July 26, 2011

The Honorable Martin O'Malley
Office of the Governor
Maryland State House
100 State Circle
Annapolis, MD 21401

Dear Governor O'Malley:

I am writing in response to Maryland's request to amend its approved Race to the Top grant project. From April 28 - June 14, 2011 the State submitted amendment requests to the U.S. Department of Education (the Department). As you are aware, the Department has the authority to approve amendments to your plan and budget, provided that such changes do not alter the scope or objectives of the approved proposal. 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 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.

I am pleased to approve the amendments outlined below.

- For the project area Great Teachers and Leaders, in the project "Building Leadership Capacity in Low-achieving Urban and Rural Schools (#31/13)," develop an alternate contract with New Leaders for New Schools (NLNS). Due to a lack of capacity and resources at both NLNS and the partnering LEAs, Maryland is not able to expand the program as initially anticipated. Under the alternate contract, NLNS will continue to support the five current cohorts of interns in Prince George's and Baltimore City Public Schools. NLNS will also work with Salisbury University and University of Maryland, Eastern Shore to implement NLNS elements in their educational leadership programs that produce school leaders who typically work in rural schools. Finally, NLNS has contracted with the College of Notre Dame to develop a course on evaluation and longitudinal data systems for its education administrations program. Graduates from the program typically serve in Baltimore City and Baltimore County public schools.

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

The contractual line for this project is reduced by $129,660. These funds will be reallocated to travel, equipment, supplies and "other" expenses.
The performance objectives outlined in the original project to improve school leadership by developing skills and knowledge to work in rural and urban districts will still be met. Maryland anticipates that this program, as modified, will immediately impact two existing cohorts in Prince George's and Baltimore City Public Schools (60 candidates), and an additional 25 candidates in five cohorts on the Eastern Shore. The new course at the College of Notre Dame will impact approximately 80 future principals immediately.

- For the project area Great Teachers and Leaders, in the project "Maryland Approved Program (MAP) Cost for LEAs, Providers, and IHEs (UTeach Maryland) (#36/75)," partner with the National Math and Science Initiative (NMSI), rather than two IHEs within the University System of Maryland, as originally proposed. NMSI will select two IHEs competitively and directly oversee and support the replication of the UTeach Model. IHEs implementing the UTeach model will still partner with districts to ensure that STEM teacher candidates receive extensive classroom teaching experience, however since the IHEs have not yet been selected, specific references to partnering districts and schools have been removed from the budget narrative. Additionally, NMSI will provide additional funding from its foundation partners. Due to delays in project implementation in year 1, 60 candidates are expected to complete the program by the spring of 2014. An additional 60 candidates are expected to graduate each of the subsequent years, for a total of 180 graduates by spring 2016. The State estimated that 160 candidates would complete the program by 2014 in its original approach. The funds will be moved from contractual line to "other" to support NMSI. No administrative expenses will be charged against Race to the Top funds. The total project budget remains the same.

All technology requests, including those outlined below and in the attached table, are approved with the following condition: the State will provide monthly status updates regarding progress on all technology-related Race to the Top-funded work in the area of data systems.

- For the project area Data Systems to Support Instruction, in the project "Develop and Implement a State Curriculum Management System (CMS) (#14/31):" (1) Shift timeframes due to a delayed start to the project. The pilot with early adopter LEAs will occur at the beginning of year 2, with the CMS fully functional by the end of year 2. The CMS, as originally proposed would have been fully functional by the end of year 1. By procuring commercial off-the-shelf software, Maryland believes it will be able to meet this timeframe. (2) Related to the timeline shift, reduce contractual funds in year 1 by $305,000 and move to year 2. (3) Reduce contractual line to reflect revised estimates of the cost of procuring a Project Manger and Technical Business Analyst. (4) Increase equipment costs by $169,044, which is partially offset with the reduction in contractual costs.

- For the project area Data Systems to Support Instruction, in the project "Develop the Overall Technology Infrastructure to Support Race to the Top Initiatives (#08/11):" (1) Add a new set of activities related to the procurement and installation of additional infrastructure that has been identified as necessary to support Race to the Top initiatives.

(2) Reduce personnel costs and related fringe benefits and indirect cost expenses to reflect the reduction in internal personnel from 13 to five, and supplement with five additional contractual personnel. The savings in personnel costs will be applied to contractual expenses related to additional contracted personnel and additional equipment expenses for the new set of activities. Additionally, savings from project 54/79 will also be allocated to equipment. The total increase to equipment is $1.2 million.

