

**Race to the Top – District  
Guidance and Frequently Asked Questions**  
*Addendum 2*  
*September 27, 2012*

**A-4. If a potential applicant missed the August 30, 2012 deadline, should it still submit an intent to apply for Race to the Top – District funds?**

No, there is no need for a potential applicant to submit an intent to apply after the August 30, 2012 deadline. The Department will use information from the intent to apply submissions in developing the process for reviewing applications. Potential applicants that did not submit an intent to apply form may still apply to the Race to the Top – District competition, and potential applicants that submitted an intent to apply are not required to apply. Further, no additional points or preference will be awarded to those applicants that completed the intent to apply form.

As part of the Department's commitment to transparency, a detailed list of potential applicants that submitted an intent to apply by the August 30, 2012 deadline is posted on our Web site at <http://www2.ed.gov/programs/racetothetop-district>. The list does not include any applicants that submitted an intent to apply after that deadline.

**B-4. *This FAQ has been edited since it was first posted. Below is the revised response.***

**What is the timeline for obligating and spending Race to the Top – District funds?**

In accordance with the Consolidated Appropriations Act of 2012 (Public Law 112-74, Division F, Title III), the Department must obligate all FY 2012 Race to the Top – District funds to grantees by December 31, 2012.

Grantees must plan to complete all activities outlined in their approved applications and obligate all Race to the Top – District funds by the end of the four-year grant period. Grantees will have 90 days after the end of their grant period to liquidate funds (see 34 CFR 80.23(b)). Any FY 2012 Race to the Top – District funds that are not obligated and liquidated by December 31, 2017, will revert to the U.S. Department of Treasury.

Grantees may be reimbursed for pre-award costs from the date their award was announced. (Please see question G-7 for details on costs of preparing proposals for potential Federal awards.)

**B-5. Must an LEA be the payee for a Race to the Top – District grant?**

Only an LEA or a separate, eligible legal entity is eligible to receive a grant and typically only an LEA or a separate, eligible legal entity, would serve as the payee for a grant. If selected for a grant, an LEA or a separate, eligible legal entity may be able to designate a different payee and could work with the Department at that time to ensure that appropriate procedures are followed. For instance, a different payee may be an entity that is hired through an appropriate procurement procedure to assist the grantee with fiscal management. If an LEA or a separate, eligible legal entity chooses a different payee, the selection must also be consistent with the LEA's State laws and procedures. While a grantee may acquire the services of an outside entity to assist with administrative fiscal tasks, a grantee is ultimately responsible for ensuring that all requirements of the grant are met. In particular, the grantee is responsible for overseeing the use of grant funds and for ensuring that the project is carried out in accordance with the approved

grant application and all applicable Federal requirements (see 34 CFR 75.700-702), including the requirements for financial management systems contained in 34 CFR 80.20.

**C-1g. When determining the number of participating students, may an applicant use a cumulative count of students over the grant period to determine its applicable award range?**

No. At the time of the application, an applicant must provide an actual or approximate count of the number of participating students who would receive services for each year under the project. This actual or approximate count of participating students must not be cumulative. (See also FAQ C-1e.)

**C-1h. What school year data should an applicant use in its application response, including in performance measure tables?**

An applicant should use the most current and accurate data in its Race to the Top – District application.

**C-1i. May an applicant include early learning or adult education students in its count of participating students (as defined in the notice)?**

An LEA may apply for a Race to the Top – District grant for all or a portion of its schools. For a student to count as a participating student (as defined in the notice), the student must be considered part of the LEA (as defined in the notice).<sup>1</sup> The LEA definition references the ESEA definitions of both elementary and secondary schools, which defer to how State law defines the terms except that the ESEA definition of “secondary school” specifically excludes any education beyond grade 12. LEAs should consult with officials in their State to determine whether their early learning or adult education students are considered part of “public elementary schools or secondary schools” under State law.

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<sup>1</sup> The notice defines LEA as “an entity as defined in section 9101(26) of the ESEA, except that an entity described under section 9101(26)(D) must be recognized under applicable State law as a local educational agency.” Section 9101(26) of the ESEA reads:

(26) Local educational agency

(A) In general

The term “local educational agency” means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or of or for a combination of school districts or counties that is recognized in a State as an administrative agency for its public elementary schools or secondary schools.

(B) Administrative control and direction

The term includes any other public institution or agency having administrative control and direction of a public elementary school or secondary school.

(C) BIA schools

The term includes an elementary school or secondary school funded by the Bureau of Indian Affairs but only to the extent that including the school makes the school eligible for programs for which specific eligibility is not provided to the school in another provision of law and the school does not have a student population that is smaller than the student population of the local educational agency receiving assistance under this chapter with the smallest student population, except that the school shall not be subject to the jurisdiction of any State educational agency other than the Bureau of Indian Affairs.

