

Federal funding fueled school hiring spree; now the money's running out



Credit: Natrice Miller / Natrice.Miller@ajc.com

Administrators interview potential teachers and employees at a job fair held at the DeKalb School District Headquarters on Thursday, July 21, 2022. (Natrice Miller/natrice.miller@ajc.com)

By [Ty Tagami](#) Jan

14, 2024

Georgia's public schools went on a hiring spree with emergency COVID-19 money.

It helped them shore up staffing, but there's a problem: That money will run out in 2024.

Many of those new positions were funded by a massive, but temporary, increase in federal funding. The money went to schools nationwide as a way to alleviate pandemic disruptions and blunt academic losses. Georgia [was awarded \\$6.5 billion](#) in aid.

Schools have until next fall to finish spending it. Then, they'll be standing at the precipice of what observers have been calling a "fiscal cliff." District leaders will have to figure out how to cover their increased staffing costs, likely with minimal outside help.

“I’m terrified about that,” said Stephen Pruitt, an expert on education in the South.

“When that federal money dries up, either the school districts are going to have to find a way to fund those teachers or we’re going to see all those teachers’ salaries go away,” said Pruitt, president of the Southern Regional Education Board.

Gwinnett County’s school system has 15% more employees than it did six years ago but 2% more students, according to an Atlanta Journal-Constitution analysis of Georgia Department of Education data. Atlanta Public Schools grew its staff 14% while enrollment fell 5%. Staffing in Fulton County is up nearly 3% while enrollment is down nearly 8%. Cobb reduced staffing early in the pandemic but by this fall was back to about the same number of employees it had in 2017. Enrollment, meanwhile, dropped by more than 5% during those six years.

A survey for the state Education Department says 85% of responding school systems and charter school networks reported using the federal cash to hire teachers and other staff.

Dana Rickman, whose organization was commissioned to do the study, suspects many school districts used their short-term funding for long-term personnel decisions.

To mitigate learning loss, one generally needs more teachers spending more time with more students, said Rickman, president of the Georgia Partnership for Excellence in Education.

“They all did,” she said. “They had to hire.”

School leaders told her group that they hoped local and state funding would rise enough to absorb the costs. But state funding, which already [accounts for about half](#) of school budgets, is distributed based on enrollment. And with student counts shrinking, that stream of money is unlikely to grow much. [Explore School funding formula back on the minds of Georgia lawmakers](#)

The next major source of revenue is local taxpayers. They may see rising property tax bills.

Consider what’s happened in DeKalb County. Last summer, the school board cut the tax rate by a tenth of a mill. But taxpayers are paying far more, because property values grew. The [district took in at least \\$70 million](#) more than it had the prior year. Property values have swelled so much that DeKalb is collecting about \$300 million per year more than it did before the pandemic, when property taxes generated just over \$550 million, according to district [budget documents](#).

School systems with slower economic growth may not have that option.

“Those are the ones where we’re going to see some really tough decisions,” Rickman said. “It’s going to be real uneven across the state.”

Schools with more students from low-income households got more of that federal money. So she said lower-performing kids, even in wealthier districts, could be affected as services are trimmed. Schools used the money for things like tutoring and after-school programs meant to fill knowledge gaps that opened during the pandemic.

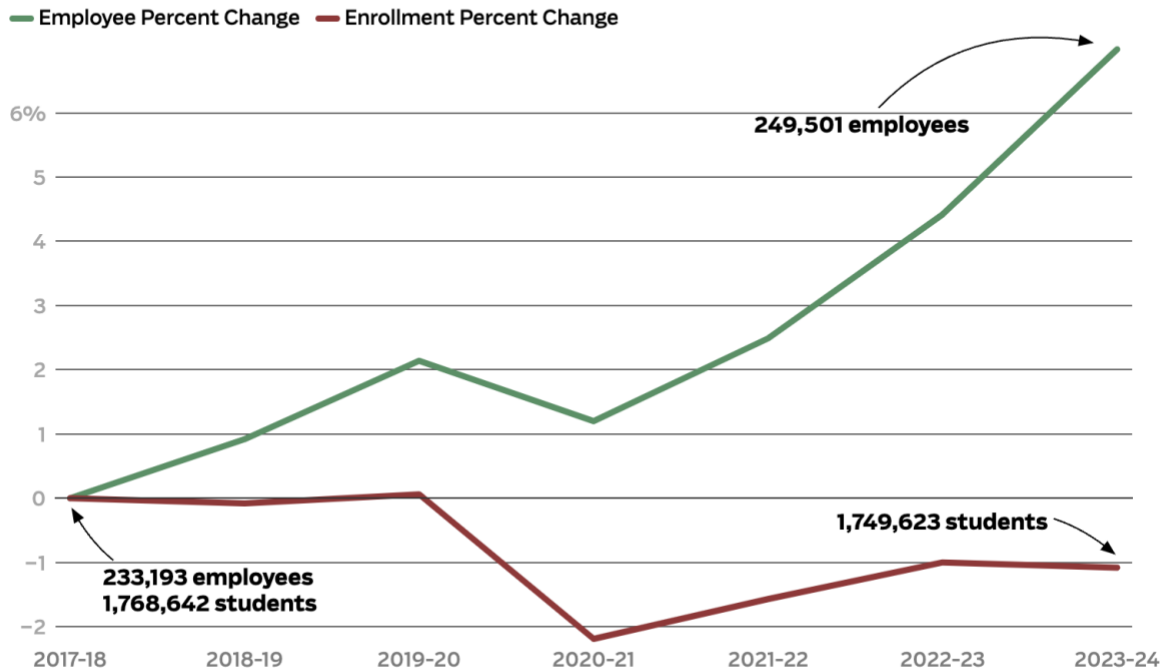
“The districts with the highest need got the most money,” she said, “but they’re going to see the biggest clip.”

