



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



August 22, 2016

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 approved North Carolina grant projects and scope of work on November 12, 2012. On August 15, 2016, North Carolina submitted a budget amendment request, whereby it proposes to reallocate funds across projects its no-cost extension 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.

On August 15, 2016, the North Carolina Department of Health and Human Services sent an amendment request to its Project Officers indicating the grantee would like to reallocate unspent funds in the amount of \$740,000 from Projects 1, 4, and 12 to Projects 3, 8, 9, and 14 in its no-cost extension year, primarily to meet contractual needs and expend remaining grant funds in a timely manner. None of the changes proposed in this amendment change the scope or objectives of the grant.

The proposed changes are approved as follows:

Project 1 (Grant Management and Implementation Support): NC will move a total of \$160,000 of unneeded grant management funds to Project 3 as described below.

Project 3 (Professional Development Capacity Building): NC will increase by \$160,000 from Project 1 to provide additional funds for the Online Master's Degree in Early Childhood Leadership. This is a simple budget revision to meet current contractual costs.

Project 4 (Promoting Participation in TQRIS): NC will decrease by \$356,000 in funds that will not be expended by the Professional Development Bonus Program and reallocate to Project 9.

Project 8 (Enhanced Professional Development): NC will increase by \$26,000 from Project 12. There is no change in the Scope of Work; this is a simple budget revision to meet current contractual costs.

Project 9 (Early Learning and Development Standards): NC will increase by \$356,000 from Project 4 and by \$171,000 from Project 12 to support contracts and ELDS printing.

Project 12 (Compensation and Retention): NC will decrease funding in this project by \$224,000 to support funding needs in Projects 8, 9, and 14.

Project 14 (Early Childhood Directors Leadership Institute): NC will increase by \$27,000 from Project 12 to support the current contract with no change in the Scope of Work.

It is our understanding that this amendment request will not change the State's overall RTT-ELC goals, plans, outcomes, or performance measures, but will ensure that the State can continue to make progress on its RTT-ELC scope of work activities. Please note that we expect grantees with no-cost extensions to liquidate all funds by March 31, 2017, given that by law all RTT-ELC funds revert to the U.S. Department of Treasury as of October 1, 2017. This letter will be posted to ED's website as a record of the amendments. All budget changes are recorded in the GRADS 360 system and the detailed budget request is saved in the official grant file.

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 LaPrayshia Hayes, at (404) 562-0563 or LaPrayshia.Hayes@acf.hhs.gov.

Sincerely,

/s/

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

/s/

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