



Innovative Uses of Federal Relief Funds for K-12

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Innovation in education is vital for responding to emerging challenges, such as the COVID-19 pandemic, and for building progress on [longstanding challenges](#) in our schools. The infusion of substantial, highly flexible pots of federal relief dollars created an opportunity to pilot new programs and initiatives. Elementary and Secondary School Emergency Relief (ESSER) funds were provided through three rounds of funding and totaled approximately \$190 billion — one of the largest federal investments in K-12 public education in U.S. history. [Ninety percent of funds](#) were distributed to local education agencies based on Title I, Part A allocations, and state and local education agencies have had wide flexibility in terms of use of the funds.

Many states and districts [opted to](#) invest resources in traditional K-12 expenses, such as increasing staff capacity or updating facilities. However, states are also using the funds to spark new initiatives that otherwise may not have been possible and can be replicated across the country. **Indiana**, for example, offers a template for creating work-based learning opportunities for students through partnerships between schools, higher education institutions and employers that meet labor force needs of local communities. In addition, **Mississippi** leads in offering statewide telehealth and teletherapy services to students in schools; something that has never been done.

There is no exact science to effectively design and implement innovative policy solutions that meet the needs of the moment. In this Policy Guide, we present six strategies along with state examples to assist in planning, designing, implementing and sustaining innovative services and programs. In addition to these strategies, other researchers have developed [models for change](#) that put forward other unique approaches, such as allowing for locally driven variation, providing human capital support for ongoing technical assistance and tolerating small-scale risk. The end goal of using these approaches is to design innovative policies that endure and improve long-term student outcomes.

Innovative State Strategies



Strategically identify the needs of local communities.

In developing plans, education agencies were required to meaningfully engage stakeholders and take public input into consideration. Some states have successfully integrated the needs of local communities into their spending decisions.



Equitably direct resources to students. The COVID-19 pandemic had disparate impacts on U.S. students, with many facing barriers such as housing uncertainty, limited access to technology and food insecurity. Some states have directed resources to where they are needed most and can have the biggest impact.



Form new district partnerships. Rather than doing it alone, states have encouraged school districts to forge new collaborative relationships with community organizations, hospital systems, private businesses and/or regional education providers.



Implement technology-based solutions. Throughout the COVID-19 pandemic, state and local education policymakers turned to technology to meet students' immediate needs. Subsequently, states have doubled down on their technological investments to support students.



Monitor performance to support students. Not all students have the same needs, so states have used their own metrics to target investments and monitor outcomes.



Ensure financial sustainability. Many in the education community have expressed concerns about the long-term viability of programs funded by the American Rescue Plan once federal funding is depleted. Some states planned for continuing services beyond the spending deadline.

Elementary and Secondary School Emergency Relief

The federal government provided ESSER funds to state and local education agencies in three separate pieces of legislation that have different spending deadlines and requirements. [Learn more here](#) about the differences between ESSER I, ESSER II and ARP ESSER.

ESSER I

Enacting law: [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#)

ESSER amount: \$13.2 billion or \$270 per student

Obligation deadline: Sept. 30, 2022

Spending rules: [Maintenance of Effort](#)

ESSER II

Enacting law: [Coronavirus Response and Relief Supplemental Appropriations](#)

ESSER amount: \$54.3 billion or \$1,090 per student

Obligation deadline: Sept. 30, 2023

Spending rules: Maintenance of Effort

ESSER III (or ARP ESSER)

Enacting law: [American Rescue Plan Act](#)

ESSER amount: \$122.0 billion or \$2,450 per student

Obligation deadline: Sept. 30, 2024

Spending rules: Maintenance of Effort, [Maintenance of Equity](#)

State Education

Agency Requirements: [5% interventions](#) to address learning loss, 1% summer enrichment, and 1% comprehensive after-school programs.

Local Education

Agency Requirements: [20% interventions](#) to address learning loss.

Note: The per student amounts are calculated using actual and projected enrollment from the National Center for Education Statistics' [Digest of Education Statistics](#) tables averaged across the lifespan of the grant and rounded. ESSER I enrollment is the average for 2020–22. ESSER II enrollment is the average for 2021–23. ESSER III enrollment is the average for 2021–24.