Georgia: More teachers, fewer students

Hiring in Georgia school districts has been outpacing enrollment growth, particularly since COVID-19 started. Many districts used federal pandemic aid to bolster staffing and address learning loss and mental health. That money runs out next year, so districts that relied on short-term funding for long-term personnel decisions may soon face a reckoning.

Click a button to see data for the different school systems:

[Atlanta](#) [Cobb](#) [DeKalb](#) [Fulton](#) [Gwinnett](#) [Statewide](#)



Source: Atlanta Journal-Constitution analysis of enrollment and personnel counts from the Georgia Department of Education.

The Atlanta Journal-Constitution

‘That teetering moment’

The fiscal cliff is a national phenomenon, as was the increased hiring amidst flagging enrollment.

Marguerite Roza has been using the word “bloodletting” to describe what’s coming. The education finance expert at Georgetown University told school leaders and others who attended a recent training session that the sudden injection of federal money had inflamed an already competitive labor market. It became “like combat hiring” for teachers, she said, as administrators got into bidding wars, poaching them from neighboring districts.

“We are in that teetering moment where we were hiring, hiring, hiring, and we couldn’t find enough staff,” she said. “And now we’re looking at next year’s budget and going, ‘You know, I’m really kind of hoping some of them leave.’”

Roza, a research professor who runs the Edunomics Lab at Georgetown, said in a subsequent interview that school [staffing is at historically high](#) levels.

The federal funding had fueled what she called a “massive hiring event.” Yet the student count was already falling due to declining birthrates. Then, many parents [pulled their kids from public schools](#) after the prolonged closures due to COVID-19.

New reporting and an analysis by The Associated Press finds that students across the country, [and in Atlanta](#), slipped from public school rolls as [private school and homeschooling counts climbed](#).

In Georgia, private and homeschool enrollment rose by about 18,000 students from the 2019-20 school year to last school year, according to data shared by the AP. Public school enrollment fell by a similar amount.

Atlanta Public Schools told the AJC it anticipates “some positions” will be “impacted” and some may be “absorbed” into its budget.

Cherokee County said it used the federal money to add teachers and reduce class sizes during the pandemic. With no local tax hikes planned, the district is anticipating that class sizes will rise back to pre-pandemic levels as retiring teachers are not replaced.

“We have no plans to raise the millage rate and we have no plans to cut teaching positions, but we do anticipate that we may be hiring fewer new teachers in the spring,” the district said.

DeKalb said it faced a “significant” challenge but one that does not “automatically require a workforce reduction.”

Fulton said some who were hired with that temporary federal money, such as dozens of [literacy coaches](#), would likely be shifted into the regular budget. But at a recent symposium, Cliff Jones, the Fulton chief of staff, said there would likely be cutbacks in services such as summer school and tutoring, which has been especially effective for learning loss. Tutors might serve groups of ten students rather than one to three kids at a time, he said.

Gwinnett, Georgia’s largest school district, said it was only just beginning to study its situation.

Angela Orange, a Marietta school board member who attended the Georgetown training, said school districts may have to triage their staff, shifting educators from less effective programs to those that clearly improved academic outcomes.

“I don’t foresee Marietta laying off a bunch of teachers, laying off a bunch of staff,” she said.

Still short teachers

Despite all the hiring, there are still teacher and staffing shortages.

Amy Sharma, a parent at Sutton Middle School in Atlanta, said in December that one of her daughter’s teachers was absent and there was no substitute a half dozen times during the fall semester.

“There’s literally a piece of paper on the classroom door that says, ‘no teacher today, no sub,’” Sharma said. The students’ names were listed, with lines separating them into small groups directed to other classrooms, she said. Since the school uses Google classroom, her daughter could sometimes do

homework. “And if there is not a computer cart there, you can listen to whatever that class is on or you can play on your phone,” Sharma said.

She said she knew several other parents with similar stories. One of them told the AJC that her daughter had five of six teachers missing for several days in October, also without substitutes.

An Atlanta schools spokesman said that wasn’t true — that there were always substitutes. But the spokesman acknowledged that one of the missing teachers had been promoted out of the job and that it took time to find a replacement.

The National Center for Education Statistics, a federal agency, reports that teacher shortages endure but have eased. The percentage of public schools that [reported teacher vacancies](#) stood at 37% in October, down from 44% the year before.

Explore [THE NEW CLASS: First-time teachers apply lessons learned to next steps](#)

In addition to hiring regular classroom teachers, schools used their federal funding to bring on academic interventionists, paraprofessionals, instructional coaches and others who typically float between classrooms, helping students who have fallen behind.

Lisa Morgan, president of the Georgia Association of Educators, said those hires boosted employee counts but “masked” a shortage of regular teachers.

Morgan said she hopes schools that face budget cuts will choose to move more of those support teachers into full-time classroom roles. She also said she was surprised by how many school districts made long-term hires with that short-term federal money that expires next fall.

”Because,” she said, “we knew this was going to happen.”