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Using Stimulus Funding to Instill Public Confidence

Strategic asset management can help districts create plans to improve infrastructure and instill public confidence in education.

By Steve Roth

Schools experienced a historic influx of federal funding as they reopened this fall, marking heightened stakes to create lasting change with short-term funding. At the same time, as the COVID-19 delta variant continues to push near-term problems back to the top of every school’s priority list, even midway into the school year, this picture becomes only more complicated.

How can schools use their resources most efficiently to target current problems before funding expires in 2025, while still building toward long-term improvements and stability for students and staff?

An August 2021 study of more than 1,000 U.S. consumers reveals that 55% believe schools are better equipped to handle another major education disruption in the future; however, most Americans don’t have confidence in their community schools’ infrastructure (Roth 2021). In fact, most people don’t believe their schools are in better condition or even safer than they were five years ago.

Educational institutions of all types—including K–12 schools, private institutions, and colleges and universities—have an opportunity to capitalize on the public’s confidence in school preparedness to alter this negative
perception of school infrastructure, especially as 35% of consumers see technology as the top priority for improving community schools.

As educational institutions prepare for the incoming federal government stimulus, strategic asset management (SAM) can help leaders create plans that optimize available resources and consider the long term, extending the life of funding and setting schools up for success well into the future.

**Key Considerations**

The first step in implementing change is to navigate the rules, guidelines, and expectations for stimulus funding, which can be complicated. Organizations that are prepared to prove their infrastructure needs and demonstrate the positive impact of funding on schools to their stakeholders and local community fare better when it comes to securing dollars and putting them to effective use.

Evidencing these needs begins by accessing accurate data on the current state of infrastructure or assets, which districts can do by completing a comprehensive facility condition assessment. Once that’s complete and funding is secured, business administrators can ensure that they’re making a difference in the lives of the local school and students for years to come by using these funds strategically.

Before reconfiguring their budgets or developing plans, school business administrators must understand a few key restrictions about the various stimulus funds at play.

► The biggest requirement of the American Rescue Plan is that 20% of the funding must be used to address learning loss, or the loss of knowledge and skills that students experience when they’re not in school. Additionally, the law states that administrators cannot use federal dollars to replace state dollars, which means administrators must supplement—not supplant—funding.

For funds to qualify under this 20% rule, administrators must prove that the intervention is evidence-based. For example, administrators could produce data showing that if the school implements a certain approach, it will increase student achievement by a specific amount.

► Of the Elementary and Secondary Education Act funds, 5% must address learning loss, and 1% must go toward evidence-based after-school care. States can spend up to 0.5% on administrative costs, and the remaining funds can be used on any of the allowable programs or purchases.

► The local education agency requires that 20% of funding be used for evidence-based intervention that makes up for learning loss. Schools then have the freedom to spend the remaining 80% on local needs and priorities.

Another complication for school administrators is the 2025 deadline for spending federal funds. It’s no easy task to spend such a large amount of money in such a short time while ensuring that regulations and requirements are met and that any changes or improvements won’t burden a more restricted budget later on.

**SAM Modeling**

The expectation is that state funding won’t come close to bridging the gap left from the cessation of federal stimulus funding in 2025. So it’s more important for district leaders to rely on predictive insights to streamline operations, extend the life of valuable assets, and make smarter decisions for the future.

**When district leaders communicate data to the public, they can regain confidence in school infrastructure.**

That is where strategic asset management comes into play. SAM modeling will help determine the best use of the available budget, as well as alternative outcomes to use based on access to additional funding sources. No matter the budget at hand, SAM modeling is the wisest approach.

Through SAM modeling, district leaders can gain a clear understanding of their operations, maintenance, and facilities to better understand the state and life of assets—like heating, ventilating, and air-conditioning (HVAC) systems—and make data-driven decisions that improve school infrastructure to support student performance.

Although using data can enable administrators to make confident long-term capital planning decisions and predict the impact, it can also enhance visibility and transparency among constituents. When district leaders communicate data to the public, they can regain confidence in school infrastructure. And it’s this confidence in district leadership that will allow for truly sustainable change.

**Putting the Windfall to Work**

Once district administrators have a solid understanding of their operations and constituents feel that their voices have been heard, it’s time for the district to be bold in executing the funding and putting the windfall to work.
Now that scarcity won’t be the ruling principle for some of these historically underfunded schools, administrators can finally implement the plans that appeared out of reach for decades. Although many district leaders say they are still acting somewhat cautiously and avoiding recurring costs—such as salary boosts or hiring sprees that could be difficult to sustain when the money runs out—there are many other ways to be creative with the funding that could make a real impact on students’ lives and their school experience.

Starting at a high level, the funding could be applied to physical infrastructure like classroom setups or HVAC systems. Aging school infrastructure is a nationwide problem, with most U.S. school buildings being on average 44 years old. The American Society of Civil Engineers gave U.S. school infrastructure a D+ recently—compared with a C− for the country’s infrastructure as a whole—reporting that only 4 in 10 public schools have a long-term plan to maintain their facilities (ASCE 2021).

Schools must be able to solve short-term needs—like improving ventilation systems and investing in HVAC upgrades—and to plan funds for future improvements in building conditions and other school infrastructure.

Moreover, because the definition of professional development has been waived, schools have more learning opportunities that they can offer teachers online with the funding. Many schools are using funds to purchase education technology, such as hardware, software, adaptive equipment, connectivity, or assistive technology.

By looking outside short-term purchases and programs, schools can use this opportunity and the incoming stimulus funds to change the student experience.

**Focus on the Students**

In addition to implementing new programs and equipment, it’s important for school administrators to think about how they can best measure student impact. Studies show that the physical environment in which kids learn affects everything from student behavior and truancy rates to memory and academic achievement. Heating and cooling systems, air quality and filtration, acoustics, and general maintenance all make an enormous difference to student health and performance.

By looking for tools that assess student learning and progress gaps, administrators can draw a more holistic picture of how these funds are being used, and use those insights to inform their go-forward strategy and to better partner with the local community.

Students and teachers have gone through a very challenging two years, to say the least. In 2021 and beyond, closing the gaps in facilities funding is a critical step toward ensuring that all of the nation’s public schools meet modern standards for health, safety, and educational suitability.

**Bridging Progress Gaps**

SAM modeling and strategic capital investments can help administrators create healthier environments and reduce the financial and environmental costs of operating and maintaining schools, now and in the future. By gaining a solid understanding of their operations, school administrators can make great strides in both bridging progress gaps imposed by the pandemic and planning for a brighter, safer, more equitable future for all.

**References**


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