GATES VENTURES

Covid-19 Implications on Select K-12 Education Trends

Grunwald Associates LLC

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Roadmap for Discussion

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Teacher Attrition

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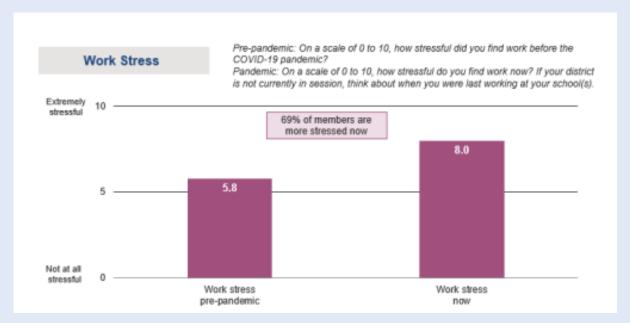
Teachers indicate that stress exacerbated by the Covid-19 pandemic may be a catalyst to exit their profession--but high rates of teacher attrition are not yet evident nationally. However, local teacher shortages are already causing concern.

Higher Stress and a Shaky Long-Term Commitment

COVID-19 &
STRESS TOP
REASONS TO
LEAVE
TEACHING

- ~1/2 of teachers who left during the pandemic cited COVID-19 as the reason
- Stress was cited ~2x as often as insufficient pay

SOURCE: Stress Topped the Reasons Why Public School Teachers Quit, Even Before COVID-19, RAND Corporation, 2021



SOURCE: NEA Vaccine and School Reopening Tracking Survey, September 2021

UNCERTAIN LONG TERM TEACHING COMMITMENT

	Pre-Pandemic	Current
Planning on working to retirement	74.2%	69%
Probability of leaving teaching within the next 5 years	24%	30%

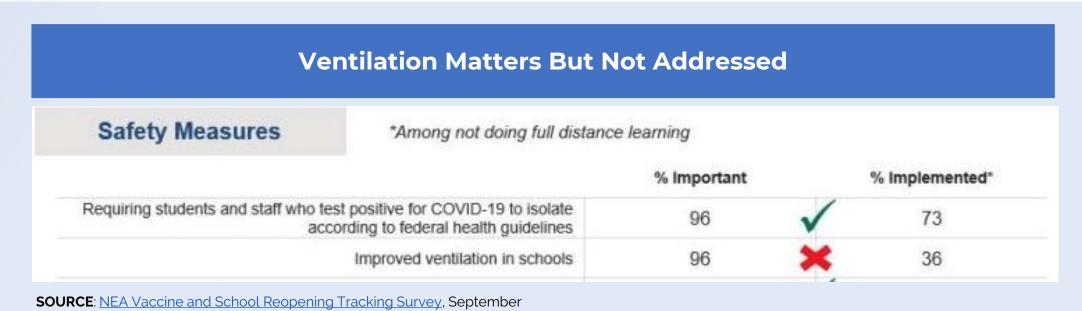
SOURCE: Understanding how COVID-19 has Changed Teachers' Chances of Remaining in the Classroom, University of Arkansas, August 2021,

Impact of Working Conditions

"We know from the <u>research</u> that teachers who perceive their school in poor conditions are more likely to leave the profession. In general, low wealth communities have worse working conditions."*

Interview with Mary Filardo, Executive Director, 21st Century School Fund, September 17, 2021

*Buckley, J., Schneider, M., & Shang, Y. (2004a). The effects on school facility quality on teacher retention in urban school districts. Washington, DC: National Clearinghouse for Educational Facilities



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2021

Acute Teacher Shortages

Certain Districts Face Alarming Rates of Vacancies

- LA School District has more than 500 teacher vacancies, a fivefold increase from previous years as reported <u>September 22 in the LA Times</u>
- Shelby County Schools, Tennessee, started the year with 217 open teaching positions, up from 63 the previous year according to their <u>September school</u> <u>board meeting</u>
- A <u>Florida Education Association survey</u> showed a 38.7% increase in vacancies compared to prepandemic levels
- Eastpoint School District (MI) started the school year with ¼ of the teaching staff unfilled (~43); the middle school moved to remote learning, as reported in The Detroit News, September 20, 2021

Regional Teacher Turnover

- Majority (55%) of pandemic teacher "leavers" exited schools located in the South
- Similar to pre-pandemic levels
- Consistent with finding from multiple studies

SOURCE: Stress Topped the Reasons Why Public School Teachers Quit, Even Before COVID-19, RAND Corporation, 2021

Some Positions Hard to Fill

- **Substitute Teacher**: Denver Public Schools can fill only 73% of vacancies with a substitute compared to 93% last year (<u>Denver Post</u>, 9.15.21)
- DC report shortages of special ed teachers, as cited in Council for Exceptional Children

Superintendent Exodus

"AASA is obtaining hard data from our state executives about turnover in their states, but there is no doubt that this year we have personally heard from a much greater number of superintendents indicating that they were leaving their post, not because of retirement or relocation to another district, but specifically due to the difficulties and stress created by the pandemic and other factors."

