



Managing Education Resources in Response to COVID-19

May 13, 2020

NCSI at-a- Glance



NCSI provides TA that builds capacity for lasting impact through a focus on four high-impact transformation priorities and the complementary knowledge and skills needed to achieve them.

HIGH-IMPACT TRANSFORMATION PRIORITIES

1

Maximize leadership to align general and special education systems to close equity gaps

3

Operationalize evidence-based practices for teaching and learning

2

Optimize general supervision, accountability and support systems to improve results

4

Actualize improvement for students with disabilities in low-performing schools

FOUNDATIONAL KNOWLEDGE AND SKILLS TO ACHIEVE TRANSFORMATION PRIORITIES

NCSI helps states to develop and deepen the foundational knowledge and skills required for sustaining impact in each priority:

- | | |
|---|---|
| <p>a. Data Literacy: Collecting necessary data and determining quality, understanding what the data mean, and deriving sensible data-based conclusions to guide decision-making.</p> | <p>c. Stakeholder & Family Engagement: Meaningfully engaging diverse stakeholders and strengthening the role of family members in shaping educational systems and decisions.</p> |
| <p>b. Research-Informed Practice: Providing effective TA&PD on using high-leverage evidence-based practices (EBPs) for students with disabilities and supporting implementation of EBP frameworks.</p> | <p>d. Systems Coherence: Designing interconnected policies and allocating resources to enable efficiency and effectiveness in developing and implementing strategic improvement plans.</p> |

COVID-19 Webinar Series

- NCSI is OSEP's designated COVID-19 Resources Hub for Supporting Students with Disabilities
- ncsi.wested.org
- Strategic resource management webinars:
 - Today: Managing Education Resources in Response to COVID-19
 - Next week: Resource Planning for Students with Disabilities through the COVID-19 Pandemic: Balancing Legal Obligations and Available Resources to Maintain Student Progress
 - In two weeks: Blending and Braiding Funds to Mitigate the Impact of COVID-19 on the Most Vulnerable Students

Strategic Resource Management

- Unprecedented closures
- Unpredictable future
- Unknown impact
- How will we strategically use the resources we have to continue to improve outcomes for students with disabilities?



Guest Presenters



Jason Willis

Director of Strategy &
Performance

WestEd

School finance and strategy expert that previously worked as school district Assistant Superintendent and Chief Financial Officer in northern CA, Standard & Poor's research analyst



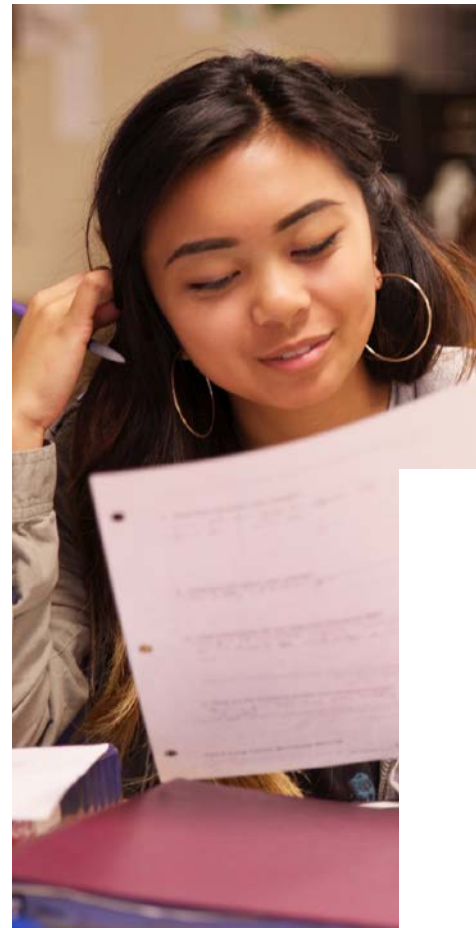
Kelsey Krausen

Senior Engagement Manager
WestEd

School finance and continuous improvement expert that previously worked for California AG's Office; Ph.D. in education policy

Type in the Chat

Name one way your state is improving its support for students as a result of the COVID-19 pandemic.



