September 24, 2012

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. Between July 20, 2012, and August 24, 2012, the State submitted documentation to and held conversations with the U.S. Department of Education (Department) staff in the Implementation and Support Unit (ISU) and Office of Elementary and Secondary Education (OESE) to support amendment requests to its approved Race to the Top plan and performance measures to align with the State's request for Elementary and Secondary Education Act (ESEA) flexibility. As you are aware, the Department has the authority to approve amendments to your Race to the Top 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.

The Maryland State Department of Education (MSDE) requested and was approved on May 29, 2012, for ESEA flexibility. As part of its approved request, the State set targets -- Annual Measurable Objectives (AMOs) -- for increasing student achievement and closing achievement gaps. It is the State's intent to align its Race to the Top targets to its approved AMOs. Therefore, I approve the State's request to revise its student outcomes targets to align with those approved under ESEA flexibility. In particular, I approve the following amendments:

www.ed.gov

400 MARYLAND AVE., SW, WASHINGTON, DC 20202
The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

- Revise Maryland's student outcomes performance measures for State assessment proficiency, achievement gaps, and high school graduation as described below. The changes outlined below are detailed in Appendices A through C.

  o The goals in Maryland's initial approved Race to the Top plan reflected that 100% of students would score proficient or higher on the mathematics and English language arts Maryland School Assessments (MSAs) by SY 2013-2014.

    Through Maryland's approved ESEA flexibility request, different targets for student proficiency were set, using the following methodology: set Annual Measurable Objectives (AMOs) in annual equal increments toward a goal of reducing by half the percent of students in the "all students" group and in each subgroup who are not proficient within six years.[i] Therefore, Maryland will set targets for student proficiency at the elementary and middle school levels that are aligned to the K-12 targets set under ESEA flexibility.[ii] (See Appendix A.)

  o Align Maryland's Race to the Top achievement gap targets for student performance on State assessments to the goals set in its approved ESEA flexibility request. In its Race to the Top application, Maryland stated a goal of eliminating achievement gaps between subgroups on the MSAs by SY 2013-2014. Maryland will revise this goal and apply the same methodology to setting its achievement gap[iii] targets that was used to set AMOs under ESEA flexibility.[iv] (See Appendix B.)

  o Set targets for regulatory four- and five-year cohort graduation rates to align with the goals established and methodology[v] used to set targets in Maryland's approved ESEA Flexibility Request. In its Race to the Top application, Maryland did not set graduation rate goals. Now, it will establish targets for both the four- and five-year cohort graduation rates. (See Appendix C.)

- In addition, I approve the following amendments to other performance measures included in Maryland's approved Race to the Top plan. The changes outlined below are detailed in Appendices D through F.

  o Revise the performance measure related to student performance on the Maryland High School Assessments (HSAs). At the time of application, HSAs were administered in four subjects — English, algebra, biology, and government — and the State set goals for the percentage of high school students that would pass all four assessments in SY 2013-2014 and in SY 2019-2020. As of SY 2011-2012, the government HSA was no longer administered. Maryland will adjust the performance measure to reflect its

goals for the percentage of high school students that will pass all three HSAs. (See Appendix D.)

- o Replace asterisks with numerical targets for particular subgroups in the HSA and NAEP performance measures. In the Race to the Top application, for instances in which a subgroup had already exceeded the targets the State was setting for other subgroups in later years, the State inserted an asterisk in place of a numerical target for that subgroup's goals. The meaning of the asterisk, according to Maryland's application, was "Students who have met targets are expected to improve by at least three percent each year." Because in some cases an increase of three percent per year would result in goals of 100% or higher, Maryland will replace those asterisks with numerical goals using a methodology similar to that used for setting student achievement goals in its approved ESEA flexibility request.[vi] (See Appendices D and F.)

