



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

September 17, 2013

The Honorable Nathan Deal
Office of the Governor
State of Georgia
203 State Capitol
Atlanta, Georgia 30334

Dear Governor Deal:

I am writing in response to Georgia's request to amend its approved Race to the Top grant project, including revisions to the project period to implement a portion of its plan. On August 12, 2013, the State submitted documentation the U.S. Department of Education (Department) to support amendment requests to its approved Race to the Top plan. As you are aware, the Department has the authority to approve amendments to your plan and budget, provided the revisions do not change the overall scope and objectives of the approved proposal. In March 2013, the Department issued "Amendment Requests with No-cost Extension Guidance and Principles" indicating the process by which amendments containing requests to provide additional time for a grantee to accomplish the reform goals and deliverables it committed to in its Race to the Top application and approved Scope of Work would be reviewed and approved or denied. To determine whether approval could be granted, the Department has applied the conditions and elements specific to no cost extensions noted in the document, and compared it with the Race to the Top program *Principles* included in the "Grant Amendment Submission Process" document issued to Governors of grantee States in October 2011.

On July 2, 2012, the Department placed goals 1-4 in Section D of Georgia's approved Scope of Work, related to its teacher and leader evaluation systems, on high-risk status under 34 CFR 80.12. As stated in the July 2, letter, the Department is concerned about the overall strategic planning, evaluation, and project management for that system, which includes decisions regarding the quality of the tools and measures used during the educator evaluation pilot and the scalability of the supports the State offered to participating districts. The State has not demonstrated that it is developing and approaching implementation of the teacher and leader evaluation systems in a comprehensive and deliberate manner that includes consideration of dependent

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deliverables, a structured process for evaluating and incorporating formative feedback, and a communications strategy including all relevant stakeholders. Please note that in addition to the Principles mentioned above, the Department considers Georgia's high-risk status when reviewing amendments.

I approve the following amendments, including an extension to the time period for implementation of one project, as described below.

- In Project 29: Project Management and Evaluation, shift \$2,236,079 of unexpended funds from Years 3 and 4 based on actual and anticipated costs, late hiring, and updated cost estimates to the Year 5 budget to maintain the ongoing project management and oversight for relevant Race to the Top projects, including local educational agencies' (LEAs) work towards the State's reform agenda. The funds will support five FTE through June 30, 2015 and five FTE through September 1, 2015. The funds will also support travel, supplies, contractual, and other expenses related to project management and oversight in Year 5.
- In Project 29: Project Management and Evaluation, shift \$415,000 unexpended funds from Years 3 and 4 based on actual and anticipated costs, late hiring, and updated cost estimates to the Year 5 budget for final evaluation activities, including data collection and analyses, to assess project effectiveness, identify best practices and lessons learned, and inform sustainability planning. The funds will support three FTE through June 30, 2014, as well as travel, supplies, and other expenses necessary to carry out these activities.

In order to consider amendment requests with no-cost extensions, the Department indicated that States must address the timelines and implications of the amendment on the 50 percent LEA subgrants (i.e., allocations to participating LEAs), as well as the process the State will use to review LEA subgrant requests to obligate and liquidate funds after the current project period. Through conversations with Georgia and documentation submitted as part of this amendment request, we understand that the State will review requests from participating and involved LEAs to extend the project period to complete Race to the Top activities on a case-by-case basis. The Department generally approves the State's process as described in Appendix 1. Prior to September 1, 2014, the Department expects the State to submit a record of each participating LEA project approved by the State for a no-cost extension and the total funding approved for LEAs' Year 5 Scopes of Work.

It is our understanding that this amendment and no-cost extension will not result in a change in your State's performance measures and outcomes, nor will they substantially change the scope and objectives of the work. Please note that we are expecting grantees with no-cost extensions to liquidate all funds by September 1, 2015, given that by law all Race to the Top funds revert to the U.S. Department of Treasury as of October 1, 2015. The State must request and receive approval to move forward with no-cost extensions

for any additional projects. This letter will be posted on the Department's website as a record of the amendments.