Agenda

1. Economic & Financial Implications for School Budgets
2. Federal Support for K-12 Education
3. Grounding Assumptions
4. Planning Framework
5. Closing & Next Steps

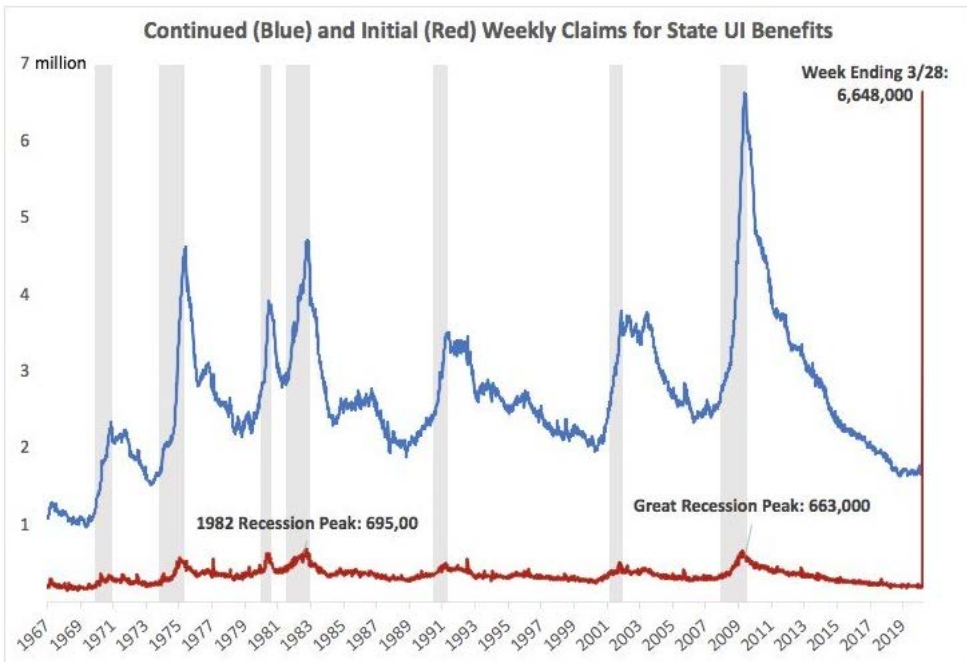
Session Objectives

- Increase understanding of the economic impact of COVID-19 and federal support for education on education budgets
- Learn more about key considerations for strategic resource management
- Consider how to prioritize resource needs in the short, mid- and longer-term



