**Fiscal Facts: How Are School Districts Spending Their Federal Relief Funds?**

Wisconsin school districts were allotted nearly $2.4 billion in one-time federal pandemic relief funds. They have spent much of that, and have until September 2024 to spend the large amounts that remain.

A recent Forum analysis looking at all Wisconsin school districts found in their initial rounds of federal aid spending, that districts targeted immediate pandemic needs such as health and safety, educational technology, and remote instruction.

These dollars went predominantly toward investments that can be broadly classified as educational technology, and preparedness and response to COVID-19, followed by addressing long-term school closures.

Sample specific costs associated with each of these categories include student laptops, hotspots, and instructional software (educational technology); personal protective equipment and staff training on minimizing disease spread (preparedness and response to COVID-19); and instructional materials, curriculum costs, staff professional learning, and salary reimbursements for educators’ planning time to adjust to new learning environments (addressing long-term school closures).

When we broke out these statewide totals by districts’ locale, size, and demographics, we found that these three categories remained the top categories for spending regardless of district type or size.

Meanwhile, districts with more than 50% of students from low-income households spent the greatest proportion of their initial allotments of federal aid on educational technology. This bolsters [previous Forum research on the “digital divide”](https://wispolicyforum.org/research/wisconsins-digital-divide-and-its-impacts-on-learning/) that showed technology needs were greatest for districts serving the most students from low-income households and students of color.

More recent federal aid spending has addressed student and district needs more broadly. Addressing long-term school closure rose to the top, while educational technology dropped to a smaller share of the total. The share of spending on preparedness and response to COVID-19 remained relatively stable

Districts across the country face the challenge of determining how to use federal relief funds for the unique demands of COVID-19 without leaving budgetary holes when the one-time funds expire. For Wisconsin districts, the 2021-23 state budget heightened this tension by providing no increase to state revenue limits on local property taxes and state general school aids.

The bulk of federal aid dollars were allotted in the form of Governor’s Emergency Education Relief (GEER) and Elementary and Secondary School Emergency Relief (ESSER), the latter of which has been allotted in three rounds. Large sums of federal aid to schools remain to be spent, especially with regard to the third and most recent round of ESSER funds.

With most districts still facing a convergence of financial challenges, strategic use of remaining dollars will be critical for fiscal health and successful student outcomes.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at* [*wispolicyforum.org*](https://wispolicyforum.org/research/state-tax-burden-up-but-overall-burden-still-falling/)*.*