



BAIRD

K-12 SCHOOL SAFETY IN FOCUS

BAIRD'S ANNUAL BACK-TO-SCHOOL NOTE

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INTRODUCTION

School safety has evolved into a vitally important topic for K-12 schools across the United States. School administrators are dealing with a variety of issues related to the safeguarding of students, teachers and all other constituents of the K-12 ecosystem. While schools are meant to be safe havens for students' growth and learning, districts must grapple with everyday safety concerns, the proliferation of devices, wellness-related topics, students' mental health and well-being, and the unfortunate events around school shootings. Additionally, today's students are under intense pressure to excel in academics and extracurriculars and are navigating the challenging implications of living in a mostly digital world proliferated with devices. Furthermore, schools are still navigating the ripple effects that COVID has had on student, teacher and administrator health and well-being. Because of these issues, school safety is one of the most pressing concerns for school administrators as they set strategies for their school districts.

School safety extends beyond the major emergencies that garner local and national headlines – it also includes the everyday challenges faced by students, staff and other members of the K-12 community. It's due to these challenges that demand for school safety software solutions

“In our conversations with district leadership teams, student safety and mental/behavioral health issues are consistently mentioned as one of their top priorities as they deal with the knock-on effects of the COVID disruption. Most districts don't have the tools to deal with the scope of the challenge today and are looking for Ed tech solutions and mental/behavioral health service providers to fill the gap.”

CHIP GREENE, OLIVER WYMAN

has increased meaningfully and the population of school safety solution providers has vastly expanded. What was a decade ago a space comprised of a handful of relatively smaller-point solution providers has grown into a market with a number of platforms providing a variety of safety software solutions to the K-12 market. Schools have evolved their school safety capabilities and shifted from in-house, paper-based solutions to utilizing third-party software providers. The broader school safety market is expected to grow at an annual rate of 19.6% and reach \$8.85 billion by 2030.¹ In many instances, the adoption of school safety software is replacing “paper and pen” or “low tech” tracking methodologies (i.e., Microsoft Excel). School safety software solutions have expanded to include not only resources to ensure students' physical safety but also critical functions such as visitor management, student behavior tracking and threat prevention, student well-being, device monitoring and web filtering, safety training, emergency preparedness and critical event management, and more. Historically, many school safety software solutions have been more reactive and oriented to address events in the past; providers have been working to move into a more proactive mode and knock down silos that have historically separated the school system to connect data that can be leveraged into insights to deliver better monitoring, analysis and tailored recommendations to ultimately get ahead of a potential adverse event.

Due to the effects of COVID and the unprecedented shift to school at home, districts across the country needed to shift priorities and put their sole focus on putting remote and hybrid learning into place, which temporarily de-emphasized their focus on school safety. With COVID-related decisions in the rearview mirror for schools, administrators are able to refocus fully on safety initiatives, with a heightened focus on mental health and well-being. The pandemic's long-term legacy in school safety will be

“The key is enabling these disparate data sources to connect. It’s a similar transformation story to the information integration post-9/11 of various federal and local law enforcement agencies. In schools, that’s going to involve device monitoring, student attendance, performance, and behavioral data, integrated door locking, cameras with AI that can help identify when people are in areas of the school they shouldn’t be – some even have the ability to detect a firearm.

‘Big data’ is scary Big Brother stuff until the next Uvalde or Parkland happens, then people will be asking questions about why these connections weren’t made. ‘Do I make a couple of kids uncomfortable to protect 200,000 kids?’ That was question for me when I was running the 10th largest district in the country...but it’s a key question that superintendents of every district size will continue to grapple with. We’re going to have to be open-minded and embrace the tech change – it is a major part of the answer.

And that’s just the predictive side, but it needs to be holistic...with SEL and soft and social skills programs, student support, faculty training, and staffing of clinicians and school security personnel. It’s got to be a holistic approach.”

