



UNITED STATES DEPARTMENT OF EDUCATION
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES



May 15, 2014

Debra McMannis
Director, Early Education and Support Division
California Department of Education
1430 N Street
Sacramento, CA 95814-5901

Dear Ms. McMannis:

This letter is in response to California's request to amend its approved Race to the Top – Early Learning Challenge (RTT-ELC) grant budget. On April 18, 2014 the California Department of Education submitted an amendment request to its overall grant budget.

As you are aware, the Departments have the authority to approve amendments provided that such a change does not alter the scope or objectives of the approved proposal. On July 18, 2012, the Departments sent a document to Project Directors describing the process by which amendments would be reviewed and approved or denied. To determine whether approval could be granted, the Departments have applied the conditions noted in that document and compared it with RTT-ELC program requirements and conditions.

The entire adjustment involves moving funds across various projects in Years 3 and 4 to cover changes in personnel, contracts, and adjustments related to indirect costs. No project activities are changing as a result of this request.

The following amendment request is approved, as described below:

- Actual expenditures have been adjusted in Year 1 and Year 2 to reflect obligations rather than actual expenditures. This change is consistent with our guidance as well as California's reporting on other Federal grants.
- Indirect cost rate expenses have been adjusted throughout the budget to reflect a change in California's indirect cost rate from 22.4 percent to 21 percent in 2013.
- The Project 1 budget (Grants Management) has been adjusted to reflect personnel savings in Year 2 due to hiring delays, with resulting impact on other line items. These funds have been moved to Years 3 and 4. Also, funding that was not spent in the technical assistance set-aside has been moved to Years 3 and 4.
- The Project 4 budget (Screening Tool Distribution) has been adjusted to reflect a move of \$60,000 from Year 2 to Year 3 due to a purchase order delay.
- The Project 7 budget (Enhancing the State's Licensing Website) has been adjusted due to a delay in finalizing a contract and to reflect actual contract award amounts in Years 2, 3, and 4.

- The Project 8 budget (Linking Kindergarten Entry Data to the Longitudinal Data System) has been adjusted to reflect small savings in personnel in Year 2 and actual contract award amounts in Years 2, 3, and 4.
- The Project 12 budget (Evaluation) has been adjusted to reflect actual contract award amounts in Years 2, 3, and 4.
- The Project 13 budget (Increasing Inter-Rater Reliability in the TQRIS) has been adjusted to reflect a delay in procurement. The contract amount was increased slightly to provide more individualized and specialized on-site training and support. No funds were expended in Year 2. The budget has been adjusted to reflect actual contract amounts in Years 3 and 4.

We acknowledge your statement that this amendment request does not impact California's overall RTT-ELC goals, plans, outcomes, or performance measures, but will ensure California can continue to make progress on its RTT-ELC scope of work activities.

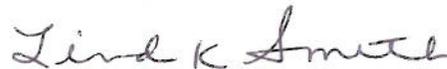
Please note that this letter will be posted on the Department of Education's website as a record of the amendment request and our approval. All budget changes are recorded in the GRADS 360 system and the detailed budget request is saved in the official grant file.

We are confident that California will continue its comprehensive efforts towards building successful state systems of early learning. If you need any assistance regarding RTT-ELC, please do not hesitate to contact your Project Officer, Deborah Spitz, at 202-260-3793 or Deborah.spitz@ed.gov, or your co-project officer, Ngozi Onunaku, at (202) 260-5943 or Ngozi.onunaku@acf.hhs.gov.

Sincerely,



Libby Doggett
Deputy Assistant Secretary for Policy and Early Learning
Office of Elementary and Secondary Education/Office of Early Learning
U.S. Department of Education



Linda K. Smith
Deputy Assistant Secretary for Early Childhood Development
Administration for Children and Families
U.S. Department of Health and Human Services

Cc: Cecelia Fisher-Dahms