Economic and financial implications of COVID-19 on school budgets

Four Distinct Features of Economic Recession: *Rapid Movement*

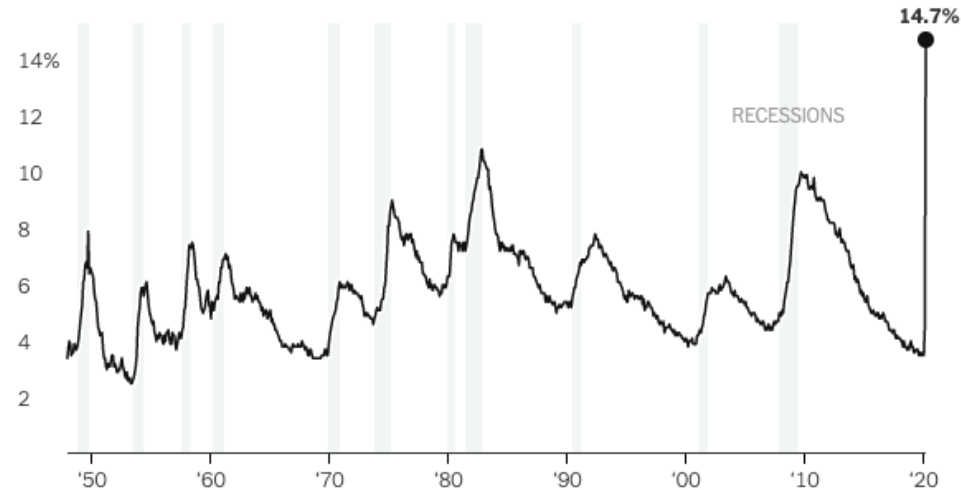


Source: U.S. Employment and Training Administration, Continued Claims (Insured Unemployment) [CCSA] and Initial Claims [ICSA], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CCSA>, April 2, 2020.

Note: Shaded areas reflect recessions. Data are seasonally adjusted.

Four Distinct Features of Economic Recession:

Rapid Movement

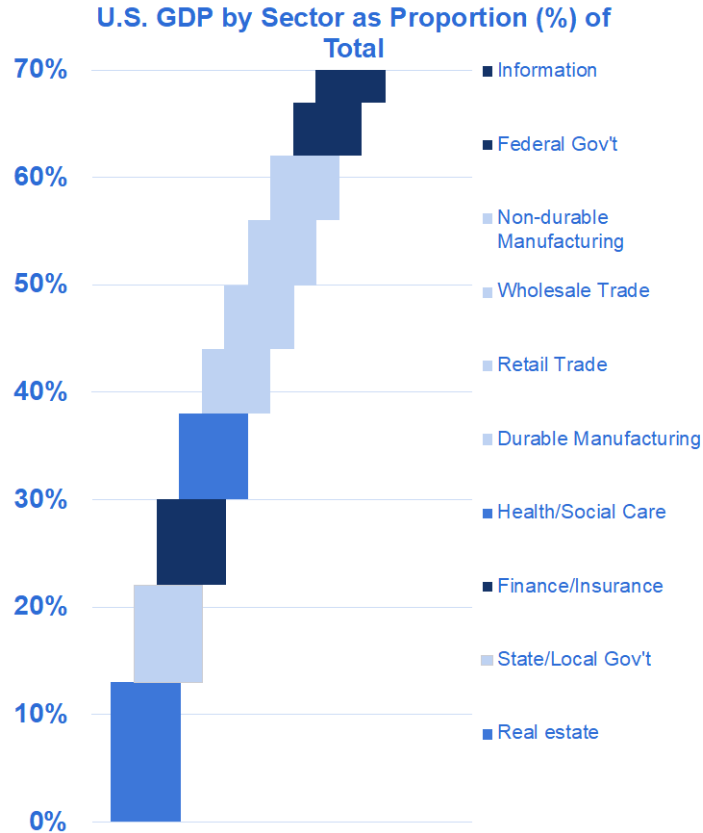


Source: Department of Labor

Source: U.S. Department
of Labor, Bureau of Labor
Statistics, Washington, DC.

Four Distinct Features of Economic Recession:

Broad Reaching



Source: U.S. Department of Labor, Bureau of Labor Statistics, Washington, DC.
Source: Associated Press.
April 2, 2020, *U.S. Economy Sheds 10 million jobs, ending decades long streak.*
Washington, DC.

Four Distinct Features of Economic Recession:

External Trigger

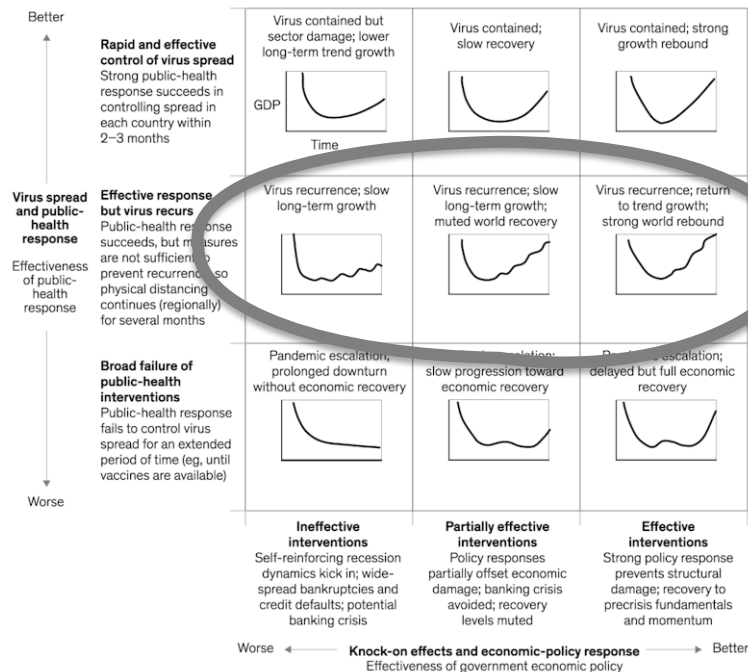


Four Distinct Features of Economic Recession:

Unknown Factors

Scenarios for the economic impact of the COVID-19 crisis

GDP impact of COVID-19 spread, public-health response, and economic policies

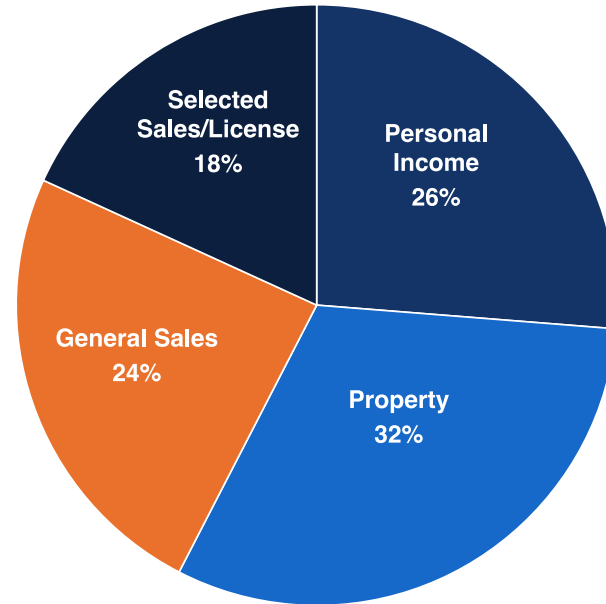


Source: 'Safeguarding our lives and our livelihoods: The imperative of our time.'
Available at: <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/safeguarding-our-lives-and-our-livelihoods-the-imperative-of-our-time>; date of access: Apr 20th, 2020.

State Budget Implications as a Result of COVID-19

States will experience the decline differently based on their mix of revenue sources.

Funding Sources for School Districts in the United States (Avg. by Revenue Type)

