



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

September 10, 2012

The Honorable Beverly Perdue
Office of the Governor
20301 Mail Service Center
Raleigh, NC 27699-0301

Dear Governor Perdue:

I am writing in response to North Carolina's request to amend its approved Race to the Top grant project. Between August 13, 2012, and August 24, 2012, the State submitted documentation to and held conversations with the U.S. Department of Education (Department) to support amendment requests to its approved Race to the Top plan. 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 amendments outlined below:

North Carolina's plan included establishing a total of four Anchor Schools, each of which would specialize in a different area of economic importance: energy, aerospace, health and life science, and biotechnology and agriscience. An additional set of schools, known as the Network Affinity Schools (Network), also would be established to spread the lessons from each Anchor School more broadly. In the "Science, Technology, Engineering, and Mathematics (STEM) Anchor Schools and Network," project the State will shift funds from Years 1 and 2 to Years 3 and 4 based on delays and revise its approach to several activities.

- Due to delays executing agreements with the primary contractor and identifying participating schools in Year 1, delivery of supports to Anchor and Network Schools was also delayed. The State will shift a total of \$2,833,938 from Year 1 to Years 3 and 4 to support STEM Anchor and Network Schools.

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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.

- The State will shift \$1,928,900 initially budgeted in Year 1 to Years 3 and 4 contractual for professional development (including instructional coaching, visits to model schools, school-based training) and curriculum development for the Anchor and Network Schools.

Initially, the State planned for all schools to receive the same quantity and types of services. However, based on experiences to date, the State now believes that the characteristics of each school (e.g., number of new teachers, size of faculty and student population, newness of school) necessitate that services be delivered based on the needs of each Anchor and Network school. As a result, the State will revise performance measures in its Scope of Work to reflect an individualized professional development delivery approach to Anchor and Network Schools.

The State will also revise its strategy for developing a STEM curriculum for Anchor and Network Schools. Initially, the State planned to utilize its primary professional development contract and extended summer employment contracts with teachers to develop the curriculum. Based on lessons learned through implementation, the State determined it was necessary to establish a separate contract to work with curriculum content specialists to develop the STEM curriculum. This work will now take place later and is therefore included in the aforementioned shift of contractual funds from Year 1 to Years 3 and 4. The State will update its Scope of Work to reflect the adjusted timeline and revised approach.

- The State will also shift \$905,038 from Year 1 supplemental funding for LEAs to Years 3 and 4 in the same cost category to support extended employment for teachers in the summer and STEM Anchor and Network School equipment purchases.
- Supports were delivered to three Anchor and 12 Network Schools in Year 2. However, due to actual costs and timing of reimbursement requests, the State will shift a total of \$1,502,175 from Year 2 to Years 3 and 4 as described below:
 - The State will shift \$443,000 and \$473,021 from Year 2 contractual and supplemental funding to LEAs, respectively, to the same cost categories across Years 3 and 4 to support ongoing professional development and summer employment for teachers in STEM Anchor and Network Schools.
 - The State will shift a total of \$586,152 in unexpended personnel, supplemental funding to LEAs, and contract funds from Year 2 “STEM Anchor Schools and Network” project to the “Instructional Improvement System (IIS)” project to

support updated cost estimates for IIS content licensing and subscription fees in Year 3.

- The State will also clarify several activities in its “STEM Anchor Schools and Network” project Scope of Work.
 - The State will refine descriptions of the web portal and State STEM Strategic Plan activities included in objective three, “provide technical assistance to LEAs and Regional Education Service Alliance (RESA) organizations around the planning and implementation of STEM high schools for individual LEAs or regions,” to reflect updated terminology and additional budget and milestone detail.
 - Additionally, the State will delete the duplicative references to activities included in the “North Carolina Virtual Public School” project. Lastly, the State will delete activities related to Leadership and Assistance for Science Education Reform (LASER) and Singapore Math professional development. Both professional developments were included in North Carolina’s application and are being delivered in the State, but are not Race to the Top-specific activities. Activities included in the State’s (B)(3)/(D)(5) Scope of Work provide support and professional development for all schools on Common Core State Standards mathematics and the North Carolina Essential Standards for Science.

It is our understanding that these amendments will not result in a change in your State’s performance measures and outcomes, 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 North Carolina’s Race to the Top Program Officer, Jessie Levin, at 202-453-6651 or Jessie.Levin@ed.gov.

Sincerely,

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

cc: Dr. June Atkinson, Commissioner
 Dr. William Harrison, State Board Chairman
 Adam Levinson, Race to the Top Lead