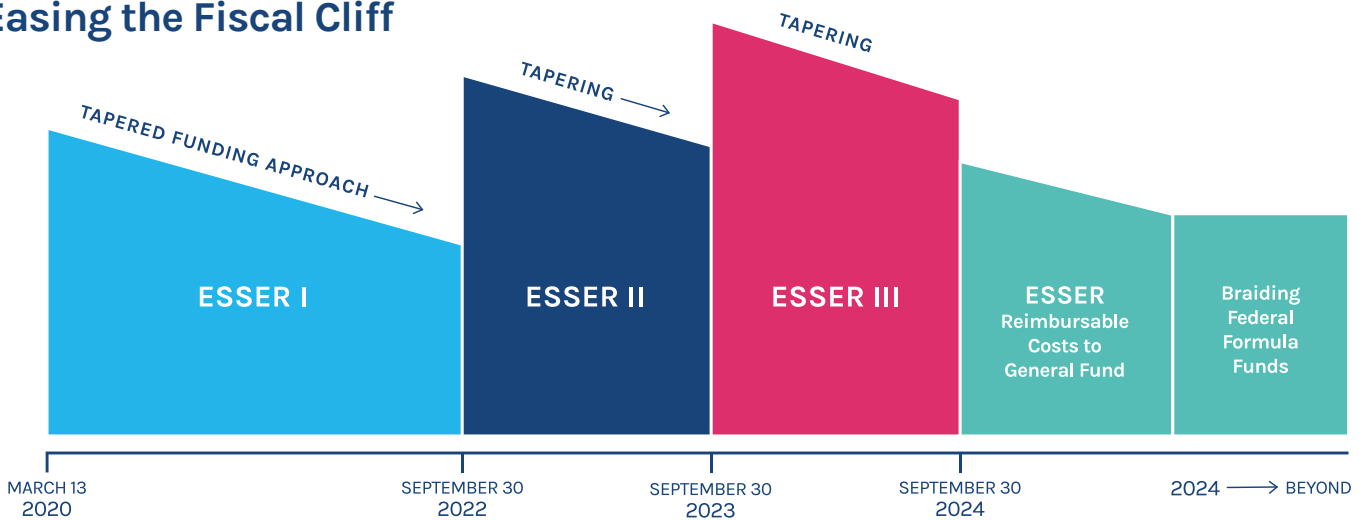


ESSER Funds: Easing the Fiscal Cliff

Federal Elementary and Secondary Emergency Relief (ESSER) funds not only provide essential relief to school districts as they overcome the impacts of the COVID-19 pandemic, but also present a once-in-a-lifetime opportunity to modernize systems and adopt innovative approaches to teaching and learning. However, along with this unprecedented influx of funds come crucial questions—like how to sustain valuable new initiatives into school year 2024-25 and beyond, when ESSER funds will no longer be available.

This document offers strategies to successfully plan for and ease this "fiscal cliff," empowering districts to take full advantage of present funding opportunities and be well-positioned for the future.

Easing the Fiscal Cliff



STRATEGY 1: Tapered Use of ESSER for Systems Modernization

The many impacts of the pandemic have merited different thinking about systems, especially for purposes of ensuring continuous learning, providing key insights to needed student supports, and achieving stable, dependable operations. ESSER can and should be used to modernize learning management systems, analytics, and talent and human resources (HR) management applications to address impacts of the pandemic. District leaders should consider implementing a tapered approach, where ESSER funds are

leveraged fully during the grant award period and tapered as the periods of allowable spending come to a close. As ESSER funds are tapered, districts can incrementally increase the use of general operating funds as well as other eligible grant award funds.

Example: A tapered approach to funding a \$20,000 annual investment in PowerSchool’s Naviance solution to promote academic acceleration, student mental health, and continuity of services in response to the pandemic and beyond.

SCHOOL YEAR	ESSER FUNDS	GENERAL FUNDS	TITLE FUNDS
2022-2023	\$15,000	\$2,500	\$2,500
2023-2024	\$10,000	\$5,000	\$5,000
2024-2025	\$-----	\$7,500	\$12,500

STRATEGY 2:

Reimbursing Allowable Spending

ESSER funds can be used to retroactively reimburse other sources of funds spent on pandemic-related costs, such as cleaning supplies, temporary personnel, overtime pay, student devices, and qualifying professional development (PD), back to March 13, 2020. Reimbursing past allowable expenses using ESSER replenishes local funds for the purposes of modernizing, innovating, and accelerating learning into future years.

STRATEGY 3:

Covering Implementation Costs

Often, the initial costs of implementing a new solution are greater than the costs to continue operating it in the years that follow. ESSER funds, which have no supplanting provisions, represent a unique opportunity to absorb the relatively high cost of starting a new initiative before moving the relatively low costs of continued use to sustainable sources.

STRATEGY 4:

Braiding Funds

School districts can transform the "fiscal cliff" into a manageable step by braiding ESSER funds with general funds and other federal sources. By splitting the cost of an allowable long-term investment between funds, districts can successfully balance innovation with fiscal prudence and sustainability.

This approach of coordinating multiple sources of funding also creates an opportunity for districts to enjoy, track, and communicate returns on investment. This can help build support for funding other new initiatives going forward.

STRATEGY 5:

Offsetting Temporary Costs

School districts with concerns about the temporary nature of ESSER funding may choose to commit these funds toward short-range or one-time costs, such as updating curriculum materials to accelerate learning, providing student devices for remote engagement, hiring temporary staff to support recovery, or upgrading facilities to promote health and safety. This can be an effective way to meet pandemic recovery needs while also reducing the burden on general funds and long-standing federal funds such as Titles I, II, and IV—funds that can be repurposed towards long-term initiatives to modernize systems, become more data-driven, and reimagine learning.

Other Funding Sources

With the incredible amount of ESSER funds available and a push to spend these funds before they expire, it is possible to lose track of other funds available for modernization. Long-standing Title funds, state-funded initiatives, and even private grants have been and continue to be important engines for district innovation.

Visit www.PowerSchool.com or call 1-877-873-1550 to learn more.



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