- o Set targets for college enrollment and course completion that align with the definitions the Department provided in the application.[vii] In its Race to the Top application, the State set targets for "college-going"[viii] and "college persistence"[ix], based on the data that Maryland had available at the time. The State will revise its targets to be consistent with the program's definitions of college enrollment or college course completion. The State will eliminate its targets for "college-going" and "persistence," based on the availability of more reliable data that align with the program requirements.[x] (See Appendix E.)

It is our understanding that these 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.

Maryland also clarified its National Assessment of Educational Progress (NAEP) targets to reflect the school years during which NAEP is administered. In its Race to the Top application, Maryland set targets for the percentage of students scoring basic or above on the 4th and 8th grade mathematics and reading assessments in 2014. Since NAEP is not administered in SY 2013-2014, the State will use the same goals for SY 2012-3013. (See Appendix F.)

The Department has been engaged in ongoing conversation with the State regarding amendments to alter the teacher and principal evaluation system included in the Great Teachers and Leaders area of its Race to the Top plan since July 2012. The Department expects to receive an update on the State's progress in finalizing proposed changes to its Great Teachers and Leaders plan no later than September 28, 2012.

4

If you need any assistance or have any questions regarding Race to the Top, please do not hesitate to contact Maryland's Race to the Top Program Officer, Ashlee Davis, at 202-401-9501 or Ashlee.Davis@ed.gov.

Sincerely,

//s//

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

Cc: Dr. Lillian Lowery
        James V. Foran

Appendix A

The charts below show initial targets in (parenthesis) and revised targets in *bold italic.*

Elementary school proficiency goals: Math

Subgroup	SY 2012-2013	SY 2013-2014	SY 2014-2015
All students	*88.6%*	(100%) *89.7%*	*90.9%*
White	*94.4%*	(100%) *94.9%*	*95.5%*
African American	*80.5%*	(100%) *82.4%*	*84.4%*
(Hispanic) *Hispanic/Latino*	*86.3%*	(100%) *87.7%*	*89.1%*
Asian	*96.6%*	(100%) *97.0%*	*97.3%*
(Students with Disabilities) *Special Education*	*70.8%*	(100%) *73.7%*	*76.6%*
(English Language Learners) *Limited English Proficient*	*84.4%*	(100%) *85.9%*	*87.5%*
Free and Reduced-Price Meals	*81.6%*	(100%) *83.5%*	*85.3%*
American Indian	*86.6%*	*88.0%*	*89.3%*
Two or More Races	*91.4%*	*92.3%*	*93.1%*
Pacific Islander	*90.3%*	*91.3%*	*92.2%*

Elementary school proficiency goals: Reading

Subgroup	SY 2012-2013	SY 2013-2014	SY 2014-2015
All students	89.9%	(100%) 90.9%	91.9%
White	94.8%	(100%) 95.3%	95.9%
African American	82.9%	(100%) 84.6%	86.3%
(Hispanic) *Hispanic/Latino*	88.8%	(100%) 89.9%	91.0%
Asian	96.2%	(100%) 96.6%	96.9%
(Students with Disabilities) *Special Education*	76.1%	(100%) 78.5%	80.9%
(English Language Learners) *Limited English Proficient*	86.1%	(100%) 87.5%	88.9%
Free and Reduced-Price Meals	83.5%	(100%) 85.2%	86.8%
American Indian	86.5%	87.9%	89.2%
Two or More Races	92.8%	93.6%	94.3%
Pacific Islander	89.8%	90.8%	91.9%

Middle school proficiency goals: Math

Subgroup	SY 2012-2013	SY 2013-2014	SY 2014-2015
All students	78.0%	(100%) 80.2%	82.4%
White	87.8%	(100%) 89.0%	90.3%
African American	64.7%	(100%) 68.2%	71.7%
Hispanic *Hispanic/Latino*	72.6%	(100%) 75.4%	78.1%
Asian	93.8%	(100%) 94.4%	95.0%
(Students with Disabilities) *Special Education*	55.9%	(100%) 60.3%	64.7%
(English Language Learners) *Limited English Proficient*	65.6%	(100%) 69.1%	72.5%
Free and Reduced-Price Meals	65.3%	(100%) 68.8%	72.3%
American Indian	76.4%	78.7%	81.1%
Two or More Races	84.0%	85.6%	87.2%
Pacific Islander	78.9%	81.0%	83.1%