- For the project area Data Systems to Support Instruction, in the project "Develop LEA System Application Upgrades and Infrastructure Updates (#11/29)," shift all year 1 activities (except planning) and supplemental funding to LEAs ($4.69 million) to year 2 due to delays in completion of the LEA needs discovery and solution process. These activities include: conducting an analysis of LEA needs; confirming budget allocations, preparing detailed project plans, and issuing procurement RFPs; and initiating upgrades, integrations, implementation, and rollouts. Maryland will work collaboratively with LEAs to ensure there is sufficient time for enhancements to the current system prior to the full implementation of other technology initiatives. The outcome of this project remains the same.

- For the project area Data Systems to Support Instruction, in the project "Develop and Implement an Educator Evaluation System (#29/48)," extend the project to a second year. This includes the development of technology necessary for the educator evaluation tools, which will be fully developed in year 2, and the ability for the State to link student growth measures to individual teachers to produce one measure of teacher effectiveness, which will be complete in time for the seven LEA pilot of the teacher evaluation system. Although this system is related to teacher effectiveness measures, it is scheduled to be fully operational before the evaluation system goes into effect, so it will not adversely affect Maryland's ability to meet its targets for the teacher evaluation system.

In addition, I am pleased to approve the amendments described in the attached chart, which relate primarily to timeline and budget shifts, or other clarifications.

It is our understanding that the amendments will not 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. I am confident that Maryland will continue its bold, comprehensive reform efforts. If you have any questions regarding Race to the Top, please do not hesitate to contact your Race to the Top Program Officer, Melissa Siry, at 202-260-0926 or melissa.siry@ed.gov.

Sincerely,

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

Cc: Bernard Sadusky
       James V. Foran

Grant project area affected	Specific project	Description of change
B: Standards and Assessments	Formative Assessments (#03/02)	(1) Reallocate funds originally budgeted in year 1 for PSAT administration across years 2 through 4 due to a delayed start.
B: Standards and Assessments	World Languages Pipelines (#07/05)	(1) Change approach to provide supplemental funding directly to LEAs to customize their programs and purchase innovative technology such as portable digital language laboratories, rather than the State purchasing a one-size-fits-all technology. Equipment funds are reallocated to supplemental funding for LEAs. (2) Reduce personnel costs in year 1 due to a delay in hiring project personnel and reallocate to supplemental funding for LEAs to allow one LEA to begin implementation of its new elementary program at the beginning of the 2011-12 school year.
C: Data Systems to Support Instruction	Accessing and Using State Data Dashboards (#09/27)	(1) Move three year 1 dashboards to years 2 and 3 and replace with three dashboards originally planned for implementation in years 2 and 3 to year 1. Content and total number of dashboards over three years remains the same. (2) Move $300,000 from contractual due to cost savings to equipment to support new test and production systems in year 1.
C: Data Systems to Support Instruction	Multi-media Training (#10/28)	(1) Shift procurement activities from year 1 to year 2 due to a delayed start. Original schedule for rollout in year 3 remains the same. (2) Shift $200,000 from contractual to equipment. By purchasing already-developed multi-media training modules, Maryland will require less contractual support but will incur additional equipment expenses. (3) Shift year 1 contract funds to years 2 and 3. (4) Shift $500,000 in equipment funds from year 1 to years 2 and 3.
C: Data Systems to Support Instruction	Expansion to LDS – Data Exchange (#12/60)	(1) Shift procurement from year 1 to year 2 and development, testing, and rollout from year 2 to year 3 due to a delayed start. (2) Shift equipment and contractual funds from year 1 to year 2.
C: Data Systems to Support Instruction	Enhancement to LDS – Develop P-20 and Workforce Data Warehouse and Center (#13/61)	(1) Shift activities by approximately six months due to a delayed start. (2) Equipment costs shifted from year 1 to year 2.
C: Data Systems to Support	Expand Instructional Toolkit (#15/07)	(1) Shift contractual funds from year 1 to years 2, 3, and 4 due to delayed hiring of a project manager. (2) Increased contractual expenses for additional project management support for this project, project #04/03, and project #14/31. Additional funds are reallocated from project #21/42 and #26/43 to provide

