



## UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

FEB - 1 2016

The Honorable David C. Hespe  
Commissioner of Education  
New Jersey Department of Education  
P.O. Box 500  
Trenton, NJ 08625

Dear Commissioner Hespe:

I am writing in response to New Jersey's request to amend its approved Race to the Top grant project, including revisions to the project period to implement a portion of its plan. Between September 14, 2015, and January 12, 2016, the State submitted documentation to and held conversations with the U.S. Department of Education (ED) to support amendment requests to its approved Race to the Top plan. ED has the authority to approve amendments to your plan and budget, provided the revisions do not change the overall scope and objectives of the approved proposal. In June 2014, ED issued *Amendment Requests with No-cost Extension Guidance and Principles*, indicating the process by which amendments containing requests to provide additional time for a grantee to accomplish the reform goals and deliverables it committed to in its Race to the Top application and approved Scope of Work would be reviewed. To determine whether approval could be granted, ED 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, including timeline extensions, with the condition described below.

- In the (A)(2) *Building Strong Statewide Capacity to Implement, Scale up, and Sustain Proposed Plans* grant budget area, New Jersey will shift a total of \$40,000 in unexpended grant funds to the Year 5 other cost category to continue to fund staff in the Office of Grants Management to maintain the Electronic Web Enabled Grant management system (EWEG) through December 31, 2016. These funds are available because New Jersey used State funds to cover a portion of the personnel costs in Year 4. Maintaining the EWEG will allow the New Jersey Department of Education (NJDOE) to continue to process final expenditure reports and reimbursement requests for participating LEAs, and make sub-grants to participating LEAs approved for Year 5.
- In the (B)(3) *Supporting the Transition to Enhanced Standards and High-Quality Assessments* grant budget area, New Jersey will extend the performance period for two projects through October 30, 2016 and December 31, 2016, respectively.
  - New Jersey will shift a total of \$120,000 in unexpended grant funds within this project from Year 4 contractual to Year 5 contractual to continue to maintain a site to host Blended Learning Modules. These funds are available because the contractor built in

400 MARYLAND AVE., SW, WASHINGTON, DC 20202  
<http://www.ed.gov/>

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

sustainability funding into the original project budget. Maintaining this site will ensure that the modules remain publicly available for educators. New Jersey plans to use State funds to cover the cost of this work beyond the grant period.

- New Jersey will shift up to \$100,000 of unexpended grant funds to Year 5 to implement a train-the-trainer strategy to develop standards-aligned formative assessments at the district level. Of this amount, up to \$50,000 will be used to fund two temporary implementation managers to train a cadre of 125 highly effective educators known as Achievement Coaches, and develop a more robust communications strategy for assessments. The State will use the remaining amount to cover training stipends for the Achievement Coaches who will, in turn, train educators in their districts on the development of standards-aligned assessments. These funds are available primarily due to cost savings in the development of the model curriculum. The State reports that these trainings will build educator capacity on the development of high-quality standards-aligned assessments in place of the model curriculum assessments, which are being phased out. In doing so, the State reports this project meets its overall B(3) goal to create standards-aligned assessments.
- In the (C)(3) *Instructional Improvement System: Instructional Support Tools* grant budget area, New Jersey will extend the performance period for two projects through December 31, 2016:
  - New Jersey will shift up to \$20,000 to Year 5 to load additional assessment data into the Instructional Improvement System (IIS), including Advanced Placement (AP), literacy, and Scholastic Aptitude Test (SAT) assessment data, among others. These funds are available due to delays in the implementation of the IIS, and differences between actual and estimated costs for this system. Loading these additional data elements will allow educators to use a full range of data to improve teaching and learning.
  - New Jersey will shift up to \$263,000 to provide additional Common Core-aligned assessment items to districts through a pre-existing assessment item bank in the IIS. These funds are available primarily due to cost savings in the development of the model curriculum. The State reports that increasing the number of assessment items for districts at no cost will better prepare LEAs to develop and implement assessments.
- In the (D)(2) *Improving teacher and principal effectiveness based on performance* grant budget area, New Jersey will shift up to \$20,000 in unexpended grant funds to Year 5 to provide additional support for implementation of teacher evaluations through December 31, 2016. Specifically, NJDOE will develop a video to provide guidance on the development of student growth objectives, and on the teacher observation process. These funds are available primarily due to cost savings in the development of the model curriculum. The State reports that developing this video will help improve inter-rater reliability and improve the quality of teacher observations.
- Update the State's overall budget to reflect the total funds made available for local educational agencies (LEAs) to extend the timelines for LEAs to implement activities of the grant from approximately June 1, 2016 to December 31, 2016. The State determined that LEAs would benefit from additional time to effectively implement and enhance sustainability of many reforms enacted as part of the Race to the Top grant.