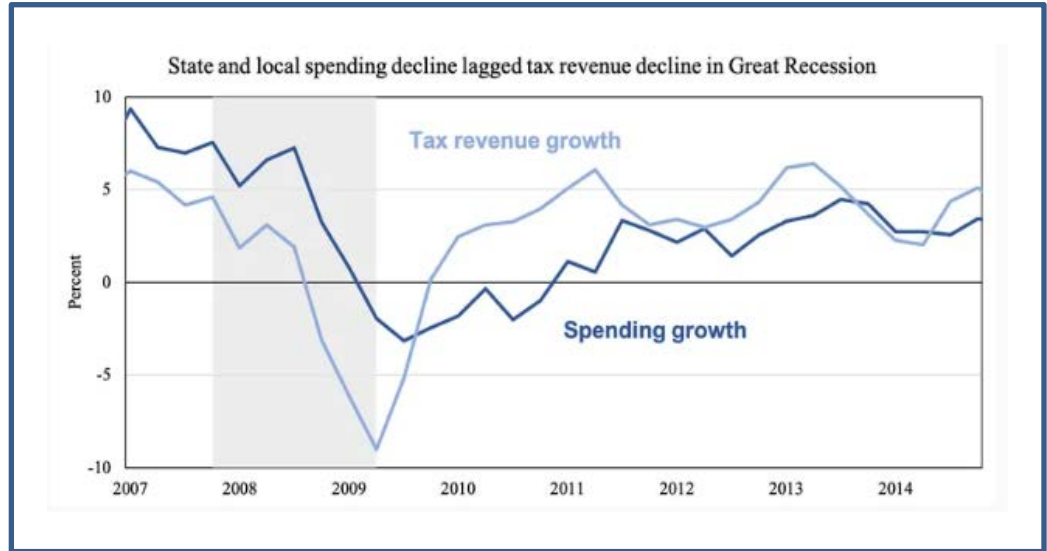


Source: U.S. Department of Education. National Center for Education Statistics. Common Core of Data. Custom Build Tables. Accessed on March 24, 2020. Washington, DC.

Source: Belz, S. and Sheiner, L. March 23, 2020. *How will the coronavirus affect state and local government budgets?* Brookings Institution. Washington, DC. https://www.brookings.edu/blog/up-front/2020/03/23/how-will-the-coronavirus-affect-state-and-local-government-budgets/?utm_campaign=Economic%20Studies&utm_source=hs_email&utm_medium=email&utm_content=85201185

State Budget Implications as a Result of COVID-19

- State and local spending typically lag economic indicators by 9 months.
- States are reporting revenue declines for FY21 between 7% and 25%.



Source: U.S. Department of Education. National Center for Education Statistics. Common Core of Data. Custom Build Tables. Accessed on March 24, 2020. Washington, DC.

Source: Belz, S. and Sheiner, L. March 23, 2020. *How will the coronavirus affect state and local government budgets?* Brookings Institution. Washington, DC. https://www.brookings.edu/blog/up-front/2020/03/23/how-will-the-coronavirus-affect-state-and-local-government-budgets/?utm_campaign=Economic%20Studies&utm_source=hs_email&utm_medium=email&utm_content=85201185









Forecasted Impacts to State Education Budgets

- Multiple *revisions to state budgets* throughout the year.
- *Increased competition* for state revenue.
- *State reserve* build-up will provide some cushion.
- *CARES Act* is much needed but is: (a) short-term and (b) small in impact.



Lessons from the Great Recession:

*What ARRA **Did** and **Did Not Do***

 <p>Stabilized state and local education employment</p>	 <p>Sharp declines in state revenue for high-need districts exacerbated funding inequities.</p>
 <p>Generated GDP growth that was between 0.5 and 2.4x the investment</p>	 <p>Did not restructure major, long-term obligations in state education budgets</p>
 <p>Accelerated common reform agenda</p>	 <p>Did not prepare public education for making rapid transitions from in-person to virtual</p>
 <p>States built reserves over subsequent decade to protect against a future recession.</p>	 <p>Did not spur cross-agency collaboration for child-serving agencies</p>

Source: Congressional Budget Office. February 2015. *Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output in 2014*. Washington, DC.

Source: Center on Education Policy. July 2012. *What Impact Did Education Stimulus Funds Have on States and School Districts?* George Washington University.

Source: Evans, W., Schwab, R.M., & Wagner, K.L. October 2014. *The Great Recession and Public Education*. Russell Sage Foundation. Chicago, IL.

