



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

December 7, 2012

The Honorable Neil Abercrombie
Office of the Governor
State Capital, Executive Chambers
Honolulu, Hawaii 96813

Dear Governor Abercrombie:

I am writing in response to Hawaii's request to amend its approved Race to the Top grant project. Between August 10, 2012 and November 1, 2012, the State submitted documentation to and held conversations with the U.S. Department of Education to support amendment requests to its approved Race to the Top plan and budget. As you are aware, the U.S. Department of Education (Department) has the authority to approve amendments to your plan and budget, provided that such a change does not alter the scope or objectives of the approved proposal. On October 4, 2011, the Department sent a letter and revised "Grant Amendment Submission Process" document to Governors of grantee States indicating the process by which amendments would be reviewed and approved or denied. To determine whether approval could be granted, the Department has applied the conditions noted in the document, and compared it with the Race to the Top Program Principles, which are also included in that document.

On December 21, 2011, the Department placed Hawaii's Race to the Top grant on high-risk status due to unsatisfactory performance in the first fourteen months of the grant. Please note that the Department considers Hawaii's high-risk status when reviewing amendments, in addition to the principles above.

The following amendments are approved:

- For the Assistance and Oversight project to support schools in the Zones of School Innovation, shift \$10,000 to the "other" category to support telecommunications, mileage and meeting expenses in Years 3 and 4. Shift \$1,350 to Year 3 to purchase a computer. Shift \$2,000 to the "supplies" category to purchase office supplies in Years 3 and 4. These new items are necessary to support the new Wraparound Services Coordinator position that was approved in a December 21, 2011 amendment approval letter. The \$13,350 for these new budget items were made available after the Department's December 21, 2011 amendment approval letter.
- Revise performance measure target for the number of schools for which one of the four school intervention models will be initiated in school year 2013-2014 to three, from "TBD." The State reports that this is the number of schools that the Hawaii Department of Education (HIDOE) has the capacity to support in implementing one of the four schools intervention models given the resources required to successfully implement the model.

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The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

- For the Community Access Portal project, shift \$664,881 in contractual funds from Year 2 to Years 3 and 4 to align the budget with the actual payment schedule for this contract. The State reports that the work is progressing according to the amended timeline. The total budget for this contract remains \$1,700,775.
- In the personnel budget for grant oversight, create two new positions to support operations within HIDOE. Shift \$141,540 from Year 2 unspent personnel funds to Years 3 and 4 personnel and fringe to support a budget assistant position who will support portfolio managers in budget and fiscal oversight. Shift \$30,792 from Year 2 unspent personnel funds to Years 3 and 4 personnel and fringe to support a part-time, temporary position to support the HIDOE Office for Strategic Reform in fiscal and programmatic tasks.

The following amendment is approved with the condition described below:

- For the End-of-Course Assessments project, shift \$476,129 from unspent funds in Year 2 to the contractual budget line to account for the removal of the Biology EOC from the suite of assessments and for an overall increase in the cost of Common Core State Standards-aligned assessment development. The contractual budget for this project is now \$4,998,129. In November 2011 the Department approved the State's approach and budget amendment to shift \$4,522,000 from in-house development of interim and summative assessments to the purchase of EOC assessments in Algebra I, Algebra II, Expository Writing, U.S. History and Biology. The State met the condition of that approval by submitting an assurance to the Department on November 28, 2011, that these assessments would not be used for accountability purposes under the Elementary and Secondary Education Act (ESEA). In March 2012 the State informed the Department that it would use the Biology EOC assessment for accountability purposes under the ESEA and would remove the portion of the contractual amount from their Race to the Top budget allocated for the Biology EOC assessment.

The Department understands that this Race to the Top investment will be used to develop EOC assessments in Algebra I, Algebra II, Expository Writing and U.S. History. With the vendor, HIDOE will field test these assessments in spring 2013 and make them operational in fall 2013, and spring 2014. The State reports it is committed to continuing this investment beyond the grant period. The Department understands that the State will collaborate with the Smarter Balanced Assessment Consortium, of which Hawaii is a governing member, to make EOC assessment items available to States in the consortium in the future.

The Department approves this request with the condition that the Algebra I, Algebra II, Expository Writing and U.S. History EOC assessments not be used as the statewide summative assessments required under the ESEA.

It is our understanding that the amendments will not result in a change in your State's outcomes and goals, 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 amendments.

If you need any assistance or have any questions regarding Race to the Top, please do not hesitate to contact your Race to the Top program officer, Monika Bandyopadhyay, at 202-260-2531 or monika.bandyopadhyay@ed.gov.

Sincerely,

//s//

Ann Whalen
Director, Policy and Program Implementation

cc: Superintendent Kathryn Matayoshi
Tammi Chun
Stephen Schatz