



**POLICY, TIMELINES, & OPPORTUNITIES**

# **THE 2025 - 2026 K-12 FUNDING PLAYBOOK**

**YOUR COMPLETE GUIDE**



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# INTRODUCTION

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In recent months, the landscape of federal education funding has shifted rapidly, from delayed budget approvals and temporary funding freezes to the rollout of sweeping new policies under the “Big Beautiful Bill.” For school and district leaders, navigating these changes while planning for the upcoming school year has never felt more uncertain — or more important.

This guide was created to bring clarity.

It's designed for educators and administrators who are trying to make smart, sustainable decisions about how to fund critical programs — including tutoring — without relying on a single source of support. Whether you're focused on before-, during-, or after-school initiatives, this resource outlines the current state of federal education funding, highlights key milestones and deadlines, and showcases the flexibility still available through major funding streams like Title I, IDEA, and 21st Century Community Learning Centers.

You'll also find insight into the political dynamics shaping policy decisions, from school choice incentives to evolving guidance on DEI, AI, and civil rights enforcement.

Most importantly, this isn't just a summary — it's a strategic tool. We hope you'll walk away with a better understanding of:

1. What funding is available right now (and what's still in limbo)?
2. How to layer and braid resources across programs,
3. And where to focus your planning and advocacy efforts in the months ahead.

Let's dive in.

# OVERVIEW OF THE 2025–2026 FEDERAL EDUCATION BUDGET

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## A Year of Delay & Disruption

Historically, the federal education budget is finalized in early spring, but this year, the process stretched into the summer. For months, many programs operated under continuing resolutions (CRs), which temporarily extended prior-year funding without the flexibility or increases promised in new legislation. This created significant uncertainty for district leaders, particularly around after-school programs, summer learning, and support services for English learners and students with disabilities.

In mid-July 2025, Congress and the Department of Education finally reached consensus on a finalized budget under the larger umbrella of what the Trump administration dubbed the “Big Beautiful Bill.” This sweeping legislation included a mix of increased funding for school choice programs, temporary freezes on certain grants, and reallocations from federal administrative operations into state-controlled disbursements (USA Today, 2025).

## Key Shifts in Priorities

While the total topline number for education funding remained relatively consistent year over year, the internal allocations shifted meaningfully:

- **School Choice Incentives Expanded:** The 2026 budget increased tax credits and vouchers for private and charter school families, and added federal matching funds for state-led programs (K-12 Dive, 2025).
- **Cuts to Education Department:** The Department of Education was ordered to shrink its staff and budget, with hundreds of roles — including at NCES — reduced or frozen (K-12 Dive, 2025).
- **Delayed Access to Key Funds:** Districts faced delays in accessing Title I, IDEA, and 21st CCLC dollars due to a temporary freeze during updated compliance guidance (District Administration, 2025).

## The Political Undercurrent

Beyond the numbers, this budget reflects a deeper political recalibration of the federal role in education. The administration has positioned this as a shift toward “local empowerment,” offering waivers for some federal reporting requirements and increasing flexibility in how funds are spent, but often with trade-offs, such as reduced federal oversight and loosened guardrails on equity-related accountability.

For districts, this means more autonomy in theory, but more responsibility in practice, especially when trying to braid funds across programs or align tutoring and intervention efforts with allowable uses under Title I or IDEA.

## What It Means for Schools

Despite early turbulence, federal dollars are now flowing — albeit in slightly different streams than many educators are used to. The path forward involves navigating these changes with clarity:

- **Leverage flexibility wherever possible, especially for tutoring programs that fall into intervention, learning recovery, or academic acceleration categories.**
- **Use this guide’s funding breakdowns to understand which sources remain stable and which are evolving.**
- **Plan ahead using the timeline in Section 5 to align funding cycles with your district calendar.**

Federal funding is still available, and in many cases, more adaptable than before. But knowing how and when to access it is key.



# THE “BIG BEAUTIFUL BILL” IMPACTS ON K-12 FUNDING

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Passed in early 2025, the “Big Beautiful Bill” (BBB) introduced sweeping changes to the federal education landscape. While it was framed as a comprehensive overhaul to streamline spending and promote family choice, many of its provisions directly impacted how, and where, education dollars could be used. The bill’s implications have already begun to reshape district planning, state-level allocations, and access to programs like tutoring, afterschool support, and early literacy initiatives.

