



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



September 20, 2013

Stephanie K. Siddens
Director, Office of Early Learning and School Readiness
Ohio Department of Education
25 South Front Street, Mail Stop 208
Columbus, OH 43215-4183

Dear Dr. Siddens:

This letter is in response to Ohio's request to amend its approved Race to the Top – Early Learning Challenge (RTT-ELC) grant project. On May 17, 2013 the State submitted an amendment request for budget reallocation for the RTT-ELC grant and supporting information to the U.S. Department of Education and the U.S. Department of Health and Human Services (the Departments). As you are aware, the Departments have the authority to approve amendments to your RTT-ELC plan and budget, provided that such a change does not alter the scope or objectives of the approved proposal. On July 18, 2012, the Departments sent a "Grant Amendment Submission Process" document to RTT-ELC Project Directors indicating 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 amendments to the State's budget are approved, as described below:

- The amendment request updates the State budget for Year 1 and shifts unspent funds to Years 2, 3 and 4 of the grant. The main reason for the delay in spending funds was a slower than anticipated RFP and procurement process. The State will reallocate \$9,721,977. In the main, the State is moving funds forward within the same projects and within the same budget categories (instances in which Ohio requested moving funds between categories or projects are listed in the bullets below). No changes have been made to grant activities.
- In Project 2 ("*Validation /Evaluation of Step Up to Quality*"), the Ohio Department of Job and Family Services (ODJFS) expected at the time the RTT-ELC grant was written that \$600,000 would be available through the Federal Child Care and Development Funds (CCDF) to support this project. Now in Year 2 of the RTT-ELC grant, these funds are no longer available. Ohio plans to make up for the CCDF funds no longer available by moving some unspent funds from Year 1 of the RTT-ELC grant. Specifically Ohio will move \$300,000 in funds unspent in the Contract budget category of Project 2 and will redirect \$366,978 — approximately \$30,000 from savings realized from hiring fewer staff than expected in Year 1 of Project 1 ("*Grants Management*") and some \$336,000 from savings from late starts of contracts in Project 6 ("*Professional Development Coordination*").

- In Project 11 (“*Re-engineer SUTQ and Licensing Database*”), Ohio will move \$1,100,000 to support data management efforts. After an intensive business analysis by IT experts with Ohio Department of Education (ODE) and ODJFS program staff, Ohio determined that the data project needs additional funds to support the infrastructure and business process needs of both agencies with regard to implementation of Project 11. The grant application estimated this level of effort, however until Ohio conducted a thorough business analysis these last 6 months, a definitive cost figure was not available. Based on needs (including being able to review submitted registration documentation prior to scheduling an on-site visit with the program; the ability for districts or multi-site programs to load documents on behalf of all sites; and functionality to allow programs to add their staff/employees into the system to create efficiencies for the on-site visit), Ohio determined that additional funds were needed to support this project. The funds are being moved from those unspent in Year 1 of Project 6 (“*Professional Development Coordination*”), specifically \$550,000 from savings due to a late start of a health promotion contract and \$550,000 from savings due to a late start supporting localities in working with early childhood mental health consultants. Both of these activities in Project 6 will continue to be undertaken in Years 2, 3, and 4 as described in the application and scope of work.

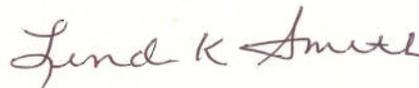
It is the Departments’ understanding that this amendment will not result in a change in your State’s performance measures and outcome, nor will it substantially change the scope of work.

Please note that this letter will be posted on the U.S. Department of Education’s website as a record of the amendments. If you need any assistance or have any questions regarding RTT-ELC, please do not hesitate to contact the Office of Early Learning program officer for Maryland, Katie Chase, at 202/205-0266 or katie.chase@ed.gov.

Sincerely,



Libby Doggett
Deputy Assistant Secretary for the
Office of Policy and Early Learning
Office of Elementary and Secondary Education
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: Governor John R. Kasich
Angel Rhodes, Ph.D., Early Education and Development Officer, 21st Century Education, Office
of Ohio Governor John R. Kasich