



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



February 7, 2014

Melvin Carter
Office of Early Learning
Minnesota Department of Education
1500 West Hwy 36
Roseville, MN 55113

Dear Mr. Carter,

This letter is in response to Minnesota's request to amend its approved Race to the Top – Early Learning Challenge (RTT-ELC) grant budget. On July 29, 2013 the Minnesota Department of Education (MDE) Office of Early Learning submitted an amendment request to its overall grant budget. The entire adjustment involves moving nearly \$700,000 from year 1 across various projects in years 2, 3, and 4 to cover changes in salary, fringe, contracts and grants, and adjustments related to indirect costs and the amount MDE can apply to the first \$25,000 per contract per year.

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 following amendment request is approved, as described below:

The MDE has been approved to re-allocate its unspent funds from year 1 to years 2, 3 and 4 of the grant period. Adjustments may be made to the amounts in each of the 12 projects across grant years 2, 3, and 4 to reflect the re-allocations you proposed. These adjustments include:

- Increasing or reducing salary and fringe in projects 1, 2, 3, 5, 9 and 12.
- Carrying forward unspent grant amounts that cover projects 2, 3, and 12, as well as contract amounts that cover projects 1, 3, 4, 5, 6, 7, 9, 10, and 11.
- Reducing funds needed for Project 5 by reducing the number of School Readiness Report Cards produced and incorporating that function into the Data Analytics Portal to create a sustainable way to provide the public and key policy makers with the data they need.
- Reducing the number of sub-grants to each Transformation Zone because of an unanticipated delay in year 1.
- Applying indirect cost on the first \$25,000 of each contract for each year. Previously, MDE only applied this cost once per contract over the course of the 4 years. Some of the expense is offset by savings from year 1 contracts not yet in place.

- Adding a half-time staff person to coordinate and implement Project 8 – the KEA and a full-time staff person to Project 1 to help rate school-based and special education programs.

The Departments understand that this amendment request does not impact Minnesota's overall RTT-ELC goals, plans, outcomes, or performance measures, but will ensure Minnesota 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 Minnesota 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, Richard Gonzales, at (202) 401-5138 or richard.gonzales@acf.hhs.gov or your co-project officer, Tammi Fergusson, at (202) 453-7508 or tammi.fergusson@ed.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: Lisa Barnidge