DR. DONALD FENNOY | CEO, D. FENNOY CONSULTING | FORMER SUPERINTENDENT, THE SCHOOL DISTRICT OF PALM BEACH COUNTY (FL)

the mental health and well-being of students, teachers and parents. According to the U.S. Centers for Disease Control and Prevention (CDC), more than 40% of students experienced persistent sadness or hopelessness during the pandemic, and nearly 20% seriously considered suicide.² The behavioral and wellness implications of the acute pressure and stressors of COVID disruptions are only beginning to emerge; we expect this ripple effect to play out for years to come. Anecdotally, school districts are struggling to deal with the mental / behavioral health issues caused by those disruptions and are realizing that they don’t have the tools and resources to deal with the scale of this challenge. This has placed tech-enabled behavioral health solutions (like Presence Learning and Stepping Stones) in demand, but has also catalyzed an increased focus on investing in the broader suite of school safety solutions, particularly those focused on behavior and wellness / well-being tracking.

The focus on school safety is having an effect at the legislative and regulatory level, hastening the adoption of certain school safety solutions that help meet emerging standards. In the U.S., the recently passed Bipartisan Safer

Communities Act includes \$1 billion for school-based mental health care. Further, “Alyssa’s Law” – named for Alyssa Alhadeff, a victim of the 2018 Marjory Stoneman Douglas High School tragedy – requires public schools, including charter schools, to have silent panic alert systems linked directly to first responders and law enforcement agencies. The law has passed in Florida, New Jersey and New York; is in progress at the state level in Virginia, Texas, Arizona and Nebraska; and has also been introduced at the federal level. In 2022, new legislation was signed into law in Florida requiring school districts to form Threat Assessment Teams and implement Emergency Reunification systems. While there is growing momentum at the legislative / regulatory level, school safety solutions in general are not reliant on grants and funds from the federal or state and local level. In many instances, they are a part of the school’s normal operating budget.

In this paper, we explore the current school safety landscape and a range of solutions providers that are helping to redefine what safety means in today’s K-12 ecosystem.

THE SPECTRUM OF K-12 SAFETY SOFTWARE SOLUTIONS

SCHOOL SAFETY TRAINING

School safety software has become invaluable to schools. Training for the people that support school safety and student wellness is a critical aspect of the overall school safety program. Similar to other end markets outside of K-12 schools, safety training had historically been provided in-person – making it difficult to create a reinforced safety environment with continuous learning and support. Over the last decade, safety training has largely moved to an online modality delivered through a learning management system (LMS). In some instances, certain aspects of training are delivered in-person as it provides the highest degree of learning efficacy and retention; however, even those programs are utilizing some level of a hybrid approach and have moved as much to online as possible without sacrificing outcomes.

School safety training solutions allow teachers and staff to prepare for, respond to and recover from incidents that range from day-to-day safety issues to more critical security risks and emergencies. Representative safety training modules include bullying recognition and response, CPR / BLS (basic life support) / ALS (advanced life support), classroom safety, accident management, chemical safety, crisis de-escalation and prevention, emergency drills, reunification training and active shooter training. While active shooter situations are typically perceived by all stakeholders as the leading safety concern, schools are working to take a more comprehensive, all-hazards approach and ensure that key personnel (and students for many topics) are appropriately trained and best positioned to act when a situation arises. Representative school safety training solution providers include Vector Solutions, PublicSchoolWORKS, Crisis Prevention Institute, Raptor Technologies and Navigate360.

WELLNESS MONITORING AND THE ROLE OF DEVICES

Over the last decade, students' usage of devices (desktops, laptops, tablets and smartphones) has dramatically expanded. Today, a significant majority of students across the country have some level of access to a reliable device that can help meet most or all of their academic needs. The proliferation of devices has been the key to enhancing the delivery of learning at a personalized level and meeting students where they are in their academic progress. It also allowed schools to operate at-home remote learning during the depths of the COVID pandemic and maintain some level of an ongoing approach to hybrid learning.