Middle school proficiency goals: Reading

Subgroup	SY 2012-2013	SY 2013-2014	SY 2014-2015
All students	86.0%	(100%) 87.4%	88.8%
White	92.4%	(100%) 93.1%	93.9%
African American	77.5%	(100%) 79.8%	82.0%
(Hispanic) *Hispanic/Latino*	82.2%	(100%) 83.9%	85.7%
Asian	94.5%	(100%) 95.1%	95.6%
(Students with Disabilities) *Special Education*	64.9%	(100%) 68.4%	72.0%
(English Language Learners) *Limited English Proficient*	69.5%	(100%) 72.5%	75.6%
Free and Reduced-Price Meals	76.6%	(100%) 78.9%	81.3%
American Indian	83.2%	84.9%	86.5%
Two or More Races	91.2%	92.1%	93.0%
Pacific Islander	86.4%	87.8%	89.2%

Appendix B

Achievement gap goal established in Race to the Top Application: Eliminate achievement gaps between subgroups by SY 2013-2014.

Revised achievement gap goals

School Type	Subject	SY 2012-2013	SY 2013-2014	SY 2014-2015
Elementary	Math	25.7	23.1	20.5
	Reading	19.9	17.9	15.9
	Science	35.8	32.2	28.6
Middle	Math	37.5	33.7	30.0
	Reading	29.2	26.3	23.3
	Science	42.9	38.6	34.3
High	Math	29.5	26.5	23.6
	Reading	30.0	27.0	24.0
	Science	28.3	25.5	22.7

Appendix C

Four-Year Cohort Graduation Rate Targets

Subgroup	SY 2012-2013	SY 2013-2014	SY 2014-2015
All Students	83.42	84.14	84.47
American Indian	78.05	79.11	80.17
Asian	93.25	93.36	93.47
African American	76.35	77.51	78.68
Hispanic/Latino	75.83	77.03	78.23
Pacific Islander	90.77	91.04	91.30
White	89.02	89.39	89.77
Two or More Races	93.59	93.68	93.77
Special Education	59.19	61.43	63.67
Limited English Proficient	61.21	63.32	65.43
Free and Reduced Price Meals	76.43	77.59	78.75

Five-Year Cohort Graduation Rate Targets

Subgroup	SY 2012-2013	SY 2013-2014	SY 2014-2015
All Students	85.72	86.30	86.88
American Indian	79.90	80.84	81.78
Asian	94.58	94.61	94.63
African American	79.77	80.72	81.67
Hispanic/Latino	80.02	80.96	81.90
Pacific Islander	95.00	95.00	95.00
White	90.24	90.54	90.84
Two or More Races	94.76	94.78	94.79
Special Education	64.73	66.62	68.51
Limited English Proficient	69.79	71.37	72.94
Free and Reduced Price Meals	81.88	82.70	83.52

Appendix D

High school assessment goals established in Race to the Top application: Percent of Maryland high school students passing all four assessments—English, algebra, government, and biology.

Subgroup	SY 2008-2009	SY 2013-2014	SY 2019-2020
All Students	75	80	90
White	76	80	90
African American	56	80	90
Hispanic	66	80	90
Asian	88	*	90
Students with Disabilities	34	80	90
English Language Learners	36	80	90
Free and Reduced Price Meals	55	80	90

Revised High School assessment goals: Percent of Maryland high school students passing all three assessments—English, algebra, and biology. (Revised targets in table below are noted in ***bold italic***.)

