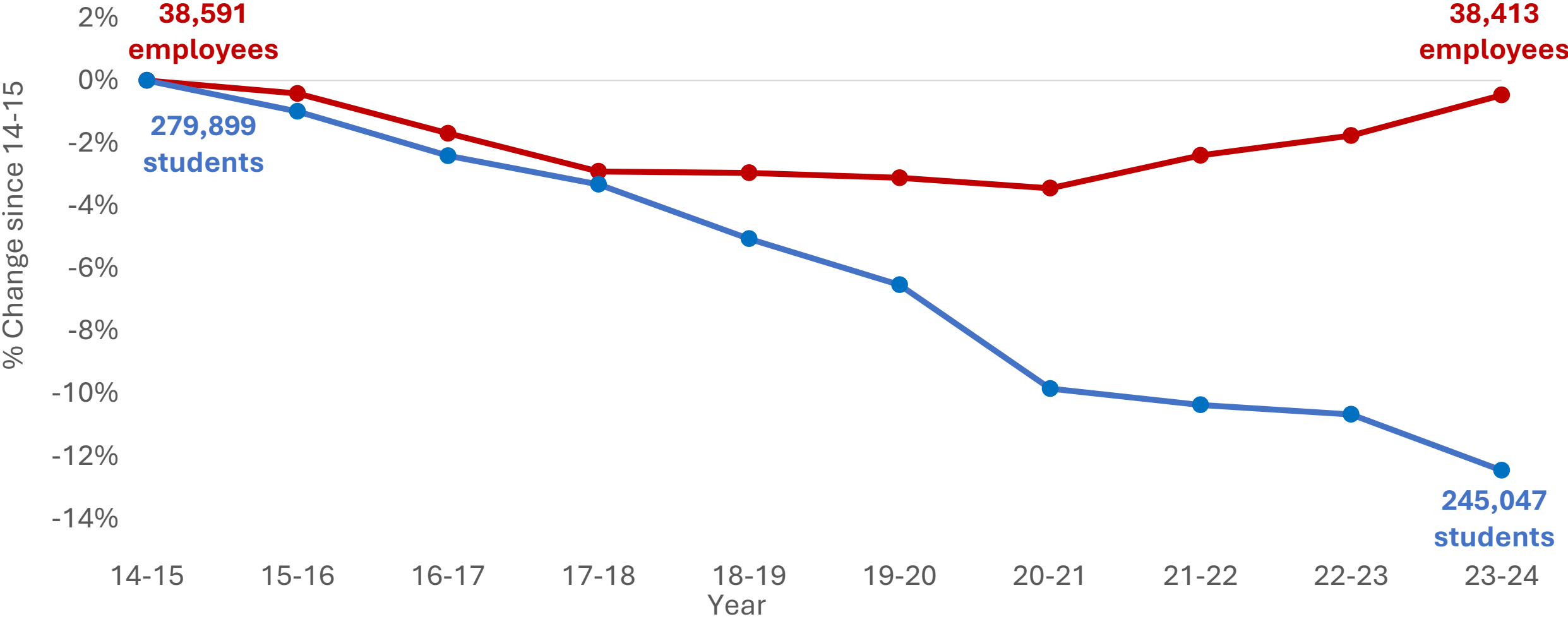
3. Declining enrollment

- Since the pandemic, public schools' enrollment declined significantly.
- **More info:** Urban schools and schools with more students in poverty faced steepest drops.



Despite 12% enrollment decline, staffing is nearly flat.

West Virginia: Staffing vs Enrollment Trends (Cumulative % change since 14-15)



West Virginia Department of Education [School Finance All Per](#) and [ZoomWV Enrollment](#)

Activity 2: Staffing and Enrollment

- Review your district's data.
- See prompts in packet.

4. Inflation-era salary increases and other rising costs

- Many districts, flush with ESSER, increased salaries as inflation rose.
- **Other drivers:** food, transportation



Discuss: Is your district adopting typical cut strategies?