This expansion of devices and students' time online has pushed student behaviors and actions into digital venues. Through that, companies that provide web filtering and device monitoring software solutions have emerged as a critical aspect of school safety. Web filtering and device monitoring encompasses software that helps protect students online and monitors students' web searches and browsing history – and, in turn, monitors their wellness and mental health. Representative companies that provide these solutions include Securly, Impero, Bark, GoGuardian, Gaggle, Navigate360 and Lightspeed Systems.

“The number of devices in education has exploded in the past few years. Protecting students while they're on those devices, accessing the digital sphere, is now an indispensable dimension of safety at school. We cannot underestimate the impact this has on student attainment. In order for students to achieve their full potential, we must ensure their safety online as well as offline.”

JUSTIN REILLY, CEO, IMPERO SOFTWARE

Device usage, as well as the pressure and challenges of social media, has increased anxiety levels for many students and challenged their mental health and well-being. As students spend more time online during the school day, the possibility of digital threats and harm increases. Web filtering and device monitoring platforms are at the forefront of creating indicators that can flag troubling behavior for school personnel and allow for early intervention when warranted. Cyberbullying and suicide risk, for example, are issues that can be monitored through these solutions and flagged for the appropriate resources for intervention.

“Technology and personal devices are integrated into students’ lives. Recognizing this reality, schools are seeking out wellness and wellbeing solutions that proactively identify and respond to students who are experiencing the most need.”

BHARATH MADHUSUDAN, CEO, SECURLY

While the proliferation of devices and online learning is opening new avenues for learning and allowing schools to meet students where they are on their respective academic trajectory, this medium is transforming and in many ways limiting social and emotional development, which is ultimately leading to mental health and wellness challenges. Similar to other high-stress areas, wellness has become a critical focus for schools across the U.S. Substance abuse, anxiety and depression rates within schools are perceived to be increasing, with the trend compounded by the impact of COVID. We expect schools to increasingly adopt solutions focused on wellness-related topics and as such, also expect to see leading school safety software providers acquire or organically expand into providing wellness tools (similar to Securly acquiring Rhithm, a provider of social, emotional and mental wellness assessments in April 2022). We also expect to see a continuation of the focus on

social-emotional learning (SEL) themes.

Social-emotional learning is becoming an important part of school safety through teaching to the whole child and using tools that help students manage emotions, set goals, show empathy, and build and maintain supportive relationships. A number of providers, like Navigate360, are incorporating SEL capabilities into their broader solution set, with solution offerings designed for students, teachers, school staff and families.

CRITICAL EVENT MANAGEMENT SOLUTIONS

Many schools have adopted critical event management solutions that equip staff and other stakeholders to prepare for, respond to and communicate during critical events such as an intruder on campus, schoolwide lockdowns or severe weather alerts. These solutions offer unified notification systems for critical events to connect the office, classrooms, security and administrators with first responders and local authorities and help manage crisis situations efficiently. These solutions include onsite coordination, including instant alerts generated through a panic button app and or wearable badge. As mentioned earlier, the utilization of mobile panic alert apps and wearable panic badges is becoming increasingly prevalent due to the safety concerns which have led to the growing adoption of Alyssa’s Law. These solutions also include emergency response collaboration tools through direct integration with 9-1-1 which allows for immediate access of incident details and location data by first responders arriving on the scene. Finally, some providers have also built drill management, accountability and reunification

“From the everyday to the extreme, when an event occurs, response time is critical. Reducing emergency response times can really have a substantial impact and lead to more positive outcomes.”

BRENT COBB, CEO, CENTEGIX

solutions into their capability set. Reunification systems allow students to be reunited with parents and guardians during an emergency situation; not having appropriate reunification tools in place during an emergency situation could hasten the chaos of the incident and create liability issues for the district if a student is reunited with someone that is not a parent or authorized guardian. Representative providers that have critical event management capabilities include Raptor Technologies, Singlewire Software, CrisisGo, Navigate360, Rave Mobile Safety and CENTEGIX.

“Now more than ever, in emergency situations it’s crucial to reach your people as quickly as possible, on as many devices as possible. Schools are increasingly turning to technology to share critical information quickly and help people take action.”

