



SCHOOL  
DISTRICT  
SPENDING  
OF  
AMERICAN  
RESCUE  
PLAN  
FUNDING

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**PART IV**

August 2023

# BACKGROUND

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With 15 months left before the September 2024 obligation deadline, AASA, The School Superintendents Association, launched its fourth American Rescue Plan (ARP) survey of school district leaders to ascertain what spending priorities and challenges they are anticipating as the fiscal timeline tightens.

This 2023 survey administered in June 2023 contained several new questions designed to shed light on how districts are adjusting ARP spending plans and how they are factoring in the sustainability of personnel and programs beyond the expiration of these federal funds.

AASA members are the CEOs of school districts and the best and most reliable sources for information on ARP expenditures. Unlike other surveys that attempt to ask a few districts or many different levels of school staff about ARP expenditures, 650 superintendents charged with managing the use of these funds in districts across 47 states responded to this survey. This survey is representative of AASA's membership which includes many rural districts with smaller enrollments. For this survey 68% of respondents are from districts with fewer than 1,000 students as compared to 46% nationally that enroll fewer than 1,000 students.

As the Fiscal Year 2024 budget process continues to unfold on Capitol Hill, understanding how this unprecedented investment in K-12 education is being used by districts is of great importance to policymakers, media and families. We hope this report brings greater clarity to the prioritization of these resources and the importance of sustaining the supports our students desperately need through 2024 and beyond the 2024-25 school year.



# KEY FINDINGS

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AASA broke down district ARP investments into two categories:

## Immediate/Short-Term Investments



## Long-Term Systemic Investments



As in the prior iterations of our survey, the top three immediate investments remained the same: increasing instructional time and opportunities and investing in high-quality curriculum materials tied for first with 59% of respondents selecting it. Fifty-eight percent selected adding specialist staff as a priority while 55% selected investing in teacher planning and professional development.

Notably, this year there is an increased preference by district leaders in investing in curriculum over adding specialist staff. The reason for this shift is the longevity of the funds: district leaders understand they cannot sustain the investments of additional staff for more than another school year and are beginning to shift their focus away from funding people and towards investing in more hardware and software as well as professional development, which can be used beyond the expiration of ARP funding.

The other reason for this shift is to limit the pain of hitting a potential fiscal cliff, especially for districts that might be anticipating declining student enrollment and state funding levels. By slowly reducing the number of staff while redirecting resources towards building the capacity of staff that will be part of the system on a more permanent basis, district leaders are acting prudently.

## “ — FROM THE FIELD

We were able to purchase computers so students are now 1 to 1 with a device. We were able to gain internet access for over 5,000 students. We were able to bring professional learning to our staff on blended learning techniques. We now have a fully functioning (and sustainable) virtual academy with approximately 500 students enrolled.

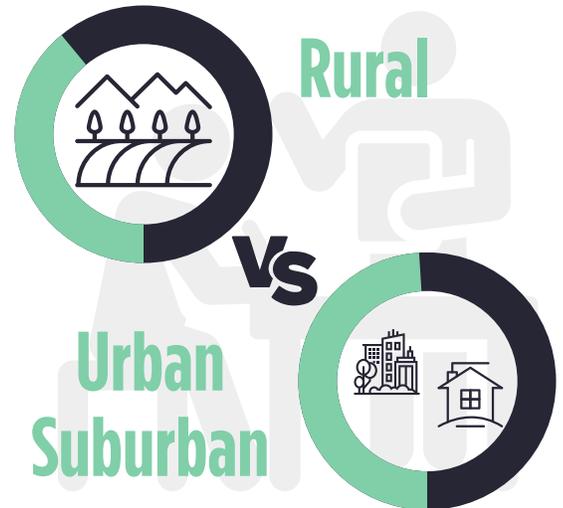
Dan Shelton, superintendent  
Christina School District, Delaware

# SHORT TERM SPENDING BY LOCALE

## Respondents continue to demonstrate that ARP spending differs by locale.

We notice that respondents from rural districts focus more on prioritizing investments in high-quality instructional materials than their urban and suburban peers, whose top priority is expanded summer and school-day learning.