## Key Provisions Affecting K-12 Education

- **Expanded School Choice Incentives:** BBB increased tax credits and education savings accounts for families choosing private or charter schools, shifting more federal support away from public education—especially in underserved areas.
- **Shift to State-Controlled Funding:** Some federal funds were restructured as block grants to states, offering more flexibility but resulting in inconsistent access and slower implementation across districts.

- **Grant Consolidation Efforts:**

The bill aimed to merge over two dozen education grants, including those for teacher training and afterschool programs. While Congress blocked full consolidation, the proposal delayed district planning.

- **Temporary Freeze on Funds:**

While the bill was under debate, access to key programs like Title I and 21st CCLC was briefly frozen. Though funding later resumed, the disruption impacted staffing and services.

## Short-Term vs. Long-Term Impact

In the short term, the BBB created a funding bottleneck, with many districts unsure of when or how certain funds would resume. In the longer term, the shift toward parental choice and state-level flexibility may force school systems to compete more directly for students, and dollars. Programs that demonstrate measurable impact, like high-impact tutoring, could be in a stronger position to attract funding from multiple sources rather than relying solely on one grant stream.

# FUNDING FREEZE FALLOUT

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The late passage of the 2026 federal budget created a ripple effect for school districts across the country, most notably in the form of a temporary freeze on several key education funding streams. While the eventual release of these funds offered some relief, the delay caused significant disruption for schools trying to plan programming, hire staff, and maintain consistent student support.

## What Was Frozen?

Several critical programs experienced temporary suspension while the Big Beautiful Bill (BBB) and the federal budget were under negotiation:

- **Title I:** Many districts saw an unexpected halt in access to Title I funds used for core academic intervention, especially in high-poverty schools.
- **IDEA (Individuals with Disabilities Education Act):** Funds designated for special education services were delayed, creating concern among districts already struggling with staffing and compliance requirements.

- **21st Century Community Learning Centers (21st CCLC):** After-school and extended learning programs, often reliant on these funds, were paused, jeopardizing tutoring, enrichment, and wraparound services.

## What's Been Released?

As of mid-2025, these federal funds have been released following the finalization of the 2026 budget and new compliance guidance from the U.S. Department of Education. However, delays in issuing state-level instructions and reconciling prior-year allocations have led to an uneven rollout. Some states and districts still lack full access or clear parameters for spending.

## The Impact on Schools

- **Staffing Disruptions:** Uncertainty around funding forced many districts to delay hiring or extend short-term contracts, resulting in staffing gaps, particularly among interventionists and special education staff.

- **Program Delays and Cuts:**

Initiatives reliant on uninterrupted funding, such as after-school tutoring and summer learning, were paused, reduced, or canceled.

- **Planning Challenges:** Without a reliable funding timeline, administrators struggled to schedule programs, assign staff, and confidently renew vendor contracts.

Although the freeze has technically ended, lingering administrative backlogs, increased oversight requirements, and varied state-level procedures have made it difficult for districts to return to normal operations. This highlights the importance of building multi-funding strategies for essential student services, so districts are less vulnerable to disruptions when a single funding stream is delayed.





# MAJOR FUNDING SOURCES STILL AVAILABLE

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## **Title I**

Designed to support high-poverty schools, Title I remains one of the most widely used funding streams for academic intervention, staffing, and supplemental instructional materials. While recent delays caused planning headaches, allocations have largely stabilized. Districts can continue to use Title I to underwrite tutoring, extended learning time, and targeted literacy or math initiatives.

## **IDEA (Individuals with Disabilities Education Act)**

IDEA provides dedicated funding for special education services, staffing, and compliance requirements. These funds are protected by federal law, though late disbursements in 2025 underscored how cash flow interruptions can impact hiring and service delivery. Districts can allocate IDEA dollars toward specialized instructional materials, support staff, and intervention programs for students with disabilities.