PAUL SHAIN, CEO, SINGLEWIRE SOFTWARE

While typically considered for crisis or emergency situations only, critical event management solutions are also utilized as workflow tools to run day-to-day operations for school districts. For example, Singlewire’s InformaCast solution is utilized daily by school district customers to manage daily school bell scheduling, enhancing the company’s overall integration into the daily operations of the school.

THE SHIFT FROM REACTIVE TO PROACTIVE

Historically, school safety solutions have tended to skew toward being more reactive than proactive. Systems in place tended to focus on managing and communicating the incident as it was occurring versus proactively identifying and assessing potential threats. Over time, technology advancements and data linkages have allowed school safety software providers to shift from being completely reactive to adding levels of proactiveness to bolster school districts’ preparedness levels. There are an increasing number of

proactive solutions being introduced into the market to enhance overall preparedness and school safety. These solutions include the aforementioned online-delivered training programs to enable teachers and school staff to better identify issues and intervene before they become more substantial. Additionally, visitor management software, like that offered by Raptor Technologies, Navigate360 and SchoolPass, allows schools to screen every visitor against relevant databases and track all individuals that enter a school. Furthermore, wellness solutions and social-emotional learning programs are ultimately meant to provide longer-term proactive solutions, improve student well-being and help foster a positive climate at schools.

The most significant recent advancement in the proactive management of school safety is behavioral threat assessment. Behavioral threat assessment includes monitoring incidents to identify behavioral trends and support students’ well-being. Schools can leverage early-prevention software to proactively track and look for concerning trends in student behavior and detect potential threats, before either culminate into incidents or emergencies. These software solutions can pull from multiple data sources and equip schools to identify and support students in crisis. Furthermore, half of the states in the U.S. (and growing) have mandated the formation of behavioral threat assessment and management teams (BTAM), which are responsible for behavioral threat assessment case management and utilize multidisciplinary, fact-based, systematic processes designed to identify, assess and manage potentially dangerous or violent situations from students who pose a threat of harm to self or others. Solutions that are aligned to BTAM processes provide evidence-based assessment, case management and analytics to proactively improve outcomes for students of concern, reduce violence and self-harm in schools, and provide districts liability and compliance protection through a consistent and documented evidenced-based approach.

Market participants are actively building these solutions out through both organic and inorganic means. A prominent example is Raptor's 2021 acquisition of CPOMS, which has since led to the company's release of its "StudentSafe" solution offering this year, which brings CPOMS proven technology to the U.S. market along with Raptor-built case management workflow capabilities, all integrated into the Raptor platform. This solution offering helps schools recognize, document, support and manage the well-being of individual students. The solution offering includes safeguarding and behavioral threat assessments which can help schools recognize a student in need of early intervention and support their wellbeing. The hallmark of this technology is the emphasis on cataloging low-level concerns so school districts can see a student in need of support at the very earliest signs of distress. StudentSafe gives both schools and districts rapid insight into students' needs, centralized communications, robust reporting, and a complete chronology of concerns, cases, and intervention plans for each student in need of support. When school and district staff have a holistic view, they are better positioned for decision making and directing resources in the best interest of students.

“Schools must become more proactive in preventing risks from becoming a crisis – to keep students safe and to support their all-around wellbeing, adopting proactive safety techniques requires integrating data silos and generating actionable insight.”

GRAY HALL, CEO, RAPTOR TECHNOLOGIES

Similarly, Navigate360's offering has advanced to help districts overcome disparate, unconnected data and early detection difficulty with a comprehensive solution that provides districts with unified dashboards and information systems that aggregate multiple safety systems' input

into a central location, thus allowing for analysis of leading indicators to proactively notify administrators of pending threats and incidents before they happen.

“School safety is a multi-faceted and complex issue that spans the physical, psychological and behavioral spectrum. The more we can help school districts implement proactive safety, behavioral and student focused systems, the better we can help schools create a safer environment in which students can reach their full potential.”