Rural district leaders indicate they are less likely than their suburban and urban counterparts to use ARP funding for high-intensity tutoring (38% compared to 49% in suburban and urban communities).



Other differences emerge when we look at investments in social and emotional learning. Suburban districts are more likely than urban and rural districts to prioritize these supports.

One fifth of rural and suburban district leaders have chosen to invest in improving their data systems and data literacy compared to urban districts, but this could be related to a decision to pivot earlier to scale up data systems as our 2022 ARP survey found nearly one-fourth of urban districts chose to invest in data systems at that time.

### “ FROM THE FIELD



For our district it was important to invest in data infrastructure and associated professional learning to drive high-quality professional learning, school improvement planning and resource allocation decisions.

Dave Moyer, superintendent  
Arlington Central School District, New York

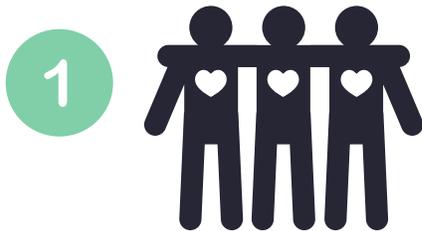
# TOP 3 LONG-TERM INVESTMENTS

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The top three long-term investments for superintendents were the same as July 2023.

Since 2021, the long-term priority list for district leaders has included expanding whole child supports, services and programs.

**2022**



**2023**



Renovating and rebuilding school facilities was the second most significant investment.

**2022**



**2023**



Engaging high school students was the third in 2023. This contrasts with the past two years when re-engaging high school students was second and upgrading school facilities was third.

**2022**



**2023**



# SHIFTS IN FACILITY EXPENDITURES

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The reasons for an increased prioritization on school facility spending is multi-pronged: many districts experienced setbacks when trying to commit to facility work early in the pandemic due to supply chain delays and workforce shortages and decided to reinvest in other areas of need. Some districts intentionally tried to postpone these repairs until inflation decreased to maximize the scope of the work they could do on their buildings and grounds.

Other districts were always interested in spending money on these projects but could not find contractors to commit to doing the construction or renovation projects until recently and are just now paying down their final portion of funds.

## “ FROM THE FIELD

We constructed an employee daycare as that will aid in the retention of our teachers and updated all HVAC and facilities which otherwise would not have been updated.

Geri Gilstrap, superintendent  
Stilwell School District I-25, Oklahoma



Stilwell Little School  
Stilwell, Oklahoma



Maine School Administrative District 13  
Madison, Maine

## “ FROM THE FIELD

In our rural community, we chose to use ARP funding for critical upgrades to HVAC systems in both our schools. We also used the money for ADA upgrades to better meet the needs of special education students, including putting in an ADA bathroom, stage lift, and a van with a ramp.

Sandra MacArthur, superintendent  
Maine School Administrative District 13, Maine

# LONG-TERM SPENDING BY LOCALE

As we look deeper into long-term system changes, we notice that suburban districts appear more interested in investing more substantially in special education programs and enhancing services for students with disabilities. This was one of their top three long-term priorities. More rural districts also increased prioritizing services for students with disabilities than in prior years surveys.

Urban districts and rural districts were also more likely to prioritize providing bilingual opportunities for students in 2023 with 41% of urban districts and 16% of rural districts expressing this as a systemic issue they were hoping to improve with ARP funding.