## **21st Century Community Learning Centers (21<sup>st</sup> CCLC)**

This program funds after-school, before-school, and summer learning opportunities, often in partnership with community-based organizations. Even during recent freezes, 21st CCLC remained a critical resource for districts aiming to extend learning time, offer enrichment activities, and provide wraparound services. Funds can also be used to embed tutoring and targeted intervention into out-of-school programming.

## **ESSA Flexibility & Federal Waivers**

The Every Student Succeeds Act (ESSA) includes provisions allowing states and districts to shift or consolidate certain funding streams to meet locally identified needs. In 2025, the U.S. Department of Education issued updated flexibility waiver guidance, enabling some districts to redirect funds between programs or extend grant timelines (K-12 Dive, 2025). While not a new source of money, this flexibility can be a strategic lifeline when one funding stream faces delays.

## **Other Persistent Sources**

Beyond the major programs, smaller but important streams, such as Perkins V (career and technical education), Impact Aid, and Title III (English learner programs), remain available. While these may not match Title I or IDEA in scale, combining them can support multi-funding strategies that reduce reliance on any single source.

## **Why This Matters Now**

The past year's disruptions highlighted how fragile single-source funding models can be. Districts that built layered funding approaches, braiding Title I with IDEA, 21st CCLC, ESSA flexibility, and state grants, were able to maintain more consistent student services during federal delays. Going forward, leveraging these stable sources alongside newer or competitive grants will be key to keeping intervention and enrichment programs running without interruption.

# FUNDING TUTORING BEFORE, DURING, OR AFTER SCHOOL

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While many districts are familiar with the major federal funding streams, fewer take a time-specific approach to planning their tutoring budgets. When tutoring occurs, before, during, or after school, can significantly influence which costs matter most, what staffing looks like, and which funds are the best fit.

## **Before School: Early Intervention Without Midday Disruptions**

Morning tutoring sessions often take place in smaller groups, led by interventionists, paraprofessionals, or rotating classroom teachers. Costs typically center on staff stipends, opening facilities earlier, and occasional transportation for students who can't arrive on their own.

- **Funding Tip:** Some districts have paired academic funds (e.g., Title I) with local transportation budgets to cover early bus runs.
- **Example:** In one midwestern district, shifting a portion of professional development funds to support morning literacy blocks allowed teachers to embed intervention without pulling students from core classes later in the day.

## **During School: Leveraging Built-In Access to Students**

In-school tutoring eliminates transportation barriers but requires careful scheduling to avoid reducing core instructional time. Funding often supports substitute coverage, co-teaching models, or technology platforms used for push-in or pull-out tutoring sessions.

- **Funding Tip:** Some districts have used ESSA flexibility waivers to reassign funds from elective course budgets to sustain daily, in-school math labs.
- **Example:** A Texas high school braided special education allocations with digital curriculum licenses to deliver targeted algebra support during advisory periods.

## **After-School: Extending the Day and Expanding Access**

Afternoon tutoring offers flexibility but comes with extra operational costs—snacks, transportation, and security or custodial coverage. This model also provides more time for enrichment activities alongside academic support.