JP GUILBAULT, CEO, NAVIGATE360

PARENT-CHILD SAFETY SOFTWARE

All software solutions discussed thus far are sold directly into the K-12 school district through a B2B sales channel. These solutions provide coverage to students, teachers, administrators and other onsite school staff members. However, there is an additional constituent in the K-12 ecosystem that wants to be involved in student safeguarding and well-being – parents. There is a void of solutions that directly address the parent market of the school safety equation. Historically, school safety software providers have only wanted to sell directly to school districts through a B2B sales model channel versus establishing a marketing-driven B2C channel. That said, there are some solutions that are sold on a B2C basis (i.e., direct to parents) or B2B2C basis (i.e., sold directly to parents through a district relationship) that provide monitoring tools to help parents to track their child's online activities. For busy parents that want peace of mind, these tools proactively monitor channels on devices including text messages, email, YouTube and many other social media networks for potential safety concerns. Historically, these solutions have been thought of as overreaching and acting like a "nanny

cam” wherein they recorded and reported everything. More modern solutions, like Bark Technologies, have heavily invested in using machine learning to understand conversational context to flag issues. Through this approach, they are able to raise only issues that merit concern versus all items (Bark, for example, does not provide parents a way to read non-problematic messages), enhancing the parent-child trust and relationship versus creating unintended consequences due to constant monitoring.

“The internet has changed our kids’ childhoods, and it’s completely transformed what parents need to think about as they watch them grow up. The right technology can help parents protect their children in the online world and teach them how to use devices responsibly.”

BRIAN BASON, CEO, BARK TECHNOLOGIES

COMPARISON – SCHOOL SAFETY IN THE U.K.

The U.K. has some of the most extensive school safety regulations in the world. Most recently, it implemented the wide-ranging Children’s Code in September 2021, which governs the use of children’s personal data and aims to better protect children online. This legislative backdrop has cultivated a range of inventive school safety providers with globally scalable products in the U.K., which have attracted interest from strategic buyers in the U.S. and beyond (as exemplified by the acquisition of U.K.-based CPOMS by U.S.-based Raptor Technologies and U.K.-based Smoothwall by ANZ-based Family Zone / Linewize). We expect continued innovation in products and solutions, and in turn sustained transatlantic/global M&A activity.

POTENTIAL COMPETING PRIORITIES

While the adoption of school safety software solutions is a critically high priority for K-12 school districts around the country, there are a few headwinds that are creating competing pressures for decision makers. Based on discussions that Baird has had with key constituents in the broader K-12 software market, we are finding these factors are having an impact on getting the attention of key decision makers and slightly delaying potential purchasing decisions. It should be noted that anecdotally we are not hearing schools are delaying the purchase of solutions due to lack of funds, but rather due to working through these competing priorities. Furthermore, these competing priorities apply to purchasing decisions for all K-12 software solutions, not just school safety solutions. These competing priorities include:

POST-COVID SOLUTION REVIEW

During the initial phases of COVID, school administrators were faced with the daunting task of shifting to an unprecedented school-from-home posture. In doing so, decision makers needed to quickly purchase a variety of different solutions to allow for learning to continue. The summer of 2022 has been the first since the beginning of COVID that administrators could reflect on solutions being utilized and scrutinize which ones were still necessary, as well as consider which ones could be consolidated with larger providers to rationalize their vendor base.

TEACHER SHORTAGE

Across the country at all grade levels throughout K-12, districts are faced with an increasingly challenging shortage of teachers. The supply and demand imbalance of teachers has been steadily increasing and was exacerbated by COVID. Teachers are leaving the profession in significant numbers and asking difficult questions. It's no longer simply, "Is the work worth it for this kind of pay?" It's become, "Is the work worth it from a risk perspective?" The U.S. teacher shortage is severe, with some estimates suggesting there may be as many as 300,000 open teaching and support staff roles as of August 2022.³ Districts are thus very focused on hiring

the right teachers, and hiring enough of them, to create a positive classroom atmosphere. While school safety is a critical priority, having an appropriate teaching staff in place is as well, and is increasingly taking up meaningful time for key decision makers. Anecdotally, one of the leading causes of teacher burnout is having to deal with the mental health impact of COVID disruption on students; districts further investing in school safety and well-being solutions may actually reduce the number of resignations and help address some portion of the teacher supply challenge.

