Education received 4.6% of all the federal pandemic funds received by Colorado. Elementary and Secondary School Emergency Relief Fund I (ESSER I) was the first round of federal funding to support schools. The ESSER I funding obligation deadline has passed and ESSER I funds are no longer available to support schools. ESSER II and ESSER III are still under way and will be addressed in future documents. The following are key takeaways for ESSER I:

1. The primary focus of ESSER I spending was to address the immediate health, operational, and economic crises in an uncertain and evolving environment during the global pandemic.

2. According to preliminary data, statewide, the three largest ESSER I expenditures by districts went to:
   - Supporting equitable access to and effective use of technology
   - Stabilizing a diverse and qualified workforce
   - Providing all students with access to a safe and inclusive learning environment

3. Colorado School Finance Project’s ESSER I Key Takeaways

   **HEALTH CRISIS**
   - Communities were fearful for their families and livelihoods. School personnel were front-line essential workers. The priority of addressing the mental health and social-emotional wellbeing of students and school personnel was heightened.

   **OPERATIONAL CRISIS**
   - School leaders were faced with many new operational challenges:
     - how to operate schools remotely
     - how to offer in-person learning
     - how to fulfill health department requirements for in-person learning
     - how to accomplish these items with ever changing timelines and deadlines.

   **ECONOMIC CRISIS**
   - School leaders navigated economic insecurity as state-level budget cuts forced the Budget Stabilization Factor—a mechanism used to cut state funding to schools—to double at the same time the crisis hit.

   These priorities aligned with the CEI/CDE Colorado Needs Inventory survey conducted at the beginning of the pandemic.

   Even when considering school district size and student demographics, these priorities remained consistent.

Colorado was allocated $121 million from the U.S. Department of Education from the ESSER I Fund. Of the total allocation to Colorado, CDE allocated 90% to local education agencies (LEAs) and reserved 10% for discretionary use.

As some school districts did not receive Title I funding, CDE provided supplemental funding using the 10% discretionary fund to ensure all districts had some level of financial support.

Investment decisions needed to respond to pandemic-related challenges based on most urgent local needs.

**Background**

In March 2020, addressing the Novel Coronavirus (COVID-19) and its implications for schools became an emerging and rapidly evolving situation that required coordination with the Colorado Department of Public Health and Environment (CDPHE), local public health agencies, the Colorado Department of Education (CDE), and the Governor’s Office.

In response to the COVID-19 pandemic, Congress passed three stimulus bills that included funding for education. The Coronavirus Aid, Relief, and Economic Security (CARES) Act passed in March 2020 and was allocated to schools that summer. Elementary and Secondary School Emergency Relief Fund (ESSER I) dollars were appropriated to states based on the federal Title I formula, which is intended to provide additional resources to schools in communities with higher poverty levels.

Schools were closed for in-person learning on March 18, 2020 for an indeterminate time. During this time school leaders were operating under several challenges and pressures:

- Unknowns around the health and safety concerns for operating schools
- Incomplete, conflicting, and evolving information regarding pandemic response
- Duration and magnitude of crisis
- Challenges around multi-agency coordination
- Dramatic loss of state funding
- Complexity of communication in quickly evolving environment
- Rapid timeline combined with urgency to allocate pandemic relief funds created challenges for school districts
- Limited resource capacity for planning due to pandemic challenges

ESSER I funds are one-time—meaning they are not ongoing—and must be obligated by September 30, 2022. As of the September 27, 2022 ESSER I Distribution Report, 94.1% of ESSER I funds have been spent.