If you need any assistance or have any questions regarding Race to the Top, please do not hesitate to contact Georgia's Race to the Top Program Officer, Melissa Siry, at 202-260-0926 or Melissa.siry@ed.gov.

Sincerely,

//s//

Ann Whalen
Director, Policy and Program Implementation
Implementation and Support Unit

cc: Superintendent John Barge
Dr. Susan Andrews
Erin Hames

Appendix 1: Process the State will use to review LEA subgrant requests to obligate and liquidate funds after the current project period, as described by the Georgia Department of Education.

LEA Submission Process:

- On a case-by-case basis, a partner district may request a no-cost extension for specific activities it believes additional time is needed to complete the project. The partner district may request an extension that results in revisions to goals, activities, timelines, and/or budgets provided that any such requests do not change the district's overall scope of work. In addition, such requests must not limit the district's ability to comply with the terms and conditions of the Partner District Memorandum of Agreement and programmatic and fiscal Assurances agreed to in the Consolidated Application.
- A partner district must:
 - Align requests with and support the state in meeting the requirements in Georgia's scope of work. For example, an LEA requesting an extension to implement components of the teacher evaluation system outside of the state's timeframe would not meet this criterion;
 - Align request with the LEA's goals and activities outlined in its scope of work;
 - Identify clear deliverables, activities, and timelines;
 - Identify other projects that may be impacted by the request;
 - Identify new timelines for activities within a timeframe to ensure all funds are liquidated by June 30, 2015; and
 - Explain, including a clearly defined plan, how the impact of the work will be sustained (and, if appropriate, completed) after the timeframe of the no-cost extension.
- A partner district may request a no-cost extension for activities in any of the reform areas and are not limited to the reform area for which the state is requesting an extension. The RT3 Implementation Office will consider, for example, requests to provide additional training for teachers and leaders to successfully implement the evaluation system, Common Core Georgia Performance Standards, and the longitudinal data system.
- The LEA should submit its no-cost extension application by June 30, 2014. This deadline allows the RT3 Implementation Office sufficient time to review, request clarification, if needed, and approve applications.
- The no-cost extension must be signed by the Superintendent and the local board chair.

GaDOE Review Process:

- The review process will be similar to the current budget and scope of work amendment process. LEAs' no-cost extension requests will be reviewed by the project and program managers and the budget auditors/analysts. The managers and auditors/analysts will communicate the need for additional information, clarifications, etc., to the district's RT3 coordinator before bringing requests to the full RT3 Implementation team. The full RT3 Implementation team meets bi-weekly to review projects, assess quality, and discuss any other concern, issues, etc. The full Implementation team will discuss in detail each request and determine a decision. The documented decision will be submitted in writing to the LEA. A district may receive approval for all requests or only the requests for which appropriate documentation was provided.
- If approved, the LEA must update their scope of work and if appropriate, the revised budget. The budget and updated scope must be uploaded to the Consolidated Application. The Consolidated Application is an electronic process for approving LEAs' budget and has an automatic notification system to the project manager and the Associate Superintendent. The program manager and Associate will review to ensure the submission aligns with the no-cost extension approval.
- The RT3 Implementation Office will determine if a district is eligible to submit a no-cost extension based on the following:
 - A demonstrated lack of capacity and/or commitment to implementing its scope of work as determined by
 - The district's overall assessment on its RT3 dashboard.
 - The district's level of participation in TKES/LKES and CCGPS training.
 - The steps the district has taken to ensure schools have access to the LDS.
 - The support the district has provided, if applicable, to its LAS.
 - The timely submission of reports, including completion and quarterly expenditure reports as determined by the
 - The district's pattern of submitting reports beyond the due dates.
 - The district's pattern of submitting inaccurate reports.
 - A high-risk designation as determined by other federally-funded programs
- Districts with unresolved serious (typically related to inappropriate use of funds, no internal controls, fraud, waste, abuse) fiscal audit findings will not be considered for a no-cost extension.
- Any outstanding fiscal and program monitoring findings must be resolved or have an approved corrective action plan before the LEA can submit a request. The RT3 Implementation Office will use the risk status and audit reports to determine eligibility. Communication to LEAs about the no-cost extension opportunity will include these conditions.