ENROLLMENT CHALLENGES

Public schools across the nation are facing declines in enrollments. According to the Center for Reinventing Public Education, public school enrollment fell 3% nationwide this past school year, with 40% of the largest school districts reporting declining enrollments. Enrollment numbers are important for public K-12 school districts because they tie directly into the amount of funding schools receive from government sources and could change the composition of school budgets. This continued flight to private / independent schools could benefit school safety software provider SchoolPass, who primarily sells school safety solutions to private schools.

NOTABLE PLAYERS IN THE K-12 SCHOOL SAFETY ECOSYSTEM

School safety software solutions are proving invaluable to school districts and are making a meaningful impact. However, it remains early innings for the full impact potential of these solutions to be achieved as schools continue to adopt the solutions more broadly and the software providers enhance their solution offerings to create better outcomes for districts.



(VC Backed)

Provides parent-sold solutions for device monitoring, web filtering and alerting

bark.us



(Gauge Capital)

IoT incident alert platform that utilizes a wearable badge, mobile and desktop applications to provide campuswide protection

centegix.com



(Founder Owned)

Provides incident management and emergency communication technologies

crisisgo.com



(Wendel)

Provider of crisis prevention and de-escalation training solutions

crisisprevention.com



(Founder Owned)

Provides solutions for presentation of suicide, bullying, inappropriate behaviors, school violence and other harmful situations

gaggle.net



(Sumeru Equity Partners)

Provides classroom management web filtering / device monitoring and wellness monitoring solutions

goguardian.com



(Investcorp)

Provider of online student safety, student well-being, classroom management and secure remote access software

imperosoftware.com



(Genstar & Madison Dearborn)

Provider of web filtering, device management, analytics and altering solutions

lightspeedsystems.com



(Riverside)

Integrated solution suite of safety solutions, including threat detection and prevention, mental health and wellness, and safety management and preparedness

navigate360.com



(Founder Owned)

Provides software that detects and blocks cyberbullying, sexting, online abuse and aggression in real time

netsupportsoftware.com



(Founder Owned)

Provides compliance and training around occupational safety and health, staff social and emotional well-being, and high-risk safety and liability issues

corp.publicschoolworks.com



(Thoma Bravo & JMI)

Provider of integrated visitor, volunteer, emergency management, safeguarding, and behavioral threat assessment solutions

raptortech.com



(TCV)

Provider of mass notifications, panic buttons and other critical event communication and collaboration solutions

ravemobilesafety.com



(Founder Owned)

Provider of educational and corporate safety software solutions

safetonet.com



(Level Equity)

Provider of attendance, campus movement and campus wellness solutions sold into the private school market

schoolpass.com



(Golden Gate)

Provider of student wellness and safety solutions

securly.com



(PSG)

Unified notification system for emergencies and other critical events leveraging the power of the network to reach more endpoints

singlewire.com



(Genstar, Insight and Golden Gate)

Provider of school safety training and other school safety solutions (incident tracking, safety data sheets)

vectorsolutions.com



¹Market Research Future. School and Campus Security Market; <https://www.marketresearchfuture.com/reports/school-campus-security-market/toc>

²Centers for Disease Control and Prevention. Mental Health, Suicidality, and Connectedness Among High School...; <https://www.cdc.gov/mmwr/volumes/71/su/su7103a3.htm>

³ABC News. US has 300,000 teacher, school staff vacancies, NEA President Rebecca Pringle says; abcnews.go.com/US/us-300000-teacher-school-staff-vacancies-nea-president/story?id=8824261

Baird served as financial advisor to GoGuardian in July 2021.

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