



Schools receive a third (and perhaps final) round of stimulus dollars

Summary: Two previous *Policy Briefs* (Vol. 20, No. 39 and Vol. 21, No. 23) discussed Elementary and Secondary School Emergency Relief Funds (ESSER I and ESSER II) to help schools deal with the effects of the coronavirus pandemic. Now comes the American Rescue Plan (ARP-ESSER). How much money is to be awarded and how will school districts and charter schools in Allegheny County use the funds?

Compared to ESSER I and II, ARP-ESSER is a higher dollar amount and has a spending period ending in September 2024. It encapsulates many of the previous allowable spending categories of ESSER I and II but requires 20 percent of the allocation to be directed toward “learning loss” which is defined as “any specific or general loss of skills or to reversals in academic progress” and can be the result of summer break, interrupted education, school absence or teaching. With this being COVID-related federal legislation, the emphasis is on learning affected with schools being shuttered.

According to the Pennsylvania Department of Education, the state received close to \$5 billion in ARP-ESSER funds. The bulk of the money for the 500 school districts and 167 charter schools—\$4.5 billion—is distributed under an existing federal formula. The ARP statute has what is referred to as “state-level reservations” where specific percentages must be directed toward learning loss, after-school and summer school programs by school districts and charter schools. This totals \$350 million. The remainder is for intermediate units, career technical centers and other educational entities.

Comparison of ESSER Allocations

ESSER	Contained In	Spending period	U.S.	PA	Allegheny County
I	CARES Act	3/13/20 to 9/30/22	\$13.2 b	\$523.8 m	\$32.7 m
II	CRRSA Act	3/13/20 to 9/30/23	\$53.4 b	\$2.2 b	\$150.1 m
ARP-ESSER	Am. Res. Plan	3/13/20 to 9/30/24	\$122 b	\$5.0 b	\$330.3 m

In Allegheny County, the 43 school districts are to receive \$283.6 million and the 25 charter schools—both brick and mortar and cyber schools located in the county—are to receive \$46.7 million. The range of allocations for school districts is \$108.7 million for

Pittsburgh Public Schools (PPS) to \$503,000 for Avonworth School District. McKeesport Area, Woodland Hills and Penn Hills will each receive more than \$12 million. Three districts besides Avonworth—Hampton, South Fayette and Upper St. Clair—will receive under \$1 million.

For charter schools the range of allocations is a high of \$8.2 million for PA Leadership Charter School to \$367,205 for Young Scholars Charter School.

Eligible recipients have to apply for the money. A response to an open records request for the contracts between school districts and charters in the county and the Pennsylvania Department of Education accounted for \$324.9 million (98 percent) in completed contracts. ESSER funds have to be tracked separately by recipients for reporting purposes.

School district agreements

Of the \$278.3 million in planned expenditures, all 43 school districts will spend \$97.3 million (34.9 percent) on salaries; 35 will spend \$29.4 million (10.6 percent) on benefits; 42 will spend \$51.1 million (18.4 percent) on supplies; 18 will spend \$23.9 million (8.6 percent) on property. The remaining expenditures are for purchased/other services and indirect costs.

A sample of districts that are spending on both salaries and benefits include Bethel Park (summer school and class reduction personnel); Chartiers Valley (long-term substitutes and curriculum writing personnel); Clairton (teachers and an administrator), and Deer Lakes (counselors and a teacher). Some school districts are more specific, describing how much staff they are hiring and for how long, while others are more ambiguous.

A sample of districts that are spending on supplies include Brentwood (educational materials and COVID supplies); Duquesne (technology and eSports lab supplies); Elizabeth-Forward (technology and gaming supplies); Fox Chapel (curriculum and medical supplies); Montour (hybrid learning supplies and pickleball courts); North Allegheny (remote learning and personal protective equipment), and Woodland Hills (cleaning supplies and laptops/Chromebooks). Baldwin-Whitehall, Gateway and North Hills are among districts spending for improvements or overhauls to building ventilation.

PPS is spending \$47.6 million on salaries and benefits, \$17.1 million on supplies and \$40.7 million on purchased/other services. The remaining expenditures are for property and indirect costs. The \$108.7 million allocation equates to 60 percent of 2022's budgeted property tax receipts. PPS' spending plan includes \$27.4 million allocated to learning loss and an additional \$14.3 million toward social and emotional learning. PPS is spending \$33.7 million on "continuity of services," which includes maintaining the employment of counselors, administrators, teachers, etc. for the purpose of "support[ing] the ongoing academic needs of students."

Additional expenditures include spending on after/summer school programming; COVID mitigation supplies; IT security; laptops; professional development; transportation; technical education programs and ventilation upgrades.

Charter school agreements

Of the \$46.6 million in planned expenditures, all 25 charter schools will spend \$26.6 million (57.1 percent) on salaries; 21 will spend \$6.8 million (14.6 percent) on benefits; 23 will spend \$2.9 million (6.3 percent) on supplies; seven will spend \$2.6 million (5.6 percent) on property. The remaining expenditures are for purchased/other services.

A sample of charters that are spending on salary and benefits include Manchester Academic (teaching assistants and administrators); Passport Academy (teachers and a guidance counselor); PA Distance Learning (teachers and counselors); Urban Pathways 6-12 (teachers and counselors), and all of the Propel Charter Schools (specialists and summer school staff).

A sample of charters spending on supplies include Penn Hills Charter School for Entrepreneurship (staff computers and custodial supplies); Urban Academy of Greater Pittsburgh (curriculum and technology); and Westinghouse Arts Academy (textbooks, curriculum and resource materials). Charters making upgrades to HVAC include the Propel Schools in Homestead; McKeesport; Montour; Northside, and Pitcairn.

Possible effects of ESSER funds

Federal money might have the effect of delaying hard decisions and cost-cutting measures until it is spent in its entirety. Or it might act as a substitute for state and/or local dollars that would have been otherwise expended.

It is worth thinking about electronic devices, unused supplies and additional staff. What happens to the materials purchased with remote or hybrid learning in mind? Or to staff devoted to social distancing or technology modifications?

As was pointed out in the previous *Policy Briefs*, there were few, if any, layoffs or furloughs of school personnel by school districts. The Public School Code allows school boards to suspend professional employees (teachers, principals, counselors and 12 other classifications) when there is a decline in enrollment, an alteration of the educational program, consolidation or creation of schools or for economic reasons.

Based on the state Department of Education's school staff summary for full- and part-time employees, statewide there were 151,294 professional employees in school districts, charter schools, career technical centers and other educational entities on Oct. 1, 2019. One year later the total stood at 151,858, an increase of 564 (0.4 percent). Support staff, which includes aides and support employees, saw total headcount fall from 101,445 to 98,104, or 3,341 employees (3 percent) from 2019-20 to 2020-21.

If expenses funded by all ESSER dollars are maintained, it might fall to property taxes levied by school districts to provide the revenue. Of the 42 school districts in Allegheny County that began their budget year on July 1, 2021, property tax rates increased in 21 districts. No increases were greater than each district's Act 1 index. PPS raised its millage rate by 0.25 mill in December 2021 for the 2022 budget year.

In the pandemic time frame, with budgets approved in June 2020 and June 2021, 12 school districts raised property taxes in both of those budget years while 16 did not raise taxes in either year.

With ARP-ESSER being the third in a series of spending packages passed for the purpose of educational stimulus, the important question of whether this will be the final stimulus package is in the air. If the problems caused by the school closures continue to proliferate, will Congress consider further aid?

Will all the extra federal money be enough to repair the educational deficits created by the pandemic? If not, what will it take and how long?

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