## FROM THE FIELD

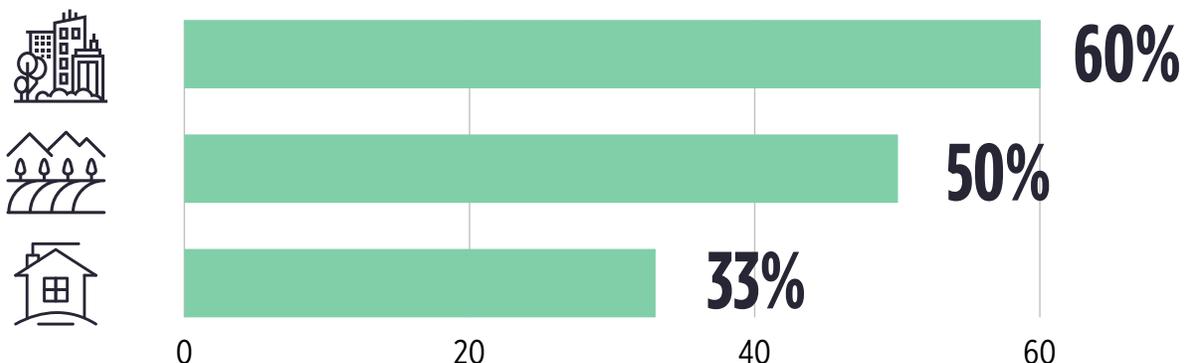
Relying on universal design for learning processes, we updated technology and voice amplification systems in older buildings. Voice amplification allows all students to hear sounds the same way.

An Oregon superintendent



Half of rural districts and almost 60% of urban districts indicated they would be using ARP funds to renovate and improve buildings and facilities compared to a little over a third of suburban districts.

### Using ARP Funds for Infrastructure Upgrades



# ADJUSTING ARP INVESTMENTS

In response to media coverage and criticism by policymakers claiming district ARP plans are documents written in stone and districts are not engaging enough with community members and educators in revising their ARP spending plans, the 2023 survey sought data on how districts review plans and engage communities to determine their spending priorities.



Eighty-four percent of survey respondents indicated they shifted their ARP plans over the next 15 months.

1

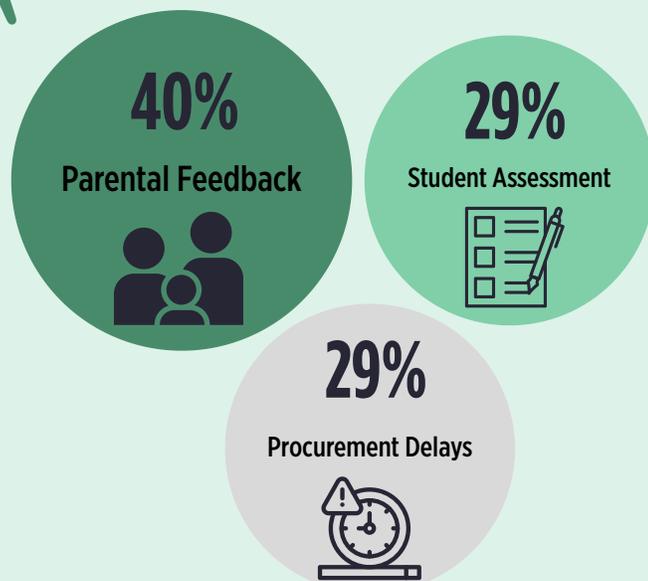
The most common reason given for why district leaders adjusted their plans was increased costs and inflation.

2

The next reason for deviating from planned ARP expenditures was that feedback from educators suggested they pivot to other priorities or programs.

3

The third reason for shifting spending plans was a need from educators and families to further prioritize the social and emotional needs of students.



Nearly 40% said feedback from parents led them to make changes to their ARP spending plans while 29% said that assessments of student performance including test scores as well as delays in procuring materials and supplies led to shifts in district ARP spending.

# SPENDING SHIFTS BY LOCALE

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A closer look at the data found urban districts were more likely to adjust spending plans because they underestimated the social and emotional needs of students and needed to allocate more resources to address this issue. Suburban districts cited feedback from educators as the top reason for shifting ARP spending while rural districts, which tend to be more price sensitive given the size of their budgets, indicated increased costs/inflation as the main driver in adjusting ARP funds. Given that rural districts are more price sensitive because of their smaller budgets and, as mentioned above, were more likely to spend money on construction and facility projects, it makes sense that they had to readjust their ARP investments due to higher than budgeted costs for these facility upgrades.



