



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

August 3, 2012

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. Between October 20, 2011 and June 28, 2012, the State submitted amendment requests to the U.S. Department of Education (Department). 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:

- For the project area of (C)(2) Accessing and Using State Data, revise the State's approach to securing a student-teacher data linkage system. The State's initial application outlined a plan to develop Ohio Department of Education's (ODE) own "ODE Enhanced Student-Teacher Data Linkage System." In fall 2011, Battelle for Kids (BFK) announced its "BFK Link Community Edition," an open source, stand-alone, license-free, teacher-student linkage software solution for States and local educational agencies (LEAs). The State assessed the specifics of the BFK Community Edition linkage software and determined that the open source solution would meet all of the State's linkage software needs, and would also result in lower implementation costs, a shorter implementation timeline, and overall better use of project funds than if the State developed its own linkage

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system. With the time and funding originally allocated for developing a new system, the State will implement a pilot with a small number of districts to determine a data integration strategy, and provide regional teacher trainings on the BFK Community Edition linkage software. While there are no changes to the performance measures related to this project area, the State's budget contractual allocations and Scope of Work's quarterly benchmarks associated with the "Develop ODE Enhanced Student-Teacher Linkage System" project will be adjusted to reflect this new approach.

- For the project area of (D)(3) Great Teachers and Leaders, revise the State's approach to the Teaching, Empowering, Leading and Learning (TELL) Ohio project. The State's original plan offered participating LEAs with persistently lowest-achieving schools (PLAs) the option of participating in the TELL Ohio project. Due to low interest from this group of participating LEAs, the State will now offer participation in the TELL Ohio project to any LEA statewide, offering "Involved LEA" status to any currently non-participating LEA who wishes to take part in this project. The State believes that expanding the opportunity to more LEAs statewide will allow for greater engagement and creation of an early cohort of participants to develop the tools and resources to support PLAs wishing to engage in the work in the future.
- For the State's approved project level budgets, redirect unused Year 1 funding into Year 2 budget allocations. Ohio expended \$67,002,715 less than expected in Year 1. Ninety two percent of these funds, \$61,755,637, accounts for funds that were encumbered in contracts but not expended in Year 1 due to the contractual payment schedules. The remaining \$5,247,077 was not spent due to the usage of non-Race to the Top funds to cover the cost of Race to the Top activities and projects in the first year of implementation. It is the Department's understanding that the State completed all Year 1 approved activities and projects outlined in the State's approved Scope of Work, despite utilizing other funding sources. These funds will be redirected throughout the State's Race to the Top budget, as described below.
 - For the project area of State Success Factors, redirect \$439,000, split evenly over Years 3 and 4, to the State's "Sustain Capacity to Execute Statewide" project contractual budget.
 - For the project area of State Success Factors, refine the State's "Engage Stakeholders in Implementation" project plan and budget as follows:
 - Expand the State's approach to researching existing case studies, supported with \$310,000 split evenly across Years 3 and 4 contractual budgets. The State's original plan included funding for an external contractor to conduct studies of Race to the Top implementation and impact, but the State has since identified a need to add funds to expand the scope of this work. The State will allocate \$310,000 split evenly across Years 3 and 4 to contract with an external provider to

implement case studies to analyze high performing schools that enroll a significant proportion of “at risk” students in its population, examine the factors that help schools become consistently high performing, and describe practices and experiences of these schools in ways that can be used to help educators replicate these successes in their own settings.

- Contract for the development and implementation of a statewide engagement strategy, supported with \$170,000 split evenly across the Years 3 and 4 contractual budgets. While the State’s original plan includes funding for a communications plan, Ohio believes additional support for engaging educators and relevant stakeholders is necessary. Thus, the State will use this additional funding for a contract with an external provider to develop an expanded statewide engagement strategy for educational reform around State, LEA, and school perspectives in Ohio. The State believes this will enhance its communication and outreach efforts, as well as help the State sustain its educational reform practices beyond the Race to the Top grant period.
- For the project area of Standards and Assessments, refine the State’s “Provide Curriculum Resources to Support Teachers” project plan and budget as follows:
- Expand the State’s plan to develop and train education faculty on the new standards and assessments, supported with \$750,000 split evenly across the Years 3 and 4 contractual budgets. The State’s original plan related to informing educators of the revised standards and assessments did not include funding to develop and train faculty from intuitions of higher education (IHE) on the new standards and assessments. The State has since determined that additional funding is needed to ensure all IHE faculty have the knowledge and capacity to deliver high-quality instruction and administer assessments aligned to the Common Core State Standards and Ohio’s revised science and social studies State standards. The total \$750,000 will be allocated as follows:
 - The State will allocate \$150,000 split evenly across the Years 3 and 4 personnel budgets to provide stipends for experts to provide training for educators and IHE faculty on the revised standards and assessments.
 - The State will allocate \$350,000 split evenly across the Years 3 and 4 contractual budgets to contract with an external provider to provide professional development and training for education faculty at public and private IHEs.
 - The State will allocate \$250,000 split evenly across Years 3 and 4 contractual budgets to contract with an external provider to assist public and private universities in providing educators the opportunity to receive college credit

for completing coursework related to the new standard and assessments.

- For the project area of Data Systems, broaden the scope of the value-added analysis contract in the State’s “Expand Value Added Statewide” project and cover all contractual expenses for the State’s Instructional Improvement System (IIS) through the State’s portion of the Race to the Top grant.
 - Allocate \$150,000 split evenly across Years 3 and 4 to broaden the scope of the contract for value-added analysis to provide additional teachers with teacher-level value-added reports.
 - Cover \$853,077 of contractual costs for developing and implementing the State IIS. Originally, the State required participating LEAs to contribute a portion of their LEA allocations to support a total of \$853,077 of the contractual costs for development and implementation of the State’s IIS. The State now plans to cover all contractual expenses for the State’s IIS through the State’s portion of the grant. The State will review LEA budget adjustments to apply the portion of funds previously reserved for the IIS to support commitments already in their local Scopes of Work.

- For the project area of Data Systems, increase the State’s “Personalize Learning Through Formative Instruction” contractual budget by \$600,000 in Year 4 to cover updated cost estimates for the licensing fee of the State IIS.

- For the project area of Great Teachers and Leaders, revise the State’s “Redesign Educator Performance Management Systems” project to expand State support for LEA implementation of the Ohio Teacher Evaluation System (OTES) and Ohio Principal Evaluation System (OPES). In development of their teacher and principal evaluation systems, each Ohio LEAs must design a plan for calculating student growth measures (SGMs), which will account for 50 percent of the evaluation rating. The State’s original project plan and budget did not detail any activities related to supporting the development or implementation of the SGM components at the LEA level. The State has since identified a need, supported by requests from the field, to provide additional assistance