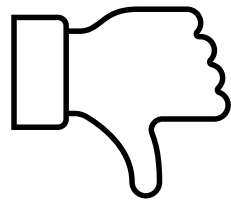
- A. Freezing purchase cards
- B. Closing vacant positions
- C. Offering early retirement
- D. Cutting central office
- E. School-based layoffs
- F. OTHER – TELL US

Who decides
what gets cut?

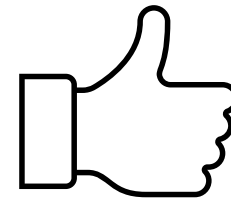
How are
decisions made?

What about using fund balance as ESSER ends?

[Ann Arbor](#) has consistently spent its fund balance on operating expenses and is projected to end the year with a fund balance of \$6.3M, or 2% of revenues. (MI recommends 15% -- a total of \$48.2M for Ann Arbor.)



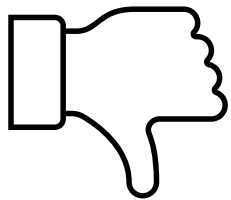
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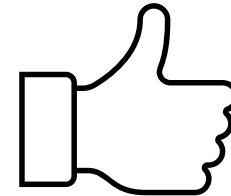
Sensible

What's your vote?

[Philadelphia](#), which has lost 18,000 students in the past decade, plans to use \$88M in reserves to maintain ESSER-era investments that “moved the needle.” The district is projected to deplete its reserves in two years.



Worrisome



Sensible

Strategies for fund balance

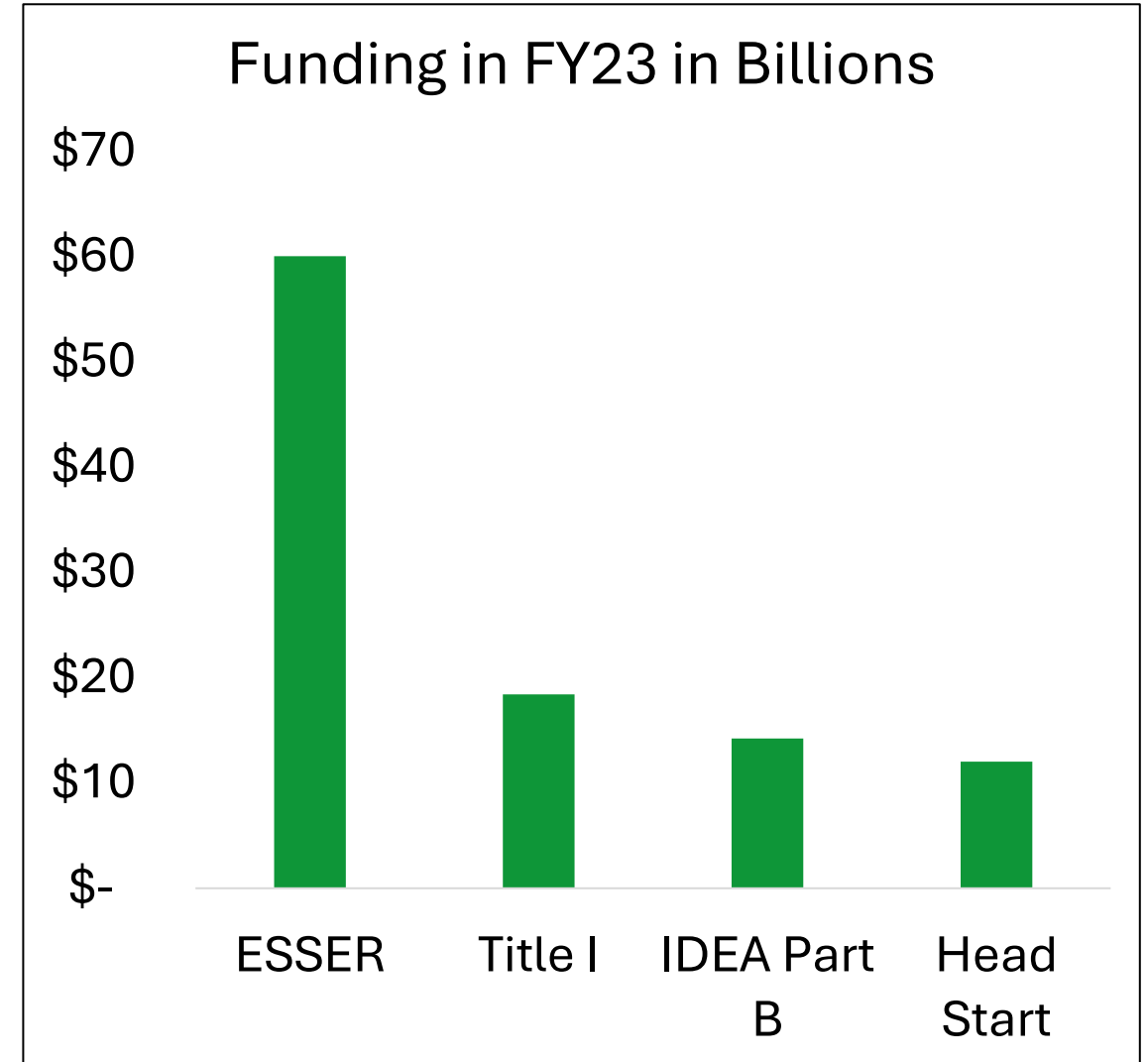
Use fund balance to address:

- One-time revenue shortfall with expected quick recovery (e.g., delayed payments from funding agency)
- One-time or short-term expenses (e.g., natural disaster)
- Short-term expense for long-term savings (e.g., early retirement offers)

And: Consider a fund balance policy (e.g. # of days of cash on hand).

What about swapping ESSER investments to other funds?

- Consider funds' flexibilities, including opportunities to “blend and braid” funds.
- **Yes, but:** ESSER is more than 3x bigger than other funds.
- **Worth a mention:** Moving ESSER investments to another fund means ending investments on the other fund.



15-minute Break


So... what can district leaders do?


1. Know your district's school-by-school spending and outcome trends.

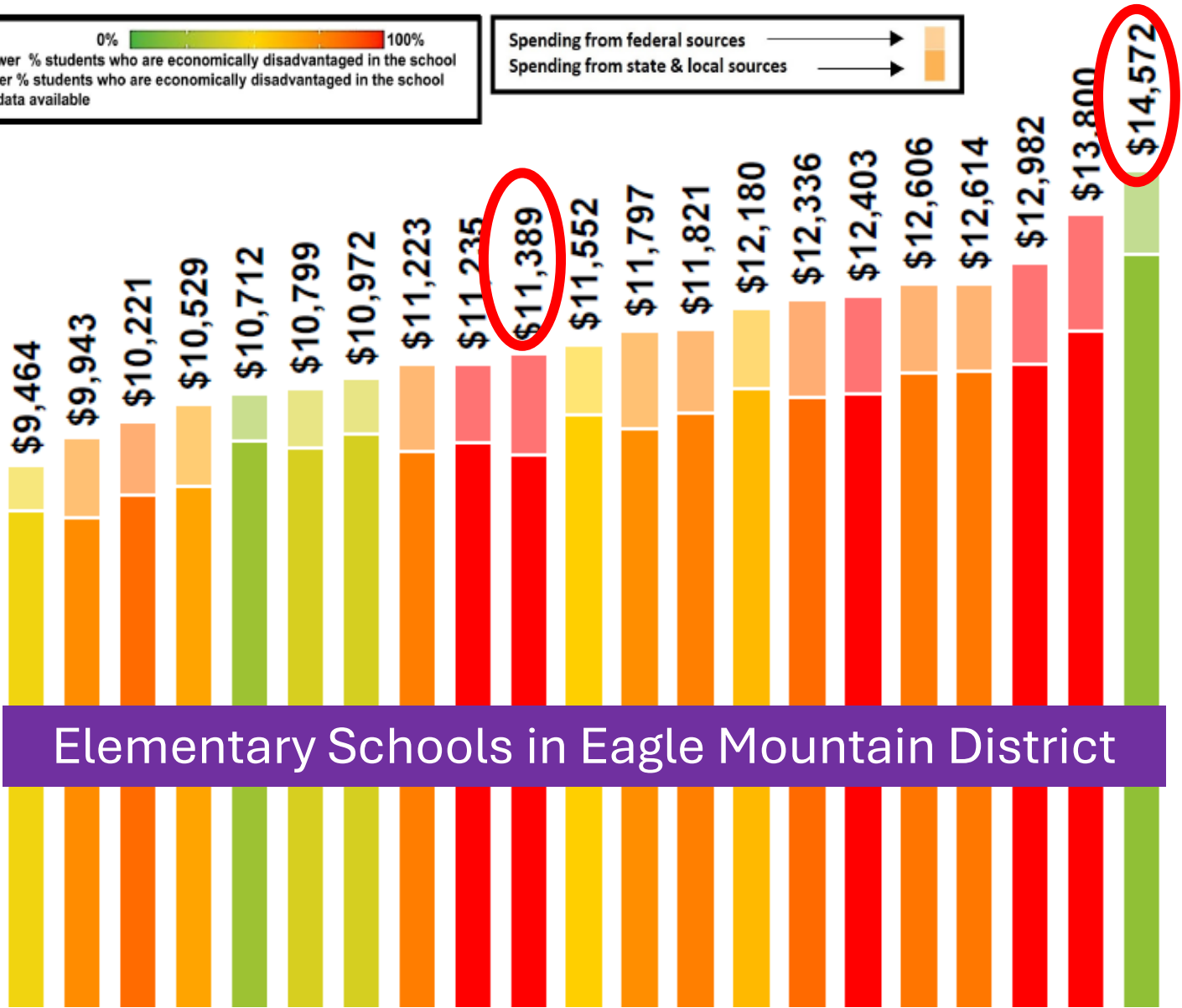
2. Ask the right questions:

- What are our district's multi-year (3+) revenue and expense projections?
- What do we know about what's working in our current investments?
- Have we asked the community what to protect?
- How does this FY25 budget serve our district's goals for students [e.g., increasing elementary math outcomes]?

Districts decide how to spend \$ among schools

COLOR
0%  100%
Green = lower % students who are economically disadvantaged in the school
Red = higher % students who are economically disadvantaged in the school
Gray = no data available

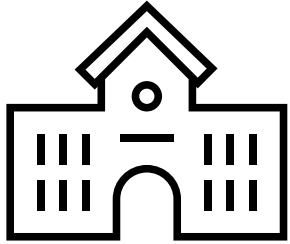
Spending from federal sources 
Spending from state & local sources 



Elementary Schools in Eagle Mountain District

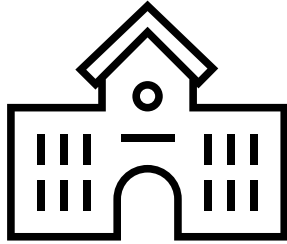
The takeaway: District policies, such as how staff and programs are distributed, affect how much each school spends.