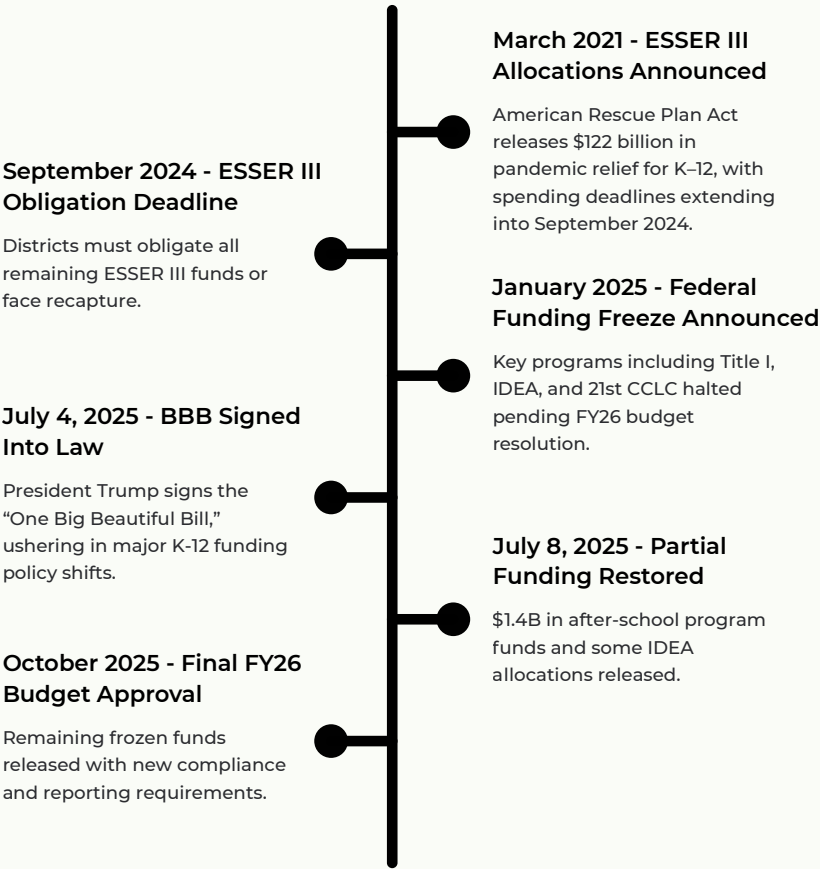
- **Funding Tip:** Many districts have paired after-school program grants with community partner contributions to reduce the per-student cost of extended learning.
- **Example:** An urban district partnered with a local YMCA to share space and staff, allowing them to run a tutoring-plus-recreation program without renting additional facilities.

## Why Timing Matters for Funding

Approaching tutoring budgets through a timing lens helps districts uncover hidden costs and match them to the right funding sources. Before-school programs may lean heavily on transportation and stipends, during-school programs on staffing flexibility, and after-school programs on enrichment and operational support. By planning for these differences, districts can stretch their budgets further and ensure tutoring is both accessible and sustainable year-round.

# ONE-PAGE TIMELINE: KEY POLICY & BUDGET MILESTONES

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## Note On ESSER III Spending Deadlines

ESSER III funds must be obligated by September 30, 2024, but can still be spent through March 28, 2026. This allows districts to finish projects and contracts already approved by the obligation date. (Source: Watershed Advisors – “Navigating Uncertainty in Federal Grants”)

# DISTRICT VOICES & REAL-WORLD RESPONSES

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Policy shifts and budget uncertainty don't just live on paper, they play out in the day-to-day decisions of superintendents, CFOs, and program directors. Across the country, district leaders are adjusting strategies, seeking new funding partnerships, and advocating for more predictable federal and state support.

## Pivoting Funding Strategies

Some districts have shifted from single-source reliance to multi-year, multi-funding plans, deliberately staggering grant cycles so no two major funding streams expire at the same time. *"We used to write our budgets around one primary grant,"* one superintendent told District Administration ("Superintendents warn that funding freeze will force cuts," 2025). *"Now, we layer two or three so we're not vulnerable if one is delayed."*

## Making Programs Leaner, Not Smaller

Rather than cutting tutoring or intervention outright, leaders reported streamlining operational costs, reducing group sizes in fewer sessions, negotiating vendor discounts, or moving some programs online to save on transportation and facilities. As one administrator explained, *"It's about doing more with less, without losing the impact"* (District Administration, "Top 5 challenges educators experience in 2025").

## Advocating for Flexibility

District administrators have become more vocal in requesting deadline extensions, waiver approvals, and flexibility in allowable uses of funds. *"The problem isn't just the money—it's how quickly we can pivot when rules change. We need quicker guidance and less red tape,"* said a district CFO in District Administration ("Superintendents hope for more certainty about federal funds," 2025).

## Building Local Partnerships

In response to the freeze, many districts turned to local nonprofits, higher education partners, and community organizations to co-fund or co-staff key programs, ensuring continuity while awaiting federal disbursements.

## Looking Ahead

Even with the final FY26 budget in place, leaders are keeping contingency plans active. The last year reinforced the value of diversified funding, clear communication channels with state agencies, and active advocacy networks that amplify district needs to policymakers.



