



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

March 27, 2014

The Honorable John Kasich
Office of the Governor
Riffe Center, 30th Floor
77 South High Street
Columbus, OH 43215-6108

Dear Governor Kasich:

I am writing in response to Ohio'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 January 14, 2014 and March 26, 2014, 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 the revisions do not change the overall scope and objectives of the approved proposal. In March 2013, the Department 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 and approved or denied. To determine whether approval could be granted, the Department 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 in October 2011.

I approve the following amendments, including an extension to the time period for implementation of two activities, with the condition described below.

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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.

- 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 September 23, 2014 to July 1, 2015. 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.
- Additionally, the State is approved to shift up to \$3,600,000 of unspent funds from Years 3-4 within the State's overall budget to Year 5 of the Sustain Capacity to Implement Statewide project to maintain the regional coordinator and specialist support for LEAs work toward the State's reform agenda during the extended performance period. The Ohio Department of Education (ODE) reports that its delivery model of assistance and support provided by ODE's Race to the Top office and regional coordinators and specialists has proven critical to LEA implementation during the first four years of the grant. The State plans to use up to \$3,600,000 for the ODE and regional staff to monitor and oversee the participating LEAs during the extended project period via onsite visits and monthly progress monitoring updates uploaded into the Collaboration Center. Additionally, it is the Department's understanding that the State will utilize the additional time to identify and share best practices and challenges with grant implementation, as well as collect data to inform sustainability plans beyond the grant period on the impact and effectiveness of regional supports.
- Approval of this amendment is conditioned on the State submitting updated budget table spreadsheets that clearly identify the availability of and details plans for funding this work. The State will provide this budget information to the Department to meet this condition as soon as possible but no later than April 18, 2014.

In order to consider amendment requests with no-cost extensions, the Department 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. Through conversations with ODE and documentation submitted as part of this amendment request, we understand that the State will 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 utilizing a two-tiered process wherein LEAs submit an intent to participate followed by a revised Scope of Work for the extended project period. The Department generally approves the State's process as described in appendix 1. Prior to June 30, 2014, the Department 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 Scopes of Work.

It is our understanding that this amendment and no-cost extension 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 are expecting grantees with no-cost extensions to liquidate all funds by September 1, 2015, given that by law all Race to the Top funds revert to the U.S. Department of Treasury as of October 1, 2015. The State must request and receive approval to move forward with no-cost extensions for any additional projects. This letter will be posted on the Department's website as a record of the amendment.

If you need any assistance or have any questions regarding Race to the Top, please do not hesitate to contact Ohio's Race to the Top Program Officer, Megan Oberst, at 202-453-5673 or Megan.Oberst@ed.gov.

Sincerely,

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

cc: Richard Ross, Superintendent of Public Instruction
Scott Spears, Director, Race to the Top

Appendix 1: Process the State will use to review LEA subgrant requests to obligate and liquidate funds after the current project period, as described by ODE.

ODE plans to execute a two tier process of review and approval on a fifth year of work for the LEAs. Upon approval by the State of a participating LEA's Intent to participate in a No Cost Extension submitted by April 16, 2014 approved LEAs will submit a Year 5 work plan to their respective regional support team by May 30, 2014 for review and approval. Such plan will address the activities related to extending one year based upon their Year 4 approved Scope of Work. LEAs shall not be permitted to propose any new work in the fifth year that is not directly connected to their past commitments made through their previous years' Scopes of Work. All work activities proposed in the fifth year shall promote RttT sustainability and future investment in the existing RttT initiatives and infrastructure that were established during the last four years.

The State's criteria for granting a one year extension for the LEAs shall model the same approach that the department has taken with the state concerning timeline amendments requested during the regular grant period. The State shall review the LEA requests on a case-by-case basis. Each LEA must demonstrate in their fifth year extension request that (a.) all activities proposed within the extension shall align to RttT work previously accomplished through their original scope of work; (b.) addresses sustainability and future investment in RttT initiatives beyond the RttT grant period; (c.) provide a proposed fifth year budget amount necessary to accomplish their fifth year proposed activities; and (d.) provides a rationale as to why the LEA desires an additional year of assistance and support.

The LEA extension request, review and approval will be accomplished in two steps. Initially, all participating LEAs will be required to submit an "Intent to Participate in a No Cost Extension" form signed by the LEA Superintendent, the LEA board president and the teacher union president or equivalents in community schools that they agree to participate in the No Cost Extension. For those LEAs that indicate such agreement and are approved by the Race to the Top office to do so, there will be required a subsequent submission of the projects or activities they wish to continue in the No Cost Extension year. All LEA requests received after the initial deadline shall be reviewed or accepted only on a case-by-case basis at the discretion of the State. If any extension from an LEA request is not submitted and approved, the LEA shall still be required to continue implementing their approved SOW for the final year and will be encouraged to close out spending funds by June 30, 2014. Any unspent or unobligated funds from the LEAs that either are not approved to participate in the fifth year extension or elect not to submit an extension request, will be re-distributed directly to the LEAs participating in the fifth year by November 1, 2014.

The LEA extension requests shall be electronically submitted to the state via the RttT Collaboration Center (SharePoint) and shall be initially reviewed by the RttT regional specialist and then approved or unapproved by the RttT regional coordinator. The RttT director will review all LEA extensions that are unapproved by the RttT regional coordinator and shall make all final decisions on unapproved extensions submitted by an LEA.