Implications for School District Budgets:

Focus on Special Education

Highly unlikely that school districts can capture 'low hanging' expenses to get through this downturn

MOE may help protect special education; however, expectations for those dollars will rise dramatically

Bifurcation in layoffs between general and special ed

- Higher reductions to classified staff and gen'l ed teachers
- Shortages will remain in special education



Federal Support for K-12 Education

Education Stabilization Fund: \$30.75 billion

- **\$13.5 billion** for Elementary and Secondary School Emergency Relief Fund
- Initial reservations by USED:
 - 0.5% set-aside for outlying areas and 0.5% set-aside for BIE schools
 - 1% (\$307 million) for grants to states with highest coronavirus burden
- After the reservations, USED allocates funds as follows:
 - SEAs and LEAs receive allocation based on their ESEA Title I share (FY19)
 - SEAs may reserve up to 10% for SEA activities, including 0.5% for admin

HEROES Act (initial proposal)

General Overview

- On May 12, House Democrats unveiled a \$3 trillion coronavirus relief bill, the Health and Economic Recovery Omnibus Emergency Solutions Act ([HEROES Act](#))
- The bill includes:
 - \$915B in relief for states, localities, territories, and tribes that could be used to support education.
 - \$100.15B in direct funding for the Department of Education to give out as grants to states and specific institutions of higher education, with about \$58 billion for K-12 education and \$42 billion for higher education.

HEROES Act (Initial Proposal)

Title III - Fiscal Relief for States, Localities, Territories, and Tribes (page 22)

- Each state (including D.C.) will receive \$2B (total of \$102 billion)
 - \$150B allocated proportionately by population
 - \$49B allocated based on the relative prevalence of COVID-19,
 - \$199B based on the number of unemployed workers.
- These dollars -and the other fiscal relief funding in this section – could be used to support public education.
- Other relief funding includes:
 - Tribal Fiscal relief (\$20 billion)
 - Local Fiscal Relief Fund (\$375 billion)

HEROES Act (Initial Proposal)

Department of Education

- \$90B State Fiscal Stabilization Fund (SFSF)
- Funds available until September 30, 2022, to prevent, prepare for, and respond to the virus.
- After some set-asides, 65% of the remainder (about \$58 billion) would be distributed for K-12 education based on the Title I formula
- K-12 funds can be used to support activities such as:
 - costs associated with making up instructional time, including personnel costs;
 - school-based supports for impacted students, families, and staff
 - costs associated with sanitation and cleaning
 - professional development for school-based staff on trauma-informed care
 - educational technology
 - And more!

Poll #1

A pop-up box will open in Zoom.

Top budget concerns and
anticipated budget cuts





Questions?

Grounding Assumptions for Special Education Resource Allocation





The Chinese word for “crisis” is written with two brush strokes. The meaning of which is “danger at a point of juncture.”



Grounding Assumptions

**Special education
students are general
education students first**

**More data is needed
to inform special
education decisions**

This is not temporary

**Despite many
unknowns,
plan now**

Special education
students are
general education
students first

- Needs cannot be met in isolation – though fiscal processes for push for such
- Students may also be English learners, live in poverty, and have **complex needs**
- Special education services are supplemental to core instruction, not a replacement
- IDEA funds: only for **excess cost** of special education (on top of what an LEA spends for all students)

**More data is
needed to inform
special education
decisions**

- Decisions about the lack of progress and additional needs depend on data about progress and needs for all students
 - Disability v. lack of instruction v. short-term trauma
- Extended school year (ESY) decisions should not change, recoupment is unknown
- Decisions about compensatory services cannot be made without additional data and after remediation

**This is not
temporary**

- Connecting with families and school teams and increasing virtual engagement
- Learn more about how to better support:
 - Basic access and connectivity
 - Accommodations and modifications
 - Access to core instruction and the general education environment (inclusive practices)

**Despite many
unknowns, plan
now**

- Cannot rely on IDEA waivers
 - Any flexibilities should be “narrow, targeted, and temporary” (Senators Cassidy and Murphy)
- Strategically address effects of budget shortfalls on future maintenance of effort requirements
- Anticipate we will not be in buildings come August 2020 or at least not in the same way
 - Trimming or redeploying resources for blended learning

Poll #2

A pop-up box will open in Zoom.

Is your agency planning to use CARES funds for special education?