Subgroup	SY 2008-2009	SY 2013-2014	SY 2019-2020
All Students	75	80	90
White	76	80	90
African American	56	80	90
Hispanic	66	80	90
Asian	88	***94***	***97***
Students with Disabilities	34	80	90
English Language Learners	36	80	90
Free and Reduced Price Meals	55	80	90

Appendix E

"College-going" and "college persistence" targets established in Race to the Top application

	SY 2010-2011	SY 2011-2012	SY 2012-2013	SY 2013-2014
Increase the overall college-going rate as determined by Maryland's Documented Decisions Survey	--	--	--	75%
Increase overall college persistence rate to 75% by 2014.	--	--	--	75%
Increase the college-going rate for the top quartile of high poverty and high minority schools by 20% within the Race to the Top grant period	--	--	--	--

Revised college enrollment targets

Subgroup	SY 2012-2013	SY 2013-2014
All students	62.7	68.0
American Indian	57.0	63.1
Asian/Pacific Islander	64.9	69.9
Black or African American	58.7	64.6
White	62.3	67.7

Subgroup	SY 2012-2013	SY 2013-2014
Hispanic	56.9	63.1
Free and Reduced Meals	59.0	64.8
Limited English Proficient	48.7	56.1
Special Education	54.1	60.7

Revised college course completion targets

Subgroup	SY 2012-2013	SY 2013-2014
All students	52.6	59.4
American Indian	50.4	57.5
Asian/Pacific Islander	58.6	64.5
Black or African American	47.9	55.4
White	53.7	60.3
Hispanic	47.9	55.4
Free and Reduced Meals	47.4	54.9
Limited English Proficient	43.9	51.9
Special Education	44.3	52.3

Appendix F

In the tables below, revised targets are noted in **bold italic**.

Grade 4 Reading

Race to the Top application targets   *Revised targets*

Group	2009 % Basic and Above	2014 Goal	2020 Goal
All	70	75	85
White	81	83	85
Black	53	75	85
Hispanic	67	75	85
Asian	89	*	*
Students with Disabilities	54	75	85
English Language Learners	51	75	85
Free and Reduced Meals	52	75	85

Group	2009 % Basic and Above	*SY 2012-2013* Goal	2020 Goal
All	70	75	85
White	81	83	85
Black	53	75	85
Hispanic	67	75	85
Asian	89	***95***	***98***
Students with Disabilities	54	75	85
English Language Learners	51	75	85
Free and Reduced Meals	52	75	85

Grade 8 Reading

Race to the Top application targets

Group	2009 % Basic and Above	2014 Goal	2020 Goal
All	77	80	85
White	88	*	*
Black	61	80	85
Hispanic	71	80	85
Asian	93	*	*
Students with Disabilities	57	80	85
English Language Learners	N/A	80	85
Free and Reduced Meals	61	80	85

Revised targets

Group	2009 % Basic and Above	*SY 2012-2013* Goal	2020 Goal
All	77	80	85
White	*88*	*94*	*97*
Black	61	80	85
Hispanic	71	80	85
Asian	*93*	*97*	*99*
Students with Disabilities	57	80	85
English Language Learners	N/A	80	85
Free and Reduced Meals	61	80	85

Grade 4 Mathematics

Race to the Top application targets

Group	2009 % Basic and Above	2014 Goal	2020 Goal
All	85	90	95
White	94	*	95
Black	72	90	95
Hispanic	83	90	95
Asian	95	*	95
Students with Disabilities	67	90	95
English Language Learners	71	90	95
Free and Reduced Meals	74	90	95

Revised targets

Group	2009 % Basic and Above	*SY 2012-2013* Goal	2020 Goal
All	85	90	95
White	*94*	*97*	*99*
Black	72	90	95
Hispanic	83	90	95
Asian	*95*	*98*	*99*
Students with Disabilities	67	90	95
English Language Learners	71	90	95
Free and Reduced Meals	74	90	95