## “ FROM THE FIELD

Being able to support tutoring, new summer programs, and allowing us to fund year one and year two of some new staff who are now able to be funded through our general fund.

Jack Marcellus, superintendent  
Gibbsboro School District Inc, New Jersey

## “ FROM THE FIELD

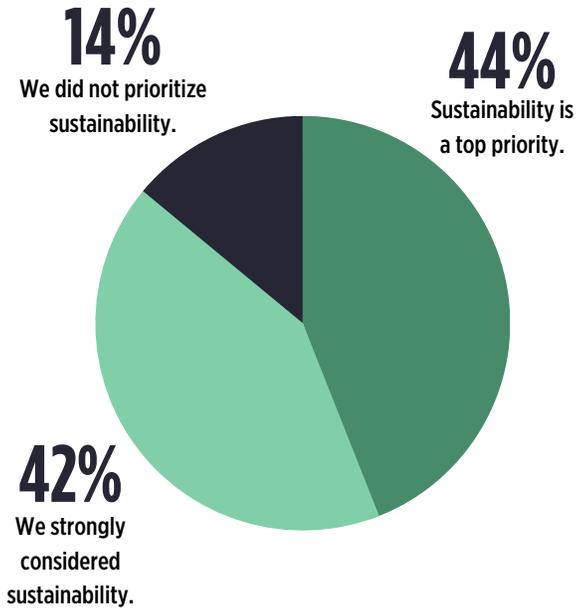
We provided an expanded summer enrichment program based on the research of the Wallace Foundation and have preliminary data that we have curbed some learning loss in our students who are most in need of academic support. The partnership with community resources has continued even after the resources have not.

Tim Mitchell, superintendent  
Riverside Community School District, Iowa



# FUNDING SUSTAINABILITY

## Considering Sustainability of Funds



The unprecedented size of ARP funding and the short time period for spending down these dollars reinforces the importance of asking district leaders how sustainability factored into their ARP spending plans. Forty-four percent of districts stated considerations about sustainability was a top priority and 42% of district leaders strongly considered sustainability when determining ARP expenditures. The remaining 14% of district leaders said that they either did not prioritize it when determining what investments to make or that it was not much of a consideration. The locale and size of the district did not suggest any trends in terms of prioritization of sustainability.

## “ FROM THE FIELD

I'm most proud of the investment we made in our elementary school. We used ARP money to add an additional teacher at each grade level to make up for lost learning during COVID. This made our class sizes 15 to 17 rather than 22 to 24 students per class. The benefit has been seen across the board in educational and behavioral outcomes of our students. Of course this additional staffing will not be sustainable, however it has allowed us to make up for learning loss.