Strategically Identify the Needs of Local Communities

The needs of schools and communities vary significantly across the nearly [100,000](#) public elementary and secondary schools and [13,500](#) public school districts in the United States. The federal relief funds provided wide latitude to state and local education agencies to meet those needs, as early indicators from the pandemic showed [disparate impacts](#) on students. However, the flexibility did come with some requirements. The American Rescue Plan required education agencies to meaningfully engage stakeholders and take public input into consideration in designing their [spending plans](#).

Education agencies took a variety of approaches to engage stakeholders, including surveys, focus groups, webinars, newsletters, social media outreach and web pages. Some states and districts ensured these outreach tools were made available in multiple languages. In addition, stakeholders were involved in



decision-making. **Connecticut** empowered students to propose and vote on how the state would spend \$20,000 on each participating high school using the federal relief dollar. Combined across the participating schools, the [Voice4Change](#) program allocated more than \$1.5 million in ESSER funds based on student proposals. The Connecticut State Department of Education provided students with guiding priorities and made sure each proposal had an eligible use for the funds.

States employed a variety of strategies to engage people and make sure federal funds met the needs of the students, families, educators and employers in their communities.

Indiana's Explore, Engage and Experience Grant



Indiana used the funds to create the competitive Explore, Engage and Experience Grant program. The program encourages preschools, elementary schools, middle schools and high schools to partner with employers, local organizations and postsecondary institutions to design and execute career pathway programs. Applicants must successfully demonstrate how courses or out-of-school learning opportunities align with high-wage, high-demand jobs in the local economy. By designing education pathways through the [grant](#), the state can increase the supply of skilled workers and encourage future employment growth.

Nevada's Incentivizing Pathways to Teaching



Nevada created the [Teacher Pipeline Task Force](#) with the goal of locally growing and retaining Nevada's diverse teacher workforce and supporting educator preparation programs. To support that effort, the state is investing \$20.7 million in ESSER funds for the [Incentivizing Pathways to Teaching Grant Program](#). This program provides pre-service educators with tuition assistance and stipends to help them complete programs. The state is prioritizing recruiting, supporting and retaining effective educators after receiving stakeholder input throughout [planning](#). The Nevada Department of Education also [conducted a study](#) that found the state needed an additional 3,000 teachers to improve core class sizes to desirable levels.

Ohio's Family and Community Partnership Liaisons



Ohio dedicated the federal relief dollars to establish the [Family and Community Partnership Liaison Program](#) and to hire family and community liaisons for each of the state's 51 [educational service centers](#). Liaisons receive training in family engagement and whole child practices, conduct a community needs assessment and design local approaches to building family and community partnerships. The program focuses on better meeting the needs of youth in foster care, youth experiencing homelessness, justice-involved youth, English learners, military-connected youth and students with disabilities.

Equitably Direct Resources to Students

The pandemic exacerbated many pre-existing inequalities along racial, ethnic and socioeconomic lines, exemplified by wide disparities in [mortality rates](#) and [employment levels](#). Similarly, early indicators from the pandemic showed disparate impacts on students: Black students, Latino or Hispanic students, and students from low-income backgrounds faced greater technology barriers, less access to mental health services and were less likely to receive full-time in-person instruction. The 2022 National Assessment of Education Progress [scores](#) showed overall declines in math and reading scores, but also revealed [sharper declines](#) in some categories among students of color, female students, students from low-income backgrounds and students who scored in the lowest achievement quartile.

The laws authorizing ESSER ensured allocation to state and local education agencies was based on the share of [Title I](#) funds they received in the most recent fiscal year. Title I funding is based on [four formulas](#) that direct resources based on measures of family income. While this approach attempts to distribute resources by a measure of need, [some researchers](#) have criticized the formulas for not being sufficiently targeted and rewarding high-spending states. In addition, the allocations to individual schools may be impacted by local decisions, such as staffing. Variations in [teacher experience and salaries](#) can drive inequity if wealthier schools have lower turnover and higher-than-average teacher salaries.