Imagine three schools in a district that allocates staff



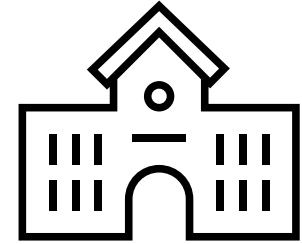
East Elementary

- 400 students
- 60 FTEs
- Actual FTEs \$80K
- Total Spend \$4.8M
- **\$pp = \$12,000**



North Elementary

- 400 students
- 60 FTEs
- Actual FTEs \$100K
- Total Spend \$6.0M
- **\$pp = \$15,000**



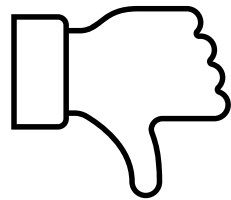
South Elementary

- 400 students
- 60 FTEs
- Actual FTEs \$100K
- Magnet program \$0.6M
- Total Spend \$6.6M
- **\$pp = \$16,500**

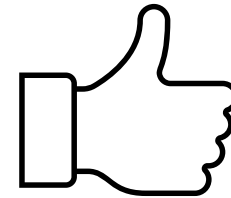
What's your vote?

Chicago has a lot of low-enrollment schools. For FY25, Chicago is changing how it funds schools, giving every school a baseline of staff plus extra based on enrollment. Under the new school allocation model:

- Douglass HS, which enrolls 35, is getting 10 additional staff.
- Holmes ES, with 117 students, will get >30 new positions.