(D) Educational service agencies

The term includes educational service agencies and consortia of those agencies.

(E) State educational agency

The term includes the State educational agency in a State in which the State educational agency is the sole educational agency for all public schools.

**C-1j. If an educational service agency or some other entity meets the notice’s definition of LEA but is unable to demonstrate its commitment to the core educational assurance areas (as defined in the notice inviting applications) by having its superintendent or CEO sign the assurance in eligibility requirement (1)(d), may it apply as a consortium’s lead applicant or as a member of a consortium?**

No, the superintendent or CEO of each member LEA included in an application must sign the assurance in eligibility requirement (1)(d). An LEA that cannot meet each part of this assurance is not eligible to be a consortium’s lead applicant or a member of a consortium. However, such an LEA may partner with an eligible applicant. (See also FAQ C-9.)

**E-2a. Should an LEA within a State whose State educational agency (SEA) has requested, but has not yet received approval for, ESEA flexibility use existing ESEA targets and goals for student outcomes to determine its targets and goals for Selection Criteria (A), or should it base its student outcome targets and goals on those proposed in its SEA’s ESEA flexibility request?**

To respond to Selection Criteria (A), an applicant should use its State’s existing, approved targets and goals, either via the State’s approved ESEA flexibility request or its Title I Accountability Workbook, found at: <http://www.ed.gov/esea/flexibility/requests> or <http://www2.ed.gov/admins/lead/account/stateplans03/index.html>.

**E-3a. In table (A)(4)(b), how are subgroups and comparison groups identified?**

In table (A)(4)(b), the applicant provides its targets and goals to decrease achievement gaps. “Achievement gap” is defined in the notice as the difference in the performance between each subgroup within a participating LEA or school and the statewide average performance of the LEA’s or State’s highest-achieving subgroups in reading or language arts and in mathematics as measured by the assessments required under the Elementary and Secondary Education Act of 1965 (ESEA), as amended. In this table, the applicant is asked to identify subgroups and comparison groups. “Subgroup” is defined in the notice inviting applications as each category of students identified under section 1111(b)(2)(C)(v)(II) of the ESEA, as well as any subgroup (including combined subgroups) used in the State accountability system and approved by the Department in a State’s request for ESEA flexibility. The comparison group is the LEA’s or State’s highest-achieving subgroup in reading or language arts and in mathematics as measured by the assessments required under ESEA.

**E-4a. May a consortium use aggregate data to complete tables (A)(4)(a) – (A)(4)(e) or must it include a separate table for each member LEA?**

Selection criterion (A)(4) requires a consortium applicant to respond for each LEA in a consortium. An applicant may add rows or include a separate chart for each participating LEA as needed.

**E-17a. Should the data in an open data format be made available for all students in the LEA(s) or only participating students?**

Under selection criterion (D)(2)(c), the applicant creates a plan to address how its LEA(s) and school infrastructure will support personalized learning by using information technology systems that allow parents and students to export their information in an open data format (as defined in the notice inviting applications) and to use the data in other electronic learning

systems. Whichever students an applicant proposes to make information available for in an open data format should be consistent with its plan and reflect the unique circumstances in the LEA(s). Reviewers will judge the extent to which the applicant's plan meets this criterion.

**E-18d. If applying as a consortium, should the (E)(3) performance measure tables be completed for each member LEA or may the consortia submit aggregate data and targets?**

Applicants may respond to the (E)(3) performance measure tables by submitting aggregate data and targets for the consortium or separate data and targets for each LEA within the consortium, depending on the applicant's plan.

**E-20a. Must each project budget include a funding request for each of the four years of the budget?**

No. An applicant's Race to the Top – District budget request should reflect the costs and time needed to support its proposed plan. For example, if an applicant proposes to complete a project in Year 2, it is not required to request funds for this project in Years 3 or 4. An applicant should provide a justification for these requests in the narrative portion of the budget. In addition, an applicant need not allocate its total funding request evenly across each year of the budget.

**E-20b. What is the start and end date for the budget periods?**

All grants will begin on the day the Department awards the grant (expected by the end of December 2012) and end four years later (December 2016). In creating budgets, grantees may choose to have four equal budget years, or may define the budget years in some other way. For example, an LEA might choose the following budget years to align with its fiscal year:

- Year 1: December 21, 2012 – September 30, 2013
- Year 2: October 1, 2013 – September 30, 2014
- Year 3: October 1, 2014 – September 30, 2015
- Year 4: October 1, 2015 – December 20, 2016.