Daniel A. Domenech, Executive Director AASA (The School Superintendents Association), September 2021



"In February 2021, 40% of all public school students in Colorado were attending a school district that was looking for a new superintendent."

Carl A. Cohen, Professor Emeritus of Claremont Graduate University

School Funding

An unprecedented amount of new funding is flowing into public schools. While there is limited current data about how this money is being spent, indications point to less innovative expenditures amidst worry about the impending fiscal cliff. Some observers are concerned that new equity policies may not be as effective as intended.

Covid-19 Relief Money

Covid-19 Relief Funding	K-12 Total	Obligated By
CARES Act (March 2020)	\$13B	September 2022
CARES Act II (Dec 2020)	\$54B	September 2023
American Rescue Plan	\$123B	September 2024

SOURCE: How to Spend Federal Aid to Help Students While Avoiding a Fiscal Cliff, Edunomics Lab, Georgetown University, April 27, 2021

AMERICAN RESCUE PLAN (ARP)

- Distributed to states on a Title 1 poverty formula
- States reserve 10% for their own use and 90% allocated to districts based on their Title 1 formula

States

- 5% (\$6B) for learning loss
- \$3.04B Unencumbered

Districts

- 20% (\$22B) for learning loss
- 80% Unencumbered (\$90B)

SOURCE: Interview with Jon Bernstein of the Bernstein Strategy Group, September 20, 2021

Spending Priorities Vary

District Leader Covid-19 Relief Spending Plans				
%	Category	Notes		
75 %	Summer School/Enrichment Activities			
66%	Specialist Staff (e.g., social workers, reading specialists)	Urban, Rural and Suburban equally likely; hiring challenging with one-time funding infusion		
62 %	Technology (devices and/or internet connectivity)	Rural districts much more likely; reoccurring tech costs challenging with one-time funding infusion		
61%	Professional Development for Educators	Suburban districts least likely to use ARP for this		
57 %	School Renovations or Construction	Rural districts spending most of their allocation on facilities;		
52%	Implement Social-Emotional Learning Practices and/or Trauma-Informed Training			
44%	High-Intensity Tutoring			
42%	Add Learning Time by Paying Staff to Work Longer/More Days	Urban districts far more likely than rural		

SOURCE: School District Spending of American Rescue Plan Funding, AASA, September 2021

Inequitable Facility Funding

"Inequitable funding for facilities is particularly acute and may take a large hit after the fiscal cliff as, on average, 77% of facilities funding is from local sources. Given tension between funding for books or bricks...we think it is likely that facilities will continue to be under-funded and deferred"

Interview with Mary Filardo, Executive Director, 21st Century School Fund, September 17, 2021

REFERENCE: <u>2021 State of Our Schools: America's PK-12 Public School Facilities</u>, a joint publication of the 21st Century School Fund. Inc, the International WELL Building Institute pbc, and the National Council on School Facilities

Percentage of ARP funding planned for facilities?



45% of districts indicated they would spend between 1-10% of ARP funding on school facilities improvements.



13% of districts indicated they would spend between 11-15% of ARP funding on school facilities improvements.



17% of districts indicated they would spend between 16-25% of ARP funding on school facilities improvements.



16% of districts indicated they would spend between 26-50% of ARP funding on school facilities improvements.

NOTE: Rural districts much more likely than other districts to spend more than 25% of their ARP on facility enhancements

SOURCE: School District Spending of American Rescue Plan Funding, AASA, September 2021

Funding and Equity

"The federal government's continue reliance on Title 1 – a flawed formula that places considerable weight on the number of students in poverty rather than the percentage of students in poverty—leads to larger, more urban districts receiving substantially more funding per pupil than smaller, more rural, or poorer districts"

School District Spending of American Rescue Plan Funding, AASA, September 2021

MAINTENANCE OF EQUITY PROVISION (MoEquity)

What is It?