Grant project area affected	Specific project	Description of change
Instruction		the needed support.
C: Data Systems to Support Instruction	Implement a Test Item Bank System (#17/32)	(1) Extend project to a three-year initiative to align with related projects and allow additional time for internal collaboration. (2) Shift pilot and rollout to year 3. (3) Reduce equipment costs by $248,800 and move to year 2. (3) Reallocate savings from equipment costs to contractual. (4) Shift $490,000 in contractual funds from year 1 to years 2 and 3.
C: Data Systems to Support Instruction	Implement a Computer Adaptive Test Delivery System (#18/33)	(1) Extend to a three-year initiative to align with related projects. Year 1 will be a planning year, year 2 will focus on implementation, and the pilot and rollout will be in year 3. (2) Reduce equipment costs by $518,260 and move remaining expenses to year 2. (3) Reallocate savings from equipment to contractual and allocate a portion of year 1 funds to years 2 and 3.
C: Data Systems to Support Instruction	Adaptive Testing Units for High Schools (#20/35)	(1) Shift all activities and budget items from year 1 to year 3 to align with related projects (#17/32 and #18/33).
C: Data Systems to Support Instruction	Implement a Statewide System to Support Student Instructional Intervention (#21/42)	(1) Shift the implementation of the application at the Maryland State Department of Education and multi-media training to teachers on how to use the application from year 1 to year 2 due to delayed hiring of the project manager. All other deliverables remain on schedule. (2) Reduce contractual costs by $275,000. Costs were for project management support, which will still be provided in conjunction with #15/7.
C: Data Systems to Support Instruction	Develop Framework and Content for Online Toolkit Portal (#23/55)	(1) Reduce contractual costs by $220,051 and reallocate to personnel, fringe, travel, equipment and supplies to support a professional development specialist to lead portal design and content development activities. (2) Move a portion of contractual funds from year 1 to the remaining years of the project.
C: Data Systems to Support Instruction	Implement a System to Support E-Learning for Intervention, Enhancement and Enrichment (#26/43)	(1) Shift implementation and piloting of E-learning systems from year 1 to year 2 due to delayed hiring of the project manager. (2) Reduce contractual line by $60,000.

Grant project area affected	Specific project	Description of change
C: Data Systems to Support Instruction	Develop and Implement a Statistical Model to Measure Student Growth (#28/47)	(1) Shift procurement activities to year 2. All other activities remain on schedule. (2) Move $300,000 from year 2 contractual to year 2 equipment to provide greater flexibility to meet potential hardware and software requirements.
C: Data Systems to Support Instruction	Educator Information System (EIS) to Accommodate Additional Data (#30/49)	(1) Shift the following activities from year 1 to year 2 due to late hiring of a project manager: a) install hardware upgrades, prepare requirements and functional specifications for data structure upgrades; b) extract, Transfer, and Load programs, and data collection interfaces; and c) set up development environments and being development. All other year 2 activities remain on schedule. (2) Reduce contractual support in year 1 and allocate across remaining years of the project.
C: Data Systems to Support Instruction	Implement Statewide Centralized Student Transcript System (#54/79)	(1) Identified existing University System of Maryland (USM) electronic transcript system that can be modified to be integrated with MSDE's unique student identifier and standard course code system. Due to the partnership with the Maryland Longitudinal Data Center and the University of Maryland, the State only needs to identify new design requirements and plan with LEAs to implement the systems, reducing overall costs. (2) Shift activities planned for year 1 to year 2. (3) Eliminate originally planned year 2 activities, including training of high school counselors and user satisfaction surveys. Instead, Maryland will visit each LEA to plan rollouts and design changes to the systems, and will hire a temporary LEA liaison. (3) Project budget is reduced by $637,000 and reallocated to project #8/11.
D: Great Teachers and Great Leaders	Elementary STEM Certification (#35/26)	(1) Move activities and budget items to year 2 due to a delayed start. (2) Fund five additional IHE or Maryland Approved Alternative Preparation Providers in years 3 and 4 to join the core Elementary STEM Network using savings from year 1 and the reduced equipment and indirect cost expenses.

Specific project		Corrections to amendment approval letter dated June 17, 2011
D: Great Teachers and Great Leaders	Teacher Induction Academies (#39/25)	(1) Remove the following language from the approval letter: "Subsequent training in summer 2012 and 2013 will provide professional development in all four areas of reform, including the Instructional Improvement System (IIS) and the Online Instructional Toolkit, as originally planned."(2) Replace references to "school teams" with "induction program coordinators and new teacher mentors."
A: State Success Factors	Office of Academic Reform and Innovation (#1/78) and Program Evaluation (#2/1)	(1) Clarify that funds for the communications specialist and technical program director will be supported by indirect costs, not this project. The monies taken from #2/1 are being used to support communications efforts and travel required by the office.