



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

August 21, 2013

The Honorable Rick Scott
Executive Office of the Governor
PL05, The Capitol
400 South Monroe Street
Tallahassee, Florida 32399-0001

Dear Governor Scott:

I am writing in response to the amendment request submitted to the U.S. Department of Education (the Department) on August 2, 2013, by the Partnership for Assessment of Readiness for College and Careers (PARCC). PARCC proposed an amendment to update the budget and work plan to reflect actual expenditures and actions completed during the first three years of the grant and for the remainder of the grant period. Submission of this project plan and budget satisfies the conditions placed on the June 17, 2013, approval of the amendment requesting a no cost extension for the specific purposes of developing diagnostic, formative, and speaking and listening assessments and completing some of the consortium's planned research projects for which the consortium will require data resulting from the spring 2014 field test.

As you know, the Department has the authority to approve an amendment to your plan and budget provided that such a change does not alter the scope or objectives of the approved grant project. The Department's February 28, 2011, letter establishes the review process for any amendment to PARCC's approved plan. In determining whether to approve this request, the Department has applied the conditions noted in the February 28 letter.

Through the amendment submitted on August 2, 2013 ("budget and work plan amendment"), the consortium proposes numerous adjustments that reflect lower-than-anticipated spending and revised timelines in the first three years of the grant. For example, fewer States than anticipated took advantage of available funds to support Governing States; the consortium proposes using those resources to provide stipends to item reviewers (\$879,810) and Educator Leader Cadre members (\$768,000) and to further support item development (\$2.3 million). PARCC requests to reallocate approximately \$1 million from General Assembly meetings to further support item development. The consortium also realized substantial cost savings from lower-than-anticipated higher education travel, as well as joint meetings between the Advisory Committee on College Readiness and the K-12 Governing Board. PARCC proposes reducing its budget for Transition and Implementation Institutes by nearly \$3 million. As described in this budget and work plan amendment request, the consortium would direct these additional funds to assessment design and development and technology to ensure that all

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The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

assessment items are available in a high-quality manner and on time, including providing necessary “embedded supports” in the assessment system to improve its accessibility and for stipends for content experts to join technical working groups (\$180,000). PARCC also proposes using some assessment design and development funds to rent the technology platform for the field test in the 2013-2014 school year, instead of using its own open-source platform, in addition to contracting for the development of an open-source platform for future administrations of the assessments.

PARCC proposes reducing the budget for research and evaluation by \$3.8 million. The consortium identifies several research projects which are no longer relevant or are relevant but require data that will not be available during the grant period. Accordingly, PARCC proposes carrying out several studies after the grant period when such data are available. Through this amendment, PARCC also requests permission to redirect its focus away from such tools as model instructional units and college-ready tools, which are currently being developed by States and can be shared among them. In this budget and work plan amendment, the consortium identified and proposed using \$300,000 to facilitate coordination across States for such efforts. The consortium also proposes narrowing the range of professional development modules it will produce to focus on those related to assessment administration, while allowing States to take the lead in such areas as data analysis. Similarly, this budget and work plan amendment proposes reducing the number of Technical Issues and Policy meetings (TIPs) and redirecting the funds saved (approximately \$350,000) to the Educator Leader Cadre efforts that convene groups of educators from each State for training in PARCC assessments, tools, and resources. The consortium also proposes using cost savings realized from below-expected TIP travel costs for item development (approximately \$362,000). The consortium proposes revising the technology budget module to redirect funds previously identified for the text complexity diagnostic tool and related technology to the diagnostic assessment and the speaking and listening components. Finally, the consortium proposed increasing funding for the project management partner.

The Department *conditionally approves* this amendment. The Department appreciates PARCC addressing and prioritizing milestones critical to the overall success of the project. Moving forward, the work plan and budget will serve as the basis for evaluating PARCC’s progress. However, the revisions and updates demonstrate that the consortium has taken longer than planned to complete some aspects of the assessment system. One such aspect is PARCC’s plan to procure its own open-source technology components. Since the technology platform will serve the consortium in future years, it is critical to ensure that the development process receives the time and attention it needs. Accordingly, it will be most beneficial to both the Department and the States for the consortium to spend additional time on this effort. Additionally, the proposed budget changes result in a significant amount of funds being used during year four of the grant. The Department urges the consortium to create capacity to pay particular attention to careful and expedient contracting and financial management.

Therefore, the Department approves this amendment conditional on the following:

- (1) PARCC will submit, by September 30, 2013, a high-quality request for a no cost extension for the technology components it plans to procure. Such a request will include consideration of the implications of the request on other aspects of the assessment system.
- (2) Provide a financial, procurement, and contracting staffing plan as well as a plan to ensure high-quality communication with vendors.

Florida, as the fiscal agent for the grant, remains responsible for ensuring that all activity related to the grant is done in accordance with all terms and conditions of the grant award and with all statutory and regulatory obligations. It is the Department's understanding that this amendment will not result in a change to PARCC's performance measures and outcomes, nor will it substantially change the scope and objectives of the work.

As noted in our communication of February 28, 2011, this letter will be posted on the Department's website as a public record of the amendment proposal and consideration. If you need any assistance or have any questions, please do not hesitate to contact Jessica McKinney at (202) 401-1960 or Jessica.McKinney@ed.gov.

Sincerely,

//s//

Ann Whalen
Director, Policy and Program Implementation
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cc: Pam Stewart, Florida Department of Education
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