



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



May 12, 2015

Lucy Roberts
Early Childhood Policy Advisor
Office of the Governor
20301 Mail Service Center
Raleigh, NC 27699-0301

Dear Ms. Roberts:

This letter is in response to North Carolina's request to amend its approved Race to the Top – Early Learning Challenge (RTT-ELC) grant projects. The U.S. Department of Education and the U.S. Department of Health and Human Services (the Departments) approved North Carolina's grant projects and scope of work on November 14, 2012. On May 4, 2015, the North Carolina Department of Health and Human Services submitted an amendment request, whereby it proposes overall adjustments to its budget based on expenditures in its third grant 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 North Carolina Department of Health and Human Services has requested to reallocate unspent funds in the amount of \$14,561,055 from its Year Three budget to Year Four, without any changes to activities. None of the budget changes proposed in this amendment will alter the approved scope of work.

Project 1 (Grant Management and Implementation Support): NC is requesting approval to carry forward a total of \$1,848,369 from Year 3 to Year 4 to support the work of Transformation Zone implementation and evaluation. This amendment would also transfer funds from Travel (\$23,605), Equipment (\$6,525), Supplies (\$2,691), and Other (\$81,272) into Contractual in Years 3 and 4, to support Transformation Zone implementation and evaluation. Finally, this amendment would transfer funds (\$46,407) from Indirect Costs into Personnel to support grants management.

Project 2 (NC Early Childhood Integrated Data System): NC is requesting approval to carry forward \$5,014,323 from Year 3 to Year 4, without any changes to the approved Scope of Work. These funds will support the NC ECIDS, the Smart Start Data Project, and the Child Care Workforce System through the remainder of the grant period.

Project 4 (Promoting Participation in TQRIS): NC is requesting approval to carry forward \$906,473 in the Contractual line from Year 3 to Year 4, to support Professional

Development Bonus Awards. This amendment would also move \$20,684 from Other to Contractual because the activity funded in Other, the Task Force on Licensing, has been completed.

Project 15 (K-3 Assessment): NC is requesting approval to carry forward \$2,388,870 from Year 3 to Year 4 for the purpose of supporting the work of developing the K-3 Formative Assessment. Unspent funds are being redistributed from Equipment, Supplies, and Other to support ongoing expenses in Personnel, Fringe, Travel, and Contractual.

Project 17 (Family Strengthening): NC is requesting approval to carry forward \$1,780,267 in the Contractual line from Year 3 to Year 4 for the purpose of supporting the Triple P and Family Connects activities. Unspent funds are being eliminated from the Personnel, Fringe, Travel, Equipment, and Indirect Cost lines in Years 3 and 4, in the amount of \$178,867, and added to Contractual in Year 4. This project initially budgeted for a Triple P Coordinator in personnel, fringe, travel, and equipment, but that position is now funded through a contract.

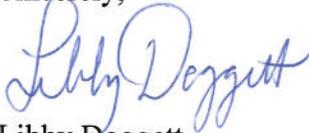
Project 18 (Partnership Initiatives): NC is requesting approval to carry forward \$2,622,753 in the Contractual line from Year 3 to Year 4 for the purpose of supporting a contract with the North Carolina Partnership for Children.

We understand that this amendment request will not impact North Carolina's overall RTT-ELC goals, plans, outcomes, or performance measures, but will ensure North Carolina can continue to make progress on its RTT-ELC scope of work activities through the remainder of the grant.

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 North Carolina 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 Officers Deborah Spitz, at (202) 260-3793 or Deborah.Spitz@ed.gov or LaPrayshia Hayes, at (404) 562-0563 or LaPrayshia.Hayes@acf.hhs.gov.

Sincerely,



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



Linda K. Smith
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