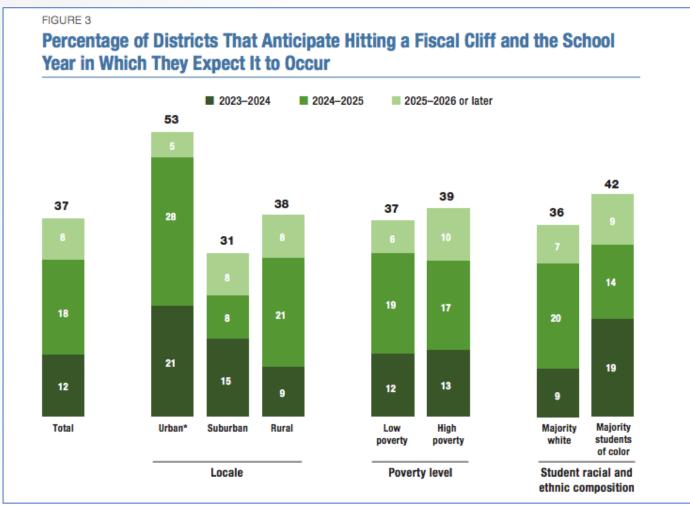
- New language in American Rescue Plan requiring districts to protect high-poverty schools from disproportionate budget cuts
- Every district must rank each of its schools in terms of poverty and 25% of a district's highest-poverty schools are protected for the purposes of MoEquity
- Protected schools must meet a spending and staff test (no decline in per-pupil spending or staff/pupil over the next two years as compared to 2020-21)

Concerns

- <u>Lack of Data</u>: relies heavily on estimates and projections; limited state collection of school spending
- Outliers: previous year anomalies, if any, must be protected
- <u>Existing Equitable Districts</u>: districts are compared with their own prior spending, so districts that were already equitable are held to a higher standard
- <u>Counterproductive</u>: to meet MoEquity, districts may have to override existing equity efforts

SOURCE: Maintenance of Equity: A New Provision with Big Implications for District Budgeting, Education Next, August 19, 2021

Fiscal Cliff Concerns



"Many districts are spending Covid-19 relief funds on technology and broadband connections but federal funds for this expenditure will expire. Unless there are supplemental funds, there will be no money left to spend on connecting kids at home which means that if you've connected six or seven million kids to broadband services, you will have to either shut them off or find another way to pay for them."

Interview with Jon Bernstein President of the Bernstein Strategy Group September 20, 2021

SOURCE: The K-12 Pandemic Budget and Staffing Crises Have Not Panned Out—Yet, RAND Corporation, August 2021

Wellbeing

In addition to emotional wellbeing, students' physical wellbeing has also been aversely affected during the pandemic with an alarming rate of weight gain

Alarming Rate of Obesity

Accelerated Rate of Weight Gain

An analysis of over 430,000 children aged two- to 19-years old before and during the pandemic:

- Monthly rate of BMI (body-mass index) increase nearly doubled during the COVID-19 pandemic
- Rate of change of BMI in children with existing obesity was 5.3 times as high during the pandemic compared to the period prior to the pandemic
- Children ages 6-11 experienced the largest increase in their rate of BMI change (2.5 times as high as pre-pandemic rate)

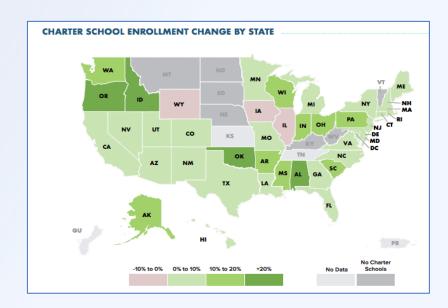
SOURCE: Longitudinal Trends in Body Mass Index Before and During the COVID-19 Pandemic Among Persons Aged 2-19 Years, Center for Disease Control and Prevention, September 17, 2021

Student Attrition

Student Attrition

To Charter Schools

- Charter school enrollment increased by 7% during the pandemic (4.6% pre-pandemic)
- Up 65% in Alabama and 78% in Oklahoma



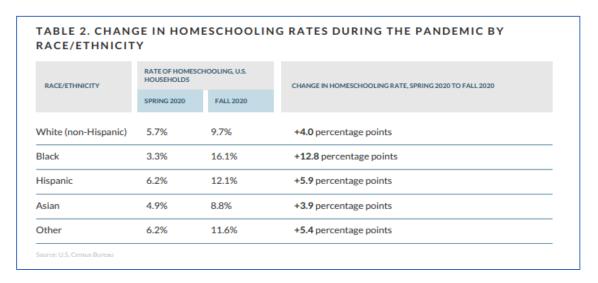
SOURCE: <u>Voting with their Feet</u>: National Alliance for Public Charter Schools, September 2021

To Nowhere

- 0.6 million fewer students enrolled in any school in 2020-21 than 2019-20
- ~30% would have been Kindergarteners; unknown if enrolled in 2021/22

To Home Schooling

- 1.5 million more students opted for homeschooling
- Black and Hispanic families now have the highest rates of homeschooling



SOURCE: The Overlooked, Bellwether Education Partners, August 2021 (for both Homeschools and Nowhere)