COVID-19 Resource Planning Framework



WestEd COVID-19 Special Education Resource Planning Framework

Phase I: Urgent (0-3 Months)

Objective: Address essentials; maintain FAPE to the extent possible in learning environments that uphold orders to mitigate the spread of COVID-19

Phase II: Stabilization (2-8 Months)

Objective: Assess gaps and inequities; lay foundation for effective remediation and re-opening of schools, maximize coordination across programs

Phase III: Recovery (6-18 Months)

Objective: Prioritize recovery for most vulnerable student populations; continuously improve alternative delivery of instruction and FAPE

Phase I: Urgent (0 – 3 months)

Objective: Address essentials; maintain FAPE to the extent possible in learning environments that uphold orders to mitigate the spread of COVID-19

Considerations

- Provide for the basic needs of students
- Ensure staff needs are met so they can meet student needs
- Engage families to communicate about child and family needs
- Maximize access to the learning opportunities provided to all students
- Provide services and FAPE to the extent reasonable

Phase I: Urgent (0 – 3 months)

Objective: Address essentials; maintain FAPE to the extent possible in learning environments that uphold orders to mitigate the spread of COVID-19

Resource allocation strategies

- Clear guidance to school districts on use of available resources to meet emergency needs
- Utilize existing staff, including paraprofessionals, to engage with families:
 - Check in regularly to ensure families and students are safe
 - Repurpose staff whose responsibilities have changed
 - Repurpose contracts (e.g. transportation, related services)

Phase II: Stabilization (2 – 8 months)

Objective: Assess gaps and inequities; lay foundation for effective remediation and re-opening of schools, maximize coordination across programs

Considerations

- Begin to assess gaps for all students
- Ensure students with disabilities have access to supplemental services provided for all students, with accommodations and modifications
- Consider supplemental services, separate from ESY
- Ensure basic compliance (IEP meetings, evaluations, eligibility determinations, re-evaluations)

Phase II: Stabilization (2 – 8 months)

Objective: Assess gaps and inequities; lay foundation for effective remediation and re-opening of schools, maximize coordination across programs

Resource allocation strategies

- Plan for distance screening, progress monitoring, and differentiated supports for all students to avoid an influx of referrals for special education
- Implement summer instruction for high need students
- Professional development for teachers, staff, and other support services
- Prepare for coordinated services provided in new ways
- Reflect on lessons learned and improvements to bring forward

Phase III: Recovery (6 – 18 months)

Objective: Prioritize recovery for most vulnerable student populations; continuously improve alternative delivery of instruction and FAPE

Considerations

- Assess and address gaps and needs, considering all students
- Allow students opportunity to recover before making decisions about compensatory services
- Continue to improve distance delivery of FAPE
- Integrate contingency planning into the IEP process

Phase III: Recovery (6 – 18 months)

Objective: Prioritize recovery for most vulnerable student populations; continuously improve alternative delivery of instruction and FAPE

Resource allocation strategies

- Increase flexibility of funds to ensure child-centered programming rather than program-based services
- Continue to increase system capacity and flexibility.
- Consider potential efficiencies discovered during school closures.
 - Virtual IEP meetings, increased electronic communication, virtual due process meetings

Poll

A pop-up box will open in Zoom.

During what period do you anticipate needing the most support?





Final Questions?

Join us for the remainder of the series!

- Resource Planning for Students with Disabilities through the COVID-19 Pandemic: Balancing Legal Obligations and Available Resources to Maintain Student Progress
 - Wednesday, May 20th at 1 pm PT / 4 pm ET
- Blending and Braiding Funds to Mitigate the Impact of COVID-19 on the Most Vulnerable Students
 - Wednesday, May 27th at 1 pm PT / 4 pm ET



Thank you!

The contents of this document were developed under a grant from the US Department of Education, #H326R190001. However, those contents do not necessarily represent the policy of the US Department of Education, and you should not assume endorsement by the Federal Government. Project Officer: Perry Williams (October 2019)



AMERICAN INSTITUTES FOR RESEARCH®