Worrisome

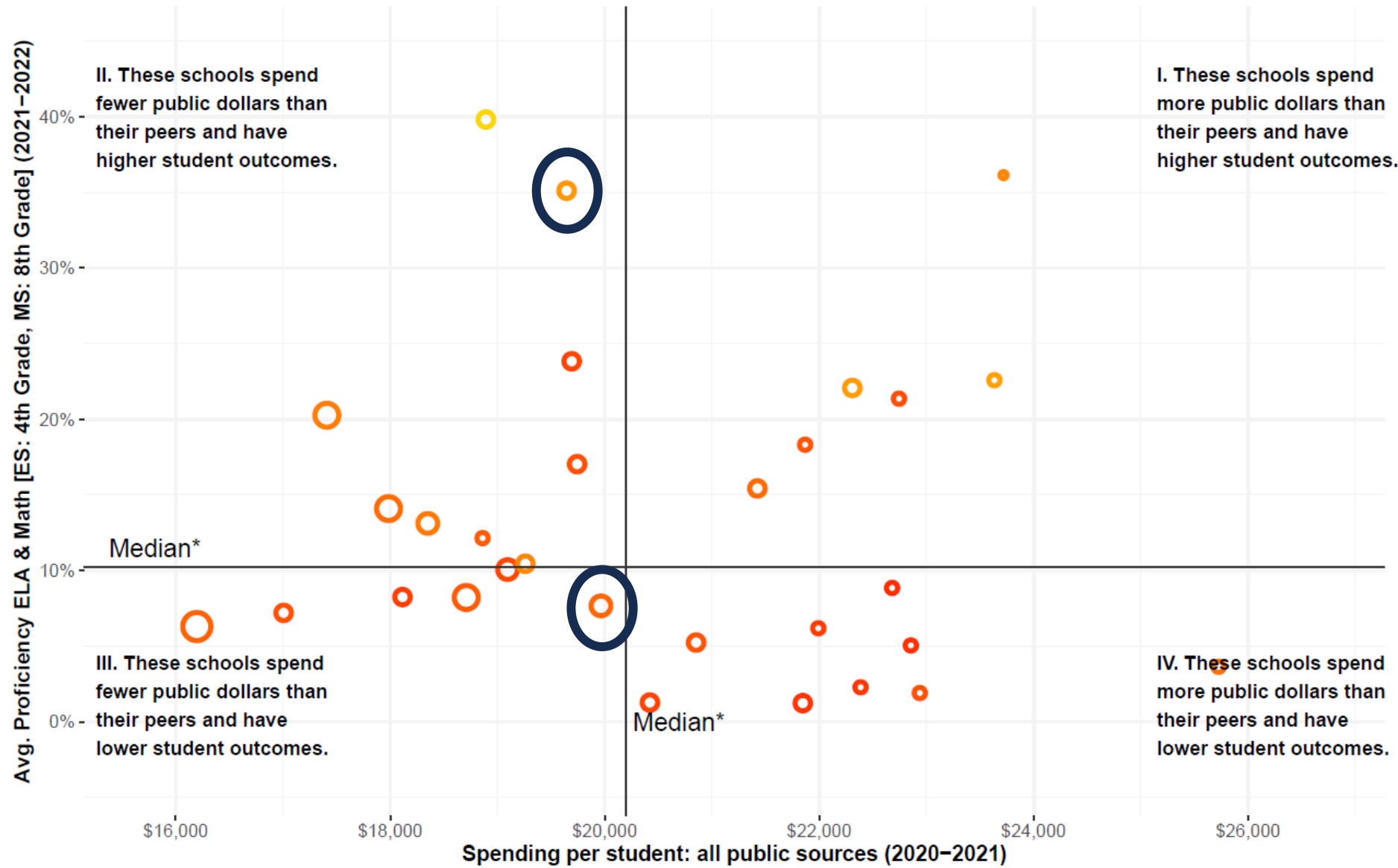


Sensible

Spending vs. outcomes

The takeaway:
Discuss how schools can better leverage their resources for students.

Spending vs. outcomes for schools in SYRACUSE CITY SCHOOL DISTRICT