David Vinson, superintendent  
Warner School District I-74, Oklahoma



Warner Elementary School  
Warner, Oklahoma

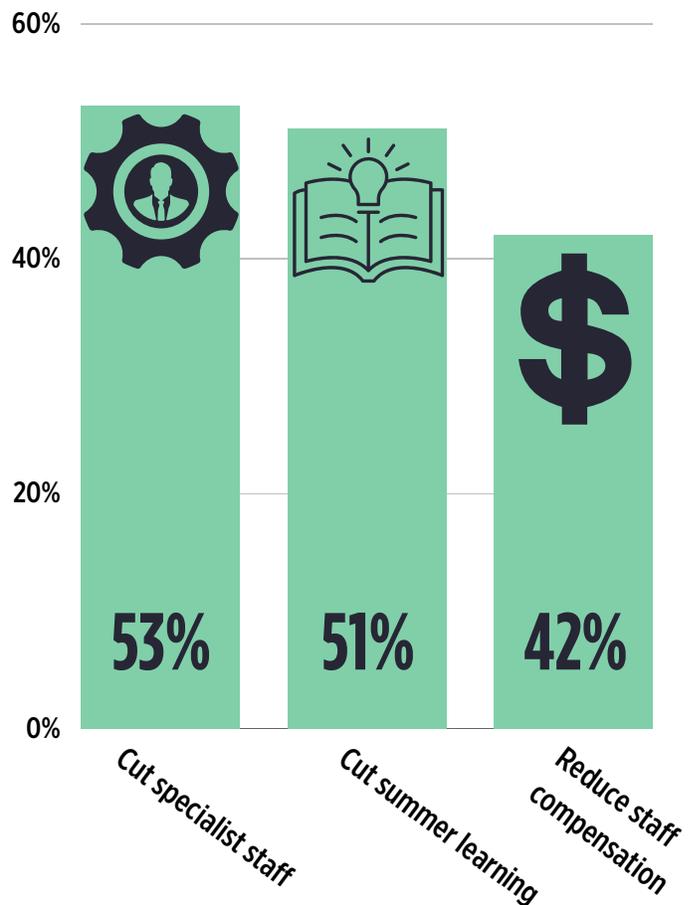
While sustainability was a major driver in determining investments, reallocating or generating local funds to sustain the programs and supports provided over the past school year is closer to a fantasy rather than a reality for many districts especially given expected budget caps agreed to by Congress for the 2024 Fiscal Year.

# PREPARING FOR THE FISCAL CLIFF

Like last year, AASA asked superintendents to identify where they would have to begin disinvesting in 2023 in preparation for the September 2024 obligation deadline. Given that 80% of district budgets are spent on personnel, it is not surprising that the top cut among respondents was eliminating specialist staff positions funded through ARP.

Fifty-three percent of district leaders indicated they would be forced to decrease staffing for specialist staff such as behavioral health personnel, tutors, reading specialists and other key personnel hired to address the social and emotional and academic needs of students resulting from the pandemic. The second area where districts would cut resources is on their summer learning and enrichment opportunities (51%). Alongside those cuts, respondents indicated they would be forced to reduce spending on staff compensation for additional learning time (42%). When we compare these responses from 2022, the only major shift is that staffing has shifted to the top cut while summer learning is now the second largest funding cut.

When disaggregated by community type, suburban districts were more likely to cut expanded learning while rural and urban districts indicated reductions in staffing as their top priority.