This example illustrates that Year 1 may be shorter than 12 months and Year 4 may be longer than 12 months. A grantee may also choose to make Year 1 longer than 12 months and Year 4 shorter than 12 months. Applicants should indicate in their budget estimates the number of months in each budget year and the work occurring during those years.

**E-20c. In preparing the Project-Level Budget Narrative using Table 4-1, what information should be included in the Total column?**

The Project-Level Budget Narrative and Table 4-1 (see page 79-83 of the application) should include costs for each project year and across all four years of the project. Under each budget category (*e.g.*, Personnel, Fringe, Travel, etc.) within the table, the applicant should clearly identify total costs by year, provide sufficient itemization to demonstrate how costs were calculated, and include the total costs for each item across all four years of the project. Applicants may provide this information in a single row of the table, or across multiple rows, organized by project year.

In the example below, the Total column includes the total cost of the Project Director for each project year and the total cost of the Project Director across all four years of the project. As

shown here, some expenses may not cost the same across each year of the grant, particularly contractual expenses. Therefore applicants must include the total amount for each expense by project year and over the grant period. Applicants may use one line in the table to convey that information, or four rows that show the expenses each year.

<b>Table 4-1: Project-Level Itemized Costs</b>		
<b>Cost Description</b>	<b>Cost Assumption (including whether the cost is one-time investment or ongoing operational cost)</b>	<b>Total</b>
<b>1. Personnel:</b> Explain the importance of each position to the success of the project and connections back to specific project plans. If curriculum vitae, an organizational chart, or other supporting information will be helpful to reviewers, attach in the Appendix and describe its location.		
<ul style="list-style-type: none"> <li>Project Director: The Project Director will be responsible for the overall leadership and management of the Race to the Top – District grant. The Project Director will be responsible for the day-to-day management and operations of grant activities.</li> </ul>	<ul style="list-style-type: none"> <li>One position; 100% FTE</li> <li>Year 1: \$50,000 (to ensure adequate time to hire a project director)</li> <li>Years 2-4: \$75,000/year</li> </ul>	<b>\$50,000 + \$75,000 x 3 years = \$275,000</b>

**E-20d. How will grantees cover the costs incurred by travelling to Race to the Top grantee meetings?**

Grantees may pay for travel expenses to grantee meetings, such as training or technical assistance meetings, out of their Race to the Top – District grant. While the Department has not yet finalized its specific trainings and other meetings for Race to the Top – District grantees, we expect that grantees will participate in several meetings each year. As the Department finalizes its meeting plans for Race to the Top – District grantees, it will work with grantees to make any necessary adjustments to their Race to the Top – District budgets.

**E-20e. Where in the budget should an applicant include items such as laptops, printers, and desktop computers that it considers equipment but that cost less than \$5,000? Should these items be included under supplies or equipment?<sup>2</sup>**

In general the Department considers items with a value of less than \$5,000, such as laptops, printers, and desktop computers, to be supplies. If an LEA’s capitalization policy defines these items as equipment, an applicant may include them under the equipment category in the budget. Applicants are reminded that they may not apply their indirect cost rates to equipment.

<sup>2</sup> 34 CFR 80.30 provides the following definitions:

- *Equipment* means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.
- *Supplies* means all tangible personal property other than *equipment* as defined in this part.

**F-2c. May an applicant revise its application in response to comments from the State, mayor or comparable official?**

Yes. An applicant may revise its application after it receives comments from the State or mayor or comparable official. An applicant may choose not to revise the application but rather to include a response to the State or mayor's comments in the Appendix of the application. Finally, an applicant also may choose not to include any revisions or response to comments. Regardless of whether the applicant chooses to revise its application or respond to comments received from the State or mayor, the Department must receive the applicant's final Race to the Top – District application by 4:30:00 p.m., Washington, DC time on October 30, 2012.

**F-3a. If a State or mayor's office preemptively announces that it will not comment on Race to the Top – District applications, must the applicant still provide the opportunity for the 10 business day comment period and submit evidence of this opportunity in its application materials?**

Yes. The State and local comment periods are application requirements; therefore an applicant must provide 10 business days for State and local comment and submit evidence of this opportunity as part of its application package. An applicant should use its discretion when determining how to include this evidence in its application. (See also FAQ F-2)

**F-11. *This FAQ has been edited since it was first posted. Below is the edited response.***

**May consortia applicants involve external, non-LEA partners in their application?**

Yes. Consortia applicants may contract with external non-LEA partners to support the execution, implementation, or governance of their grant project in accordance with Education Department General Administrative Regulation (EDGAR) 80.36. Because grantees must use appropriate procurement procedures to select contractors, applicants should not include information in their grant applications about specific contractors that may be used to provide services or goods for the proposed project if a grant is awarded.