States had discretion in the allocation of the 10% of ESSER funds set aside for the state and used these dollars in a variety of ways to address [the priorities](#) in their spending plans. Some states also intentionally prioritized students who faced the most challenges and barriers due to the pandemic in awarding funds.

Missouri's Teacher Recruitment and Retention Grants



Missouri used \$50 million of its federal funding to create [Teacher Recruitment and Retention Grants](#) awarded by the Missouri Department of Education in the 2021-22 school year. Survey data in January 2021 found that 57% of teachers in Missouri were considering leaving the profession. The department awarded larger grants to districts with higher percentages of students of color and students from low-income backgrounds. Districts in the highest priority level received awards of \$1,200 per teacher compared to \$500 per teacher in the lowest priority level. Districts applied for the funds to implement retention strategies such as stipends for mentors, addressing concerns raised in staff climate surveys and increasing leadership opportunities. The relief dollars were also used for [Grow-Your-Own](#) grants made available to all school districts and charters to support teacher recruitment.

Michigan's Education Equity Fund



Michigan used \$37 million from relief funds to provide competitive [Education Equity Grants](#) for purchasing educational technology to narrow the digital divide or to provide mental health services and supports to children and adults. While open to all districts, the state prioritized awards for districts where more than 85% of students are from economically disadvantaged backgrounds, either for the entire district or within one school; where more than 20% of students receive special education services; or where more than 10% of students are English learners. Michigan bases [economic disadvantage](#) on a student's eligibility for free or reduced priced meals, certification in federal benefit programs, or if they are experiencing homelessness or are from a migrant background. This approach prioritizes districts in the state where students faced the greatest learning barriers as districts initially responded to the COVID-19 pandemic.

Form New District Partnerships

The pandemic challenged school districts and educators to adapt quickly to remote learning and address operational demands, such as modifying in-person instruction to remote learning. In response, community organizations, hospital systems, private businesses and regional education providers proved to be invaluable partners in addressing these needs. These partnerships have played a significant role in supporting districts' and educators' focus on core functions. Students have [benefited](#) in the form of academic supports, wraparound supports and access to technology. For many districts, partnerships have been instrumental in [filling gaps](#) in services and supports that were disrupted.

After the return to in-person instruction, states continued to leverage community-based partnerships. States have incentivized collaboration by using the federal funding to provide services like before- and after-school programming. Moreover, states have invested in the [community schools](#) model, whereby a wide range of services are provided to students and families on-site. These partnerships have assisted districts' efforts to offer comprehensive support services. As a result, forming new partnerships has emerged as a promising strategy to address many of the challenges facing districts, educators and students.

North Carolina's Tutoring Corps



In 2021, **North Carolina** allocated [\\$13.5 million](#) of the federal funding to the [North Carolina Education Corps](#), a nonprofit that helps schools recruit, train and support literacy tutors. The partnership's primary goal is to accelerate students' learning recovery, particularly in literacy, through [high-dosage](#) tutoring based on [science of reading](#) instruction. The program bases effectiveness on five key design principles: frequent sessions with students, customized instruction based on data analysis, small group instruction, highly trained personnel and reinforcement of phonological awareness and phonics skills using school curricula. The program aims to recruit tutors from diverse backgrounds — including community college and university students — with the hope that some may consider a career in public education.

Vermont's Community Schools Grant Program



Vermont has [invested](#) \$3.4 million of the federal funding to launch a three-year grant program to pilot [community school models](#) across the state. Recipients have used funds to hire community school coordinators who develop and implement community school models alongside site-based leadership teams. The project aims to provide a variety of services for students and families that cater to the unique needs of their local communities, such as health and wellness centers, mentoring, [farm-to-school](#) programs, telehealth appointments, healthy meals, clothing, outdoor learning opportunities and career planning. In addition, the program requires grant recipients to perform a needs and assets assessment, and establish new partnerships with families, community organizations and local governments to provide accessible and well-coordinated services. The [five](#) funded community school projects total 44 community partnerships statewide, including partnerships with local health organizations, local farms, recreational facilities and various youth organizations.