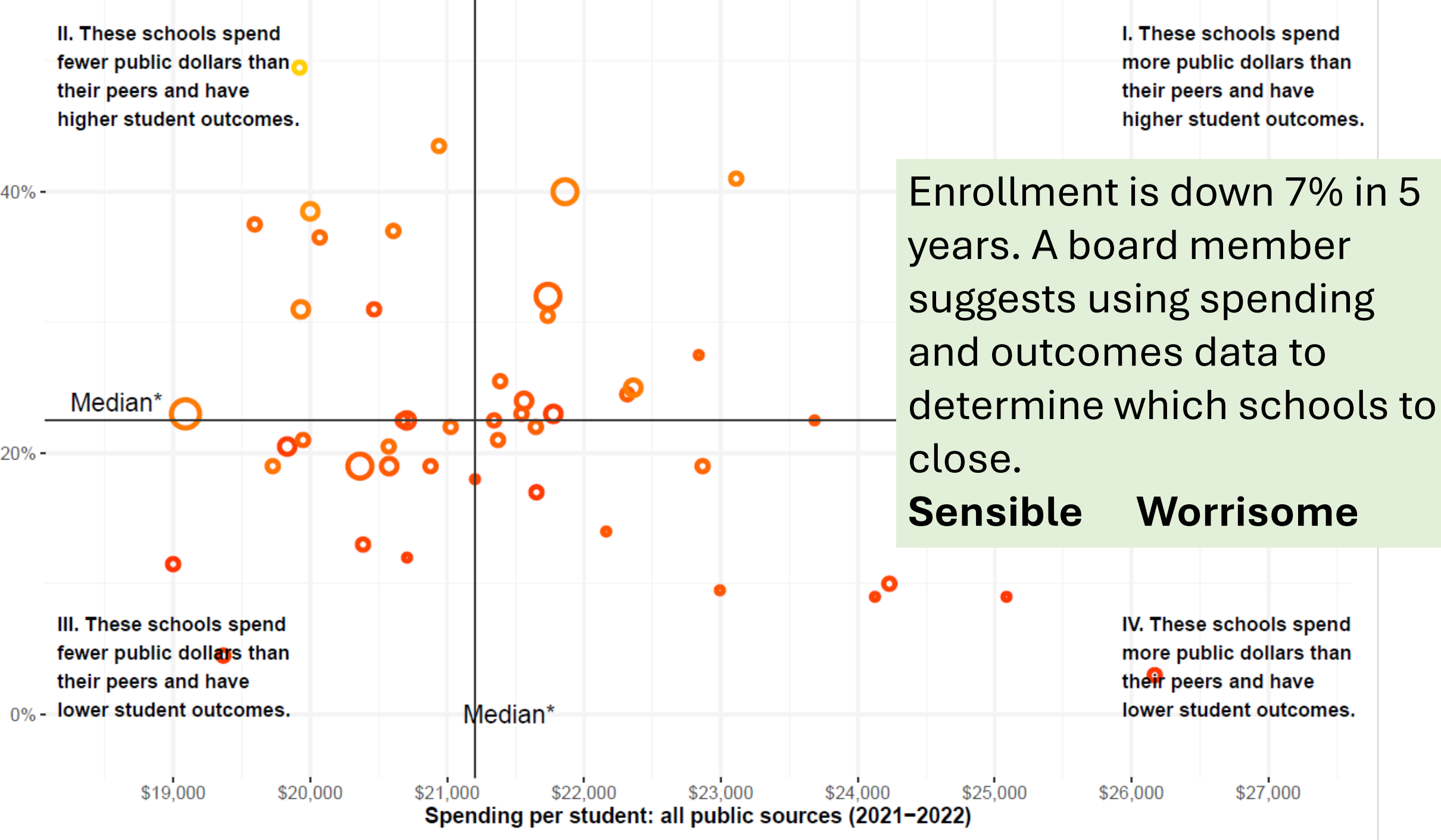
Note: Some schools may be missing. For a list of excluded schools and to learn more about this data please visit <https://compcenternetwork.org/ssos>.