It is ED's understanding that New Jersey will continue to work with ED to review and approve updated budget tables that clearly identify the availability of and detailed plans for funding this work.

New Jersey also submitted a request to revise the project period for LEAs to implement their Scopes of Work. In June 2014, ED issued “Amendment Requests with No Cost Extension Guidance and Principles,” indicated the process by which amendments containing requests to provide additional time for a grantee to accomplish the reform goals and deliverables it committed to in its Race to the Top application and approved Scope of Work would be review and approved or denied. In order to consider amendment requests with no-cost extensions, ED indicated that States must address the timelines and implications of the amendment on the 50 percent LEA subgrants (i.e., allocations to participating LEAs), as well as the process the State will use to review LEA subgrant requests to obligate and liquidate funds after the current project period. To determine whether approval could be granted, ED has applied the conditions and elements specific to no-cost extensions noted in the document, and compared it with the Race to the Top program *Principles* included in the “Grant Amendment Submission Process’ document issued to Governors of grantee States.

Through conversations with New Jersey and documentation submitted as part of this amendment request, we understand that the State will begin to review and approve requests from participating LEAs to extend the project period to complete Race to the Top activities on a case-by-case basis. ED generally approves the State’s process as described in appendix 1. Prior to April 1, 2016, ED expects the State to submit a record of each participating LEA project approved by the State for a no-cost extension and the total funding approved for LEAs’ Year 5 Scope of Work.

ED understands that this amendment will not result in a change in your State’s performance measures and outcomes, nor will they substantially change the scope and objectives of the work. Please note that we expect grantees with no-cost extensions to liquidate all funds by September 30, 2017, given that by law all Race to the Top funds revert to the U.S. Department of Treasury as of October 1, 2017. This letter will be posted on ED’s website as a record of the amendments.

If you need any assistance or have any questions regarding Race to the Top, please contact Megan Oberst or Lisa Sadeghi at [OSS.NewJersey@ed.gov](mailto:OSS.NewJersey@ed.gov). Thank you for your continued commitment to enhancing education for all of the New Jersey’s students.

Sincerely,

/s/

Patrick Rooney  
Acting Director  
Office of State Support

cc: James Palmer, Race to the Top Director, New Jersey Department of Education

Appendix 1: Process the State will use to review LEA sub-grant requests to obligate and liquidate funds after the current project period.

New Jersey requests that all LEA funds remaining at the conclusion of Year 4 of the grant period be made available to participating LEAs that have been approved for a no-cost extension. Based upon the number of participating LEAs granted a fifth year of implementation, funds would be distributed on the same formula basis as originally distributed to LEAs at the beginning of the grant period.

The details and qualifying criteria of the sub-grant will be disseminated with the official Notice of Grant Opportunity (NGO) in February. Initial criteria for this sub-grant will be the following:

1. The applicant must have chosen to implement either a STEM or an IIS program with the original awarded Race to the Top funds.
2. The applicant must have completed all work within their respective activity plans for their STEM or IIS initiative.
3. The applicant must have met or exceeded performance measures set by the NJDOE to be outlined in the NGO and approved by the Department.

NJDOE will use a two-tier process when selecting LEAs for the no-cost extension. LEAs applying to participate in Year 5 will submit applications to the Grant Management Office; those that score high enough will be eligible to apply through the NGO. NJDOE will further define the necessary performance measures when releasing the NGO in February.