Implement Technology-Based Solutions

As the pandemic continues, the role of technology in education has expanded beyond addressing remote learning needs. In-person instruction can be [enhanced](#) with technology by providing students with personalized learning experiences. Funding from ESSER or other sources can be invested in technological infrastructure and tools that support education goals. For instance, [professional development opportunities](#) can help educators effectively integrate technology into their instruction and create engaging experiences for their students. Furthermore, investments can be made to address [equity issues](#) related to access to technology.

Early in the pandemic, many policies and uses of the federal dollars aimed to bridge [digital divides](#) and navigate the [challenges](#) of offering instruction in a new modality. Although students have largely returned to the classroom, questions remain about how to deploy technology in a [complementary](#) manner to high-quality, in-person instruction. To address this, states and schools have used ESSER funds to invest in technology-based solutions. These investments range from addressing the effects of interrupted instruction to providing mental and physical health services to students in need of care.

Arkansas' Data Dashboard



Using a portion of the state's relief dollars, the **Arkansas** Department of Education partnered with SmartData to provide [SmartData Dashboards](#) for all public schools. The automated data dashboard offers an early warning and intervention system for schools to focus on student achievement, discipline and safety. The platform allows school personnel to extract, visualize and analyze data to implement data-driven interventions. SmartData also customizes electronic flowcharts, forms and [multitiered systems of support](#) processes to help districts track and monitor state-required information. The platform offers several services, including identifying who may require academic or behavioral supports, tracking dyslexia screening and intervention data, and building corrective action plans and progress monitoring aligned with state requirements.

Mississippi's Telehealth and Teletherapy Services



Mississippi is [using](#) federal relief dollars to establish a statewide telehealth and teletherapy program in schools, which is the first of its kind in the United States. The program aims to address physical and mental health issues that students face — particularly in rural areas where access to medical care is limited — by leveraging medical technology in schools. The program will offer video conference appointments, general wellness exams and access to behavioral health tools. [The University of Mississippi Medical Center](#) will partner with schools to provide medical equipment and technical assistance. The state hopes that the program will improve student attendance and performance in school and promote health education. The initial grant of [\\$17.6 million](#) will cover the costs of setting up the program in schools, and the ongoing maintenance costs are estimated to be low in relation to initial costs. The state's goal is to have all schools' programs operational by the end of 2023.

North Dakota's Greater Math



North Dakota has invested some of its federal funding into the Innovation Zone Project across eight school districts, now known as [Greater Math](#). Greater Math bases its approach on the [math innovation zones](#) model. This is an innovative model that addresses the impact of interrupted instruction by combining adaptive digital curricula with traditional classroom-based teaching. Since math knowledge is cumulative, any unfinished learning can notably impede students' ability to comprehend new concepts and achieve proficiency in subsequent grades. With support from [REL Central](#), the state will offer high-quality blended learning models to provide individualized instruction and intervention to meet each student's unique needs. Additionally, the program will provide professional development opportunities to educators to support these efforts.

Monitor Performance to Support Students

State leaders had the authority to determine their own [spending priorities](#) for using federal relief dollars and which metrics to use to monitor progress. While this latitude [creates uncertainty](#) for how best to evaluate the federal funding nationally and does not set a minimum baseline for measuring student outcomes, it does permit state leaders to target investments and monitor outcomes of their choosing. For example, Michigan prioritized early literacy in their [spending plan](#), which the state measures using third grade English Language Arts proficiency on the Michigan Student Test of Educational Progress. **Louisiana** identified student engagement and attendance as [priorities](#) and have supported districts in using a dropout early warning system to keep students in schools.

Schools have [been transformed](#) by the increase of [virtual learning](#) and student access to the internet and [internet-connected devices](#). This change has aided state and local education agencies in their capacity to monitor student progress through [learning management systems](#) and online learning platforms. These tools provide educators with personalized learning data so educators can offer the appropriate academic or social and emotional learning interventions. The [rapid increases](#) in the new tools accessed by educators also stresses the importance of professional learning opportunities. Although not required by federal law, many states have built in systems that monitor student outcomes both for program evaluation and for personalizing services for students.

