



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

April 5, 2012

The Honorable Andrew M. Cuomo
Governor of New York State
New York State Capitol Building
Albany, NY 12224

Dear Governor Cuomo:

I am writing in response to New York's request to amend its approved Race to the Top grant project. Between November 30, 2011 and March 30, 2012, the State submitted amendment requests to the U. S. Department of Education (Department); the State then provided additional clarification as requested. As you are aware, the 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.

I approve the following amendments:

- Combine projects, as described below, to create the State's new *Strengthening Teacher and Leader Effectiveness* grant program. This \$72,000,000 project, to be part of project D7, Teacher and Principal Evaluation, is composed of \$14,900,000 from project D6 and \$57,100,000 from projects D8 and D9, described below. Through a competitive request for proposals (RFP), the New York State Education Department (NYSED) would competitively award funds to districts which have committed to develop what it calls "the full teacher and leader effectiveness continuum," which includes preparation, recruitment/placement, induction/mentoring, evaluation, ongoing professional development/growth, performance management, and advancement opportunities via a career ladder. Every applicant will be required to include initiatives related to recruitment and placement (for the purposes of equitable

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distribution of effective/highly-effective educators) and/or to provide career ladders (opportunities for advancement for effective/highly-effective educators).

Competitive funding for grants will be divided by region and allocated to a small set of grantees per region. Eligible districts must have a poverty rate of at least 25% or higher, which the State believes will help it remain true to the intent of the original grant projects, which focused on ensuring equitable distribution of teachers in high-needs schools. The State believes that this consolidation of funding retains the original intent of the separate sub-grant programs, but more clearly communicates to districts that their policies and practices need to be aligned and span the entire career continuum. It is the Department's understanding that the district *Strengthening Teacher and Leader Effectiveness* RFP will be issued in mid-April, 2012, with preliminary notification of awards occurring in late July. The State anticipates final approval of local educational agency awards by late September 2012 so that programs can begin operation in mid-October.

- For project D8, Innovative Compensation Incentive Fund and project D9, Transfer Fund, combine the funding from these two programs (specifically, \$22,000,000 from project D8 and \$35,100,000 from project D9) into the *Strengthening Teacher and Leader Effectiveness* project, described above, which will now be part of project D7. The State had initially committed to fund a series of separate grant programs targeting various elements of a comprehensive human capital management system. It believes that its original plan, including multiple, tightly-focused RFPs, has resulted in a "piecemeal" approach that has diluted the incentives for LEAs to think and act in a systemic manner, and rather than launching these programs as originally planned, proposed to consolidate funding into one comprehensive grant program. The State believes that this consolidation of funding retains the original intent of the separate grant programs (to recognize and reward outstanding principals and teachers in hard-to-staff subjects and to provide targeted financial incentives to bring highly effective teachers and principals into the State's neediest schools and an incentive program to attract and retain effective teachers of STEM and other high-need subjects in the State's high-need middle and high schools).
- For project D6, Model Teacher Induction Programs, adjust timeframes for award date from February 2012 to April 2012. The State requested an extension for final review and approval of grant proposals in order to allow for possible delays that may arise as the Office of State Comptroller switches to a new statewide financial system. Additionally, reduce the contractual line item as follows: transfer \$714,124 from this project to project D7 for personnel (as described below) and \$14,900,000 to the State's combined *Strengthening Teacher and Leader Effectiveness* RFP. The State received fewer approvable proposals than it had initially anticipated and requested to redistribute the unallocated funds to the *Strengthening Teacher and Leader Effectiveness* RFP because it believes that this is a more pragmatic and sustainable approach to change than reissuing this RFP again by itself.

- For project D7: Teacher and Principal Evaluation:
 - Modify the \$14,500,000 amount originally budgeted for contractual funding as follows: move \$1,592,026 out of the contractual line item and into personnel and travel, to fund additional capacity at NYSED, as described in the next bullet. Additionally, reallocate the funds remaining in the contractual line item (\$12,907,974) as follows: increase funding for implementation training and online resources development from \$7,500,000 to \$10,150,000; reduce the budgeted amount for development of teacher and principal growth and value-added models from \$5,000,000 to \$2,757,974; and reduce funding for evaluation/data management tools and software from \$2,000,000 to \$0. As the State began work in this area, it requested to reallocate this funding because the growth and value-added models contract came in under the estimated budget and because it seeks to better support the implementation of the new evaluation system. Specifically, it has identified the need to provide more targeted professional supports to educators, through professional development trainings, workshops, and online resources (including an e-library of videos to be used in evaluator training and Common Core State Standards professional development and the State's new EngageNY.org website). The remaining contractual funding (\$12,907,974) combined with the newly-added \$72,000,000 for the *Strengthening Teacher and Leader Effectiveness* RFP, sum to a net contractual budget of \$84,907,974.
 - Reallocate funding in order to budget \$2,293,150 for personnel and \$13,000 for travel within project D7. Specifically, \$714,124 of these funds would come from the contractual line of project D6, above, and \$1,592,026 would come from the contractual line of project D7. This funding will enable NYSED to build the necessary staff capacity to review and approve the Annual Professional Performance Reviews (APPRs) and teacher/leader agreements submitted by the State's approximately 700 participating districts.¹ NYSED will hire four-full time staff (an Executive Director for Educator Effectiveness Policy and Programs, an Assistant Counsel and a Senior Attorney within NYSED's Office of Counsel, and a project coordinator), 15 education specialists (legal), and 3 education specialists (educators) to review these materials. These staff members will also develop policies, strategies, and resources to support systematic local implementation of Education Law §3012-c; manage collaboration with other States, stakeholder organizations, and professional associations to ensure

¹On February 16, 2012, NYSED officials and NYSUT reached an agreement on a new evaluation system. This system, which was recently approved by State legislature, will require that teacher evaluations be based: 20% on growth on State tests, 20% on locally-selected measures (collectively bargained, based on a set of options), and 60% on other measures (with more delineated elements, including a requirement that there be multiple observations, at least one of which is unannounced). The agreement clarified NYSED's authority to review each LEA's APPR plan for rigor during summer 2012, described implications for tenure, and clarified that teachers rated ineffective on student performance based on objective assessments must be rated ineffective overall. LEAs will be required to submit their APPR plans by July 1; those that have not finalized their plans by January 17, 2013 (next year's budget deadline) could lose their share of the four percent increase in State funding.

continuous improvement; and report on the performance of local evaluation programs.

It is our understanding that these amendments will not result in a change in outcomes, nor will they substantially change the scope of work.

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, Rachel Gibson, at 202-453-5545 or Rachel.Gibson@ed.gov.

Sincerely,

//s//

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

cc: Dr. John B. King, Jr., Commissioner of Education
Ken Slentz, Deputy Commissioner, Office of P-12 Education
Rebecca Kennard, Executive Director, Race to the Top Performance Management
Office
John Delaney, Director of Operations, Office of P-12 Education