<p>COLOR</p> <p>0% 100%</p> <p>Green = lower % students who are economically disadvantaged in the school</p> <p>Red = higher % students who are economically disadvantaged in the school</p> <p>Gray = no data available</p>	<p>SHAPE</p> <p>Circle ○ = traditional public school</p> <p>Plus ⊕ = charter school</p>	<p>SIZE</p> <p>Larger the circle or plus sign = the larger the school enrollment</p>
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Activity 3: School Spending and Outcomes Snapshot

- Visit <https://compcenternetwork.org/ssos>.
- See prompts in packet.
- BCC Guest U/N
- beourguest password

% Meets or Exceeds ELA & Math [ES,MS: 3-8th Grade Comb., HS: 10th Grade] (2021-2022)



Activity: Grappling with Consolidations/Closures

Close



Don't
close

Criteria districts may consider regarding consolidations

- Enrollment
- Building capacity and condition
- Transportation
- Demographics (disproportionate effects on sub-groups)
- Specialized programs
- **Spending per student and overall**
- **Student outcomes**

What is our multi-year forecast of revenues and expenses?

Minneapolis Public Schools on its multi-year projection:

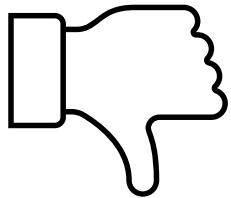
“Despite the inclusion of the unprecedented school aid package enacted by the Minnesota legislature in Spring 2023, the district will be unable to sustain the cessation of federal COVID-19 emergency funding while preserving its existing footprint and organizational structure”

	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29
	Actual	Actual	Actual	Prelim.	Budget	Proj.	Proj.	Proj.	Proj.	Proj.
Enrollment (ADM)	33,210	31,393	29,084	27,517	27,004	26,798	25,706	24,773	23,928	23,379
Revenue	\$607.8M	\$603.7M	\$643.2M	\$623.4M	\$694.7M	\$603.2M	\$598.0M	\$588.1M	\$579.4M	\$576.0M
Expenditures	\$577.3M	\$584.8M	\$648.1M	\$621.2M	\$691.5M	\$719.3M	\$723.1M	\$722.7M	\$719.2M	\$713.8M
Transfers/Other Financing	\$1.1M	\$0.0M	\$23.8M	(\$3.4M)	(\$4.3M)	(\$5.3M)	(\$6.2M)	(\$7.5M)	(\$8.0M)	(\$8.7M)
Change in Fund Balance	\$31.6M	\$18.9M	\$18.9M	(\$1.2M)	(\$1.1M)	(\$121.3M)	(\$131.4M)	(\$142.0M)	(\$147.7M)	(\$146.5M)
End of Year Fund Balance	\$107.2M	\$126.1M	\$145.0M	\$143.8M	\$142.6M	\$21.3M	(\$110.1M)	(\$252.1M)	(\$399.8M)	(\$546.4M)

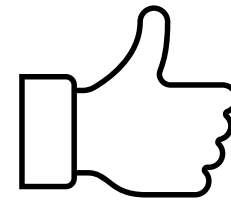
The takeaway: Even with unknowns, better to mock up and plan for multiple scenarios.