Kansas' FastBridge



Kansas used relief dollars to pay half the cost for districts to use a universal screening, skills analysis and progress monitoring tool for students. The Kansas Department of Education [partnered with](#) Illuminate Education to offer [FastBridge](#) statewide. This tool helps teachers and counselors identify student needs by using computer-adaptive tests and curriculum-based measures for reading, math and behavior in pre-K through grade 12. Educators are provided real-time dashboards and reporting tools to help educators monitor learning and growth.

New Mexico's Engage NM



New Mexico's state education agency used the federal dollars to support and engage students who struggled to make the transition to remote learning. [Engage NM](#) is a partnership between the New Mexico Public Education Department and Graduation Alliance that provides free, tiered support to students through academic coaches and outreach counselors. Districts and students voluntarily participate in the program. Districts identify students based on attendance and academic performance. After opting in, students self-report barriers to engagement — such as whether they struggle with courses or have access to vital technology at home — to customize academic and social and emotional supports.

Ensure Financial Sustainability

COVID-19 led states to use ESSER dollars to provide [crucial education services](#), such as high-dosage tutoring, additional instructional time and mental health services. However, the effectiveness of these programs may be unsustainable if states do not supplement the temporary federal funding with stable and consistent investments. Moreover, states and schools may want to exercise caution when making financial commitments with one-time funding as it could result in [financial pressures](#) that compromise their financial stability. It is important to secure stable and reliable sources of funding for education programs to maintain access to essential education services and supports for all students. By doing so, the education programs and services initiated through federal relief dollars can be sustained over time.

While it may be challenging for states to fully assume the cost of every program enabled by the \$190 billion in ESSER funding, some states have made comparable education investments. These states, which have experienced [better-than-expected](#) fiscal conditions over the last few years, have seized the opportunity to make long-term investments in their K-12 funding models. These investments support the sustainability of programs initiated through federal relief funds beyond the 2024 obligation deadline. Other states have mirrored federal initiatives by making incremental investments, demonstrating their commitment to improving education and supporting their communities.

California's Expanded Learning and Opportunities Grants



California [braided](#) relief dollars with state money to establish the Expanded Learning Opportunities Grant program, which supported students by providing academic and social and emotional assistance to address the impacts of [interrupted instruction](#). The program, which received an initial [\\$2.2 billion](#) from the federal investment, encouraged [various strategies](#), including extended learning time, tutoring and community learning hubs. Subsequently, the [Expanded Learning Opportunities Program](#) was launched to provide comprehensive extended-day, year-round instruction and enrichment activities to kindergarten through sixth grade students. To continue extended learning opportunities for students after the 2023–24 school year, California will dedicate more than [\\$4 billion](#) in annual, ongoing support.

Tennessee's Accelerating Literacy and Learning Corps



Tennessee used its federal relief funds to enhance personalized tutoring through the Tennessee Accelerating Literacy and Learning Corps program. The program involves a state-matching grant that is offered to school districts and community partners for students in grades one through five (with the option of extended tutoring in grades six through eight). The TN ALL Corps program sets standards for grant recipients to develop high-impact tutoring, including a maximum ratio of one tutor for every three students, sessions lasting 30 to 45 minutes multiple times per week, and consistent content and tutors. The program is estimated to support over 200,000 students in [87 school districts](#) over three years, which is projected to cost the state \$200 million in ESSER funds. TN ALL Corps provides matching grants for tutoring, with the state contributing \$700 and districts contributing \$800 per student, funded through federal relief money until summer 2024.

With the passage of the Tennessee Investment in Student Achievement Act in 2022 — the state's new K-12 funding formula — Tennessee will continue to invest in literacy tutoring by providing [\\$500 per fourth grade student](#) who needs additional support.

Final Thoughts

While traditional K-12 expenses remain viable, investing in innovative solutions can improve education services and programs. By drawing inspiration from states that successfully implemented strategies highlighted in this Policy Guide, other states can adapt these programs to the unique challenges they face. However, it is important to note that designing and implementing innovative policies requires careful planning, ongoing investment and a commitment to sustainability. States and districts can foster the growth of innovative education approaches over time by collaborating closely, involving community stakeholders and continuously monitoring student outcomes.



About the Author

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