



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

October 22, 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 September 18, 2012, and October 17, 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:

In the "NC Cloud" budget, the State will shift \$13,861,444 from Year 2 to Year 3. The four-year project-level budget total \$34,639,376 remains unchanged. Specifically, the State will make the following budget adjustments:

- In order to align its budget for the NC Education Cloud with the State's approved timeline for the work, the State will shift \$12,276,795 initially budgeted in Year 2 contractual to Year 3 contractual. The funds will support the execution of contracts for the Learning Object Repository, Identity and Access Management and Data Integration, and Cloud Enterprise and Business Services in SY 2012-2013.
- Additionally, the State's contractual expenditures were lower than expected

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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.

in Year 2 for the State's management and technical assistance contracts related to the NC Education Cloud. Therefore, the State requests to shift \$1,550,333 of unexpended Year 2 contractual funds to Year 3 to continue these contractual activities in SY 2012-2013.

- The State will also shift \$34,316 in unspent Year 2 personnel funds to Year 3 to support personnel costs.

It is our understanding that the amendment 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.

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,

//s//

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