



United States Department of Education
OFFICE OF THE DEPUTY SECRETARY

August 15, 2011

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 plan. On July 7, 2011, the State submitted documentation related to this request to the U.S. Department of Education (Department) and, in the subsequent weeks, clarified various elements of the request. As you are aware, the Department has the authority to approve amendments to your plan and budget, provided that such amendments do not alter the scope or objectives of the approved application. On January 6, 2011, the Department sent a letter and "Grant Amendment Submission Process" document to Governors of grantee States indicating the process by which the Department would review and approve or deny amendments. To determine whether the Department would approve your amendments, we applied the conditions noted in this document, and compared it with the Race to the Top program *Principles*, which this document also includes.

I am approving the following amendments to Georgia's approved Race to the Top plan, specifically to its *Project Management and Evaluation* and *Creating Formative Assessments* project plans and budgets, respectively.

- In Georgia's approved application, it proposed to contract with an external firm to work with state education agency (SEA) staff to develop processes, frameworks, and procedures to conduct state-level resource reallocation review on an ongoing basis. The work on this contract was to take place in Years 2 and 3 of the grant. However, in May 2011 the Georgia legislature passed House Bill 192 that establishes a State Education Finance Study Commission ("Commission") to investigate and make recommendations on a variety of topics related to how the State funds education (the funding formula as well as policies and procedures around funding). The work of the Commission will encompass the work that

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Georgia had intended to complete in the first year of the state-level resource reallocation review as proposed in its approved application. In effect, the work of the Commission constitutes an alternate approach to completing the work Georgia had originally planned to complete via a contractor during Year 2. Thus, Georgia will still complete the activities planned for this project in Year 2 via the work of the Commission. Georgia will continue with its original plan to contract out for the remainder of the work to be done on this project during Year 3 of the grant, with the work being informed by the work of the Commission.

As a result of this change in approach to completing the work on this project in Year 2, the State will revise the Year 2 budget for *Project 29: Project Management and Evaluation*. Specifically, the State will remove Year 2 contractual costs for this project, increase personnel and fringe across grant years 1-4 by \$548,560 to accommodate additional staff to support the work on the State's Race to the Top *Innovation Fund* project (personnel for which is funded in *Project 29*), and shift the remaining \$51,440 to contractual for Year 3 to complete the activities planned on the state-level resource reallocation review. This shift of funds does not change the total amount allocated for *Project 29*. This amendment does not impact any of the State's performance measures, outcomes, or deliverables.

- In Georgia's originally approved plan, in the budget for *Project 3: Formative Assessments*, Georgia allocated \$400,000 for training stipends in Year 2. Instead of the providing the stipends from the SEA, the stipends will now be provided through the contract with the approved vendor developing the assessments and providing the training. Thus, Georgia will shift \$400,000 from the training stipend budget category to the contractual category. This shift of funds does not impact the total amount allocated for *Project 3*, the number of teachers being trained, or the activities to be carried out under this project.

It is our understanding that the amendments will not result in a change in your State's performance measures or outcomes, nor will they substantially change the scope of work. Please note that this letter will be posted on the Department's website as a record of the amendment.

I am confident that Georgia will continue its bold, comprehensive reform efforts. 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, Victoria Hammer, at 202-260-1438 or Victoria.Hammer@ed.gov.

Sincerely,

//s//

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

cc: John D. Barge
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Erin Hames