# EMERGING POLICY ISSUES TO WATCH

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Federal and state policy changes in 2025 have signaled potential long-term shifts in how districts allocate resources, support diverse learners, and integrate technology into instruction. While not all measures are finalized, these developments are already influencing district planning and strategic priorities.

## **School Choice Expansion**

The “One Big Beautiful Bill” includes significant provisions to expand private school choice through refundable tax credits and education savings accounts, redirecting federal support away from public schools in some regions. Advocates frame this as increasing family options, while critics warn it may further strain high-poverty districts already facing resource gaps.

## **DEI and Civil Rights Guidance**

The Department of Justice and Department of Education issued new Title VI guidance limiting certain diversity, equity, and inclusion training in federally funded schools.

Additional updates to Title IX and Section 504 regulations from the Department of Energy’s reissued guidance have prompted districts to review policies on staff training, student support services, and compliance reporting.

## **AI Integration in Classrooms**

Districts are increasingly exploring artificial intelligence tools for assessment, personalized learning, and administrative efficiency. While early adopters report gains in student engagement and workload reduction, concerns remain about equity of access, data privacy, and the need for clear ethical guidelines. Education leaders stress the importance of pairing AI adoption with professional development so that teachers can use these tools effectively and responsibly.

## **Why These Issues Matter**

Together, these policy areas represent a shift in the levers shaping K–12 education, redistributing public resources, redefining compliance requirements, and introducing transformative technologies.



# RESOURCES & REFERENCES

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## **Cited Sources**

### ***Federal Education Funding & Political Policy Shifts***

1. USA Today – Education Department could shrink under Trump’s ‘Big, Beautiful’ Bill
2. District Administration – This is what a smaller Education Department might look like
3. K-12 Dive – Trump administration to release frozen after-school, summer program funds
4. Watershed Advisors – Navigating Uncertainty in Federal Grants (June 2025 PDF)
5. K-12 Dive – Trump’s FY26 budget plan would worsen rural schools’ challenges
6. K-12 Dive – Public schools, private school vouchers, and the ‘Big Beautiful Bill’
7. K-12 Dive – 3 things to know about school choice in the ‘One Big Beautiful Bill’

### ***Federal Funding Freezes, Lawsuits, and Reversals***

1. District Administration – States challenge funding freeze as districts forced to wait
2. K-12 Dive – School districts face federal funding freeze impacting ELs and afterschool
3. District Administration – Superintendents warn that funding freeze will force cuts
4. District Administration – Superintendents hope for more certainty about federal funds

### ***Equity, Compliance, and DEI-Related Policy Shifts***

1. K-12 Dive – DOJ, Education issue Title VI memo impacting DEI training
2. K-12 Dive – Energy Department reissues Title IX/Section 504 guidance impacting K-12

## **Cited Sources**

### ***Strategic Insights & Educator Perspectives***

1. District Administration – Top 5 challenges educators experience in 2025
2. District Administration – AI and student well-being: How to support learners

## **Grant Opportunities**

The following federal and state-level programs may be relevant to funding before-, during-, and after-school tutoring initiatives:

- **Title I, Part A** – Formula funding for academic support in high-poverty schools.
- **IDEA, Part B** – Special education funding for eligible services and supports.
- **21st Century Community Learning Centers** – Out-of-school time programs, including tutoring.
- **Title III** – English learner program support.
- **State-Specific Education Recovery Grants** – Check state DOE websites for active application windows.
- **Competitive Innovation Grants** – Federal or state opportunities for pilot programs and novel instructional models.

## **Further Reading**

For deeper insights into the policy and funding landscape:

- Overdeck Foundation & Bellwether – Different Dynamics: For-Profit and Nonprofit Companies in the K-12 Education Sector
- K-12 Dive – Week in Review: August 4, 2025
- Moody's – Strong budgeting and revenue flexibility key amid K-12 financial storm



## Who is Cognition?

Cognition delivers high-impact K-12 tutoring, led by experienced educators who produce **proven, repeatable results** in student success. Our research-based approach focuses on data-informed instruction and collaborative learning, encouraging **student-to-student interaction** to **build deep conceptual understanding**.

**2024 CODiE Award Winner for Best Learning Recovery Tool and Best EdTech Company to Watch**

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