**G-9a. May contractors charge indirect costs? For a contractor to charge indirect costs, would it first have to have an approved indirect cost rate?**

Yes, contractors (entities receiving funds via procurements from a Race to the Top – District grantee) may charge indirect costs to their Race to the Top – District awards, subject to the limitations of applicable local, Federal, and State rules regarding indirect costs. If a contractor has an indirect cost rate approved by the cognizant Federal agency or by the State under a delegation agreement between the State and the cognizant Federal agency, then it must apply the approved rate. If a contractor does not have an approved indirect cost rate, the grantee must ensure that the indirect costs the contractor proposes to charge are reasonable and necessary to the contractor's performance under the Race to the Top – District grant and comply with all applicable local, State and Federal rules.

Grantees are responsible for ensuring that each entity to which it distributes funds charges only reasonable and allowable indirect costs to the grant. Please note that although the approved rate is the maximum rate that an entity receiving program funds may apply, it may choose to apply a lesser rate. The Department will expect grantees to regularly monitor indirect costs charged to the grant to ensure that the costs charged are reasonable and necessary to performance under the grant.

In addition, a Race to the Top – District grantee may distribute funds through memoranda of understanding, interagency agreements, or other mechanisms authorized by State procurement laws. The same rules apply to entities that receive program funds through these means, and the grantee is still responsible for ensuring that each entity to which it distributes funds charges only reasonable and allowable indirect costs to the grant.

Please note that grantees and entities receiving program funds via procurements or other means may apply their approved or recognized indirect cost rate only against the first \$25,000 of any contract, and only under circumstances that require meaningful administrative support in distributing and handling the contracted funds.

**H-3.** *This FAQ has been edited since it was first posted. Below is the edited response.*

**If an LEA is currently in an agreement with the Department’s Office for Civil Rights (OCR) or currently has a plan to address disparities in its discipline or expulsion rate disparities, will it still be required to undergo a district assessment and develop a plan under program requirement 4?**

An LEA in which minority students or students with disabilities are disciplined at disproportionately high rates must examine its data and understand the underlying causes for the disparity, and from that understanding develop a plan to address these causes and reduce disproportionate discipline practices and expulsions in general. There is no single approach to assessing or addressing such disparities and their causes. If an LEA has already initiated such an effort prior to the Race to the Top – District competition, and if the LEA receives a grant, the Department will work with each grantee case-by-case to see if pre-existing efforts are sufficient or can be supplemented to address this program requirement.

**I-1a.** **In using the Race to the Top – District application as a template, may an applicant delete text that does not add to the substance of the applicant’s submission?**

Yes, an applicant may choose to delete text from the Race to the Top – District application when it prepares its application submission. For example, an applicant may decide to delete sections of the application that provide guidance or instructions, such as Part I. Application Introduction, Instructions, and Submission Procedures, or Part XIII. Definitions.

**I-1b.** **What is the purpose of the electronic budget spreadsheet, and where can an applicant find a copy?**

We strongly suggest that applicants use the Department’s Race to the Top – District electronic budget spreadsheets, instructions, and forms included in this application package to build their budgets. These electronic budget spreadsheets have formulas built into them that are intended to help applicants produce the budget tables that they submit as part of their response to selection criterion (F)(1). Applicants should include the relevant tables in the appropriate place in their proposal (e.g., by copying and pasting from the electronic budget spreadsheets into the appropriate place in the Applicant’s proposal). Also, applicants should submit the completed electronic budget spreadsheets with the rest of their application. The electronic budget spreadsheets (e.g., .XLS or .XLSX formats) will not be given to or used by peer reviewers to judge or score criterion (F)(1) but will be used by the Department during the budget review. An applicant can find the electronic budget spreadsheet on the Race to the Top – District website,

<http://www.ed.gov/programs/racetothetop-district/2012-budget.xls>, under the “Applicant Information” heading (see sub-bullet under “Application”).

Applicants should submit the completed electronic budget spreadsheets in an .XLS or .XLSX format on the CD or DVD with the rest of the application. The completed electronic budget spreadsheet should be in a separate file from the body of the application. See FAQ I-5 for more information on the submission process.

**I-3a. May an applicant include signature pages electronically?**

Yes. An applicant may scan signature pages and submit them as a .PDF. If an applicant is selected to receive an award, the applicant must submit original paper copies of all signed pages before an award is made. As such, the Department recommends that when the applicant submits its application, it also include signed original paper copies of the relevant parts of the application.

**I-7. May tables be placed in the Appendix?**

An applicant may include tables either in the narrative of the application or in the Appendix. When making this determination, an applicant should consider what is most helpful for the peers in their review. For evidence or attachments included in the Appendix, the applicant should note in the narrative the location where the information can be found and provide a table of contents for the Appendix.