Grade 8 Mathematics

Race to the Top application targets

Group	2009 % Basic and Above	2014 Goal	2020 Goal
All	75	80	90
White	89	90	90
Black	55	80	90
Hispanic	64	80	90
Asian	95	*	*
Students with Disabilities	54	80	90
English Language Learners	N/A	80	90
Free and Reduced Meals	55	80	90

Revised targets

Group	2009 % Basic and Above	*SY 2012-2013* Goal	2020 Goal
All	75	80	90
White	89	90	90
Black	55	80	90
Hispanic	64	80	90
Asian	*95*	*98*	*99*
Students with Disabilities	54	80	90
English Language Learners	N/A	80	90
Free and Reduced Meals	55	80	90

[i] Using SY 2010-2011 as the baseline and SY 2016-2017 as the time by which non-proficiency is reduced by half.

[ii] Under ESEA flexibility, Maryland set targets for student proficiency in the "all students" group and subgroups of students on the aggregate K-12 level (see page 71 of Maryland's approved request). Because the State originally set targets for elementary and middle school proficiency for Race to the Top, Maryland would like to maintain this structure going forward. The State reports that its targets for proficiency at the elementary and middle school levels are directly aligned with and mathematically derived from the K-12 targets in the approved ESEA flexibility request. On August 30, 2012 Maryland submitted an amendment request to the Office of Elementary and Secondary Education (OESE) to make technical corrections to the K-12 Annual Measurable Objectives (AMOs) established in their approved ESEA flexibility request. It is the Department's understanding that the revised Race to the Top elementary and middle school proficiency goals in this letter are aligned to the updated K-12 AMOs the State has submitted to OESE in its amendment request.

[iii] Maryland's definition of achievement gap is the difference between the performance of the highest-performing subgroup and lowest-performing subgroup. This definition is utilized in the Maryland School Performance Index, an element of the State's accountability structure under ESEA flexibility.

[iv] The State's targets are based on a goal of reducing the achievement gap between the highest- and lowest-performing subgroup by half in six years, by SY 2016-2017.

[v] The State will set these targets based on the goal of reducing by half the difference between a 95% graduation rate and the SY 2010-2011 rate by SY 2019-2020. Subsequent to approval of the four- and five-year cohort graduation rate targets under ESEA flexibility, the State determined that there was a need to make technical corrections to these data. In its initial flexibility request the State utilized two different cohorts of students to set the four- and five- year cohort graduation rate targets; Maryland submitted an amendment to the Office of Elementary and Secondary Education (OESE) on August 30, 2012 to adjust its targets so that the four- and five- year cohort graduation rate targets reflect the same cohort of students.

[vi] The State will set targets based on the goal of reducing by half by SY 2016-2017 the percentage of students in each subgroup not achieving the goal.

[vii] College enrollment refers to the enrollment of students who graduate from high school consistent with 34 CFR 200. 19(b)(1) and who enroll in an institution of higher education (as defined in section 101 of the Higher Education Act, P.L. 105-244, 20 U.S.C 1001) within 16 months of graduation. College course completion means the number of students who complete at least a year's worth of college credit that is applicable to a degree within two years of enrollment in an institution of higher education.

[viii] Maryland's "college-going" rate is based on data from the Documented Decisions Survey, a survey completed by students regarding their declared intentions to attend institutions of higher education after high school.

[ix] Maryland's "college persistence" rate is based on data from the Governor's State Stat 73.4.

[x] The State's "college-going" goals, for all students and for students from the top quartile of high-poverty and high-minority schools in the State, were based on self-reported data from the Maryland Documented Decisions Survey. Now that Maryland will have more reliable data on the enrollment of high school graduates in institutions of higher education from the Maryland Higher Education Commission (MHEC) database, it will eliminate the "college-going" measures. The State will also be able to report on college enrollment, using more reliable data from the MHEC database, and so will eliminate the "college persistence" measure set in the application.