



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

January 25, 2013

The Honorable Jay Inslee
Office of the Governor
P.O. Box 40002
Olympia, Washington 98504-0002

Dear Governor Inslee:

I am writing in response to the request by the Smarter Balanced Assessment Consortium (Smarter Balanced) to amend its approved Race to the Top Assessment project. Between June 2012 and January 2013, Smarter Balanced submitted documentation to the U.S. Department of Education (Department) regarding changes to its approved budget.

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 proposal. On February 28, 2011, the Department sent a letter indicating the process by which amendments would be reviewed and approved or denied. To determine whether approval could be granted for this request, the Department applied that process.

I approve the requested budget change, which accounts for deviations between what was originally approved to be expended in the first two years, compared to actual expenditures, and includes more accurate estimates for future work in years three and four of the grant. The revised budget (enclosed) aligns with the consortium's master work plan that was approved in May 2012 and provides supporting information for project-specific budget activities. The consortium also shifted funds to increase contract and procurement support to better manage the myriad contracts and contractors carrying out the work for the consortium. This budget, along with your approved master work plan, will now be the basis by which the Department monitors and evaluates the consortium's progress. It is our understanding that the consortium will provide additional information to the Department explaining how the consortium intends to support the full cost of the contract with WestEd by September 2013. In addition, we note that several of these budget changes were implemented before being submitted to the Department. We remind Smarter Balanced that changes to the approved budget (greater than \$100,000) must be submitted to the Department for review and approval *prior* to being implemented.

400 MARYLAND AVE., SW, WASHINGTON, DC 20202

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

It is our understanding that this amendment will not result in a change to the consortium's overall outcomes or key activities from the approved plan nor change the master work plan. This approval letter will be posted on the Department's website as a public record of the amendment.

I am confident that Smarter Balanced will continue its efforts to create the next generation of assessment systems that will more accurately measure what students know and are able to do. If you need any assistance or have any questions, please do not hesitate to contact Benecia Tuthill at Benecia.Tuthill@ed.gov or (202) 453-5545.

Sincerely,

/s/

Ann Whalen
Director, Policy and Program Implementation
Implementation and Support Unit

Enclosures

cc: Randy Dorn, Washington State Superintendent
Joe Willhoft, Executive Director, Smarter Balanced Assessment Consortium
Tony Alpert, Chief Operating Officer, Smarter Balanced Assessment Consortium
Michael Middleton, Washington State Office of Superintendent of Public
Instruction
Stanley Rabinowitz, WestEd

Table A: Smarter Balanced Revised Budget Modules by Year

Module	Total Budget	Year 1 Expenditures (9/26/2010 - 9/30/2011)	Budget Year 2 (10/1/2011 - 9/30/2012)	Budget Year 3 (10/1/2012 - 9/30/2013)	Budget Year 4 (10/1/2013 - 9/30/2014)
Governance	\$14,342,525	\$2,570,998	\$3,540,996	\$4,191,838	\$4,038,693
Assessment Design	\$105,946,419	\$116,951	\$9,761,683	\$48,056,631	\$48,011,154
System Design	\$201,375	\$0	\$54,000	\$124,852	\$22,523
Research and Evaluation	\$7,142,719	\$11,947	\$1,012,366	\$2,751,681	\$3,366,725
Professional Capacity and Outreach	\$17,956,836	\$1,014,877	\$1,733,194	\$9,480,406	\$5,728,359
Technology	\$27,714,697	\$1,258	\$1,925,444	\$13,044,813	\$12,743,182
Higher Education	\$1,376,570	\$608	\$361,114	\$641,230	\$373,617
Indirect Costs	\$1,168,397	\$26,402	\$197,448	\$493,026	\$451,522
TOTAL	\$175,849,539	\$3,743,041	\$18,586,245	\$78,784,477	\$74,735,776

Note: For the revised budget, the level 2 module (translations) and the supplemental award were incorporated into the modules above. For budget year 2, the estimates include actual expenditures from October 1, 2011 to March 31, 2012 and estimated expenditures from April 1 to September 30, 2012. All calculations are done in fractional dollars and rounded to the nearest whole dollar for presentation in tables. As a result, small rounding differences may occur.

Table B: Smarter Balanced Revised Budget Summary Table

Budget Category	Project Year 1	Project Year 2	Project Year 3	Project Year 4	Total
1. Personnel	\$123,753	\$402,611	\$842,289	\$842,286	\$2,210,939
2. Fringe Benefits	\$25,363	\$97,994	\$221,167	\$221,165	\$565,689
3. Travel	\$120,552	\$485,478	\$5,396,926	\$1,230,185	\$7,233,139
4. Equipment	\$0	\$0	\$0	\$0	\$0
5. Supplies	\$4,484	\$25,495	\$33,012	\$33,011	\$96,003
6. Contractual	\$3,442,487	\$17,377,219	\$71,798,058	\$71,957,607	\$164,575,371
7. Training Stipends	\$0	\$0	\$0	\$0	\$0
8. Other	\$0	\$0	\$0	\$0	\$0
9. Total Direct Costs (Lines 1-8)	\$3,716,639	\$18,388,797	\$78,291,452	\$74,284,254	\$174,681,142
10. Indirect Costs	\$26,402	\$197,448	\$493,026	\$451,522	\$1,168,397
11. Total Direct Costs (Lines 9-10)	\$3,743,041	\$18,586,245	\$78,784,477	\$74,735,776	\$175,849,539
12. Other Funds Allocated toward this Work	\$0	\$0	\$0	\$0	\$0
13. Total Funds Requested (subtract line 12 from line 11)	\$3,743,041	\$18,586,245	\$78,784,477	\$74,735,776	\$175,849,539

Note: The revised budget incorporates the level 2 module (translations) and the supplemental award. All calculations are done in fractional dollars and rounded to the nearest whole dollar for presentation in tables. As a result, small rounding differences may occur.