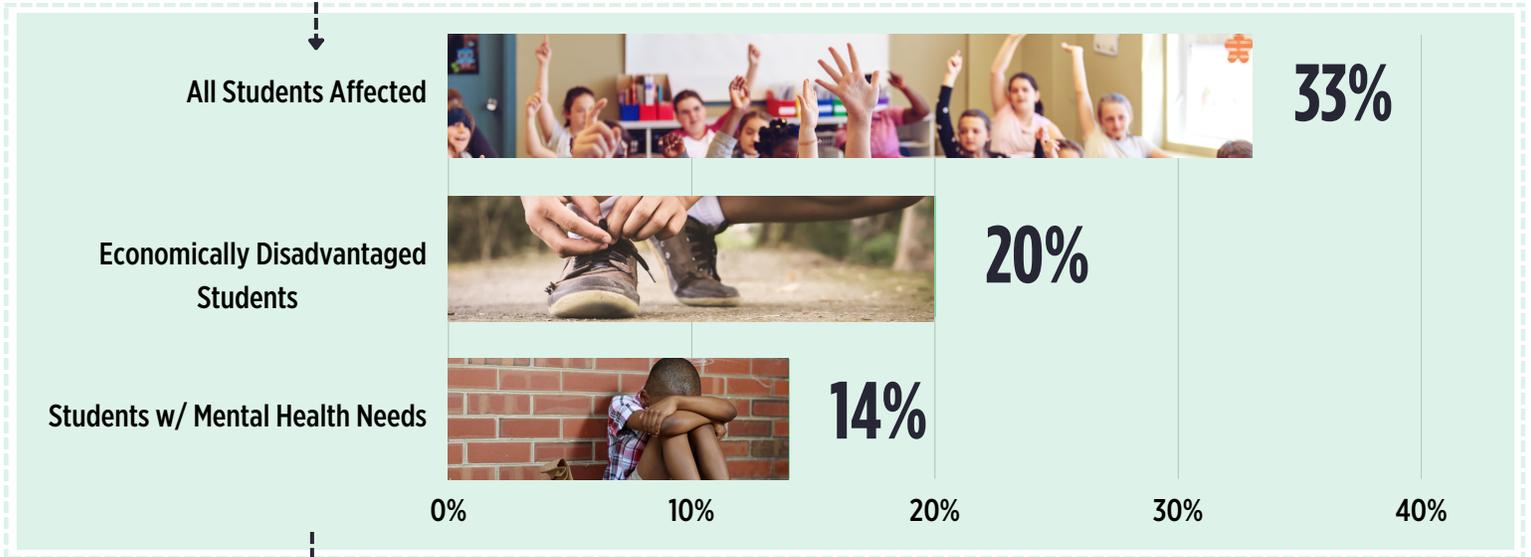
## “ ” FROM THE FIELD

We used ARP to radically change our summer school programs. We invited kids in to do things they love within our walls. Our kids' mental health is struggling because there is too much pressure in the short school year to provide all the academics they need. We need to take an "AND" approach not an "OR" approach, but in the traditional timeline there isn't enough time. I wish there was a way for high poverty schools like mine to have extended-year funding so our kids could be safe for more months of the year and receive activities they love and want to come to school for all year long in addition to the academics they need in the summer.

Stacey Cole, superintendent  
Storm Lake CSD, Iowa

# ASSESSING WHO IS MOST IMPACTED BY ARP FUNDING

This year we also asked how these proposed cuts would impact students and tried to ascertain if any groups of students would be specifically harmed by the reduction in programs, staff or instructional time.



## FROM THE FIELD

Using ARP funds we developed a system of improvement coaches for our teachers and students. We are seeing this consistent and specific support resulting in gains of 13% in a grade-level team's performance and 20% increase in a classroom's annual performance in mathematics.

Jennifer Lowery, superintendent  
Tea Area School District, South Dakota

A third of superintendents responding believe that all students will be impacted equally in their communities by the discontinuation of ARP-funded instructional programs and supports while a little more than a quarter said that students who are struggling academically will be impacted the most. A fifth of respondents highlighted how economically disadvantaged students will be most impacted by the cuts in programming and staffing while 14% said students with mental health needs will experience these funding cuts most acutely.

There were no discernable trends between the size or locale of a district and their responses to which students would be impacted by the end of ARP funding.



# CONCLUSION

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Despite the lagging data from the federal level, AASA is certain that superintendents have plans to spend the remainder of their American Rescue Plan funds by September 2024. Would additional time, particularly for contracted services like tutoring and mental health as well as construction projects be helpful and useful? Absolutely.

AASA continues to encourage the U.S. Department of Education to provide guidance quickly on how districts can readjust their plans to extend the use of these funds beyond the December 2024 liquidation deadline.

While some in Congress look to disinvest in critical formula programs like Title I of ESEA because they think districts have not spent their ARP funding well and are still flush with cash, we hope this report demonstrates how critical these funds are and continue to be. To that end, there will be serious consequences for students and our nation if Congress takes steps to reduce funding when our students are still so fragile and continue to need so much additional support.



## FROM THE FIELD

We have implemented high quality instructional reading and math materials and teaching strategies in elementary and middle schools. I can begin to see the impact of this work as we have purchased all of the materials and trained all staff to be able to deliver the instruction. When the ARP funding goes away, I will not be able to sustain the purchasing of the materials or the level of coaching we are providing for all classroom teachers who are implementing the excellent instructional programs.

Lupita Hinojosa, superintendent  
Spring Independent School District, Texas

