



Study Profile: Study of District and School Uses of Federal Education Funds

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Background

Federal funds, which account for less than 10 percent of K-12 education spending nationally, can play an important role, particularly in communities that are lower-income or have lower-performing schools. Although each federal education program has unique goals and provisions, they often allow funds to be used for similar purposes and services or overlapping populations. Congress provided state and local education agencies greater flexibility in their use of federal funds through the 2015 reauthorization of the Elementary and Secondary Education Act (ESEA). Congress also created the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide funding and flexibilities for states and districts to respond to the COVID-19 emergency in K-12 schools.

Policymakers remain interested in how federal dollars are spent. This study will examine how funds are distributed and used from the CARES Act as well as five major federal education programs: Part A of Titles I, II, III, and IV of ESEA, and Title I, Part B of the Individuals with Disabilities Education Act (IDEA). Together, the non-CARES Act programs in the study account for about 80 percent of total funding for the Department's elementary-secondary programs, or \$32 billion.

Research Questions

- **What do federal programs add?** How much do the federal programs in this study increase the level of per-pupil funding over what is provided through state and local sources? How does this vary across districts and schools?
- **Where does the money go?** To what extent are federal funds — including those from the CARES Act — reaching the districts and schools with the greatest needs?
- **What does the money buy?** To what extent do districts and schools use federal funds for instructional staff, professional development, technology, student support services, and other resources? How does spending from federal funds differ from state and local spending? How do local agencies use funding from different sources to support, for example, the education of students with disabilities?
- **To what extent do districts make use of flexibilities provided through ESEA, IDEA, and the CARES Act?**

Study Design

This descriptive study will collect detailed fiscal data from the data systems of a nationally representative sample of 400 school districts, including revenue, expenditure, and personnel and payroll data, for up to four consecutive school years: 2018-19, 2019-20, 2020-21, and 2021-22. In addition, the study will collect data on federal funding allocations from states to school districts and from districts to schools, and conduct interviews in a smaller set of districts to examine how districts and schools use various funding sources to meet the needs of students with disabilities.