What's your vote?

A district used ESSER to fund to 1:1 devices. Now, many devices' lifecycles are ending. To fund continuing at 1:1 in FY25, the district is reducing 3 FTEs.



Worrisome



Sensible

What's working with our current investments?

Wrap-Around Supports Pilot

- **\$0.5M TOTAL**
- Serves 1,333 students
- \$375 per student
- Provide whole-child supports (e.g., help for families with employment and housing)

Middle Grades Girls Empowerment

- **\$0.5M TOTAL**
- Serves 1,000 students
- \$500 per student
- Build MS girls' confidence and leadership skills, create affinity spaces, provide training for MS staff on gender and racial equity

Young Men of Color Cohort

- **\$0.5M TOTAL**
- Serves 8,000 students
- \$63 per student
- Provide academic, SEL, or family engagement resources to support young men of color in grades PK-12

CHAT: What would you protect?

Activity 4: Examine investments

- See prompts in packet.

Activity 4: Sample

Investment	Details	# of Students Served	Cost Per Student	Objectives	Risks
1:1 Technology	Provide every student with a Chromebook	4,000	\$250	Support instruction	Devices are lost/stolen/damaged
Paraprofessionals	Serve in elementary grades to support behavior management	1,850	\$541	Reduce disciplinary infractions; promote positive school climate	May not improve behavior or accelerate learning
Tier 1 Mental Health Supports	Social emotional learning, positive discipline	4,000	\$250	Promote student well-being; provide early intervention	Doesn't address more serious mental health needs
4:1 Tutoring	1 teacher, 4 students meeting 3x per week for 34 weeks, \$40 per hour per teacher	980	\$1,020	Improve math/reading; provide opp. for students to collaborate	Less individualized support per student
1:1 Tutoring	1 teacher, 1 student meeting 3x per week for 34 weeks, \$40 per hour per teacher	245	\$4,082	Improve math/reading	Student may be absent
Reduce Class Sizes	\$100,000 per FTE (10 teachers)	4,000	\$250	Reduce teacher burden; work with more students 1:1 more easily	Research shows class sizes have to be tiny to have impact

Have we asked the community what to protect?

Ask community members to weigh cost-equivalent options to close a \$4M budget gap.

1. Lay off 16 junior teachers (of 260 total teachers), raising average class size from 19 to 20
2. Lay off 16 employees by closing 1 of 11 schools
3. Lay off 16 teachers who teach art, music, or PE
4. Freeze step and column raises and cancel a planned COLA
5. Furlough employees on 10 federal holidays

How does this budget serve our goals for our students?

2023-2028 Eagle Mountain Strategic Plan

★ Goal 1: Early Literacy

★ Goal 2: Math Proficiency

★ Goal 3: Post-Secondary Readiness

★ Goal 4: Skills for Success

Board member:
I see that the FY25 budget proposes laying off the math coaches yet maintains the across-the-board 2% COLA. How does this support our math goal?

So... what can district leaders do?

1. Know your district's school-by-school spending and outcome trends.

2. Ask the right questions:

- What are our district's multi-year (3+) revenue and expense projections?
- What do we know about what's working in our current investments?
- Have we asked the community what to protect?
- How does this FY25 budget serve our district's goals for students [e.g., increasing elementary math outcomes]?

REFLECT: What are your personal next steps with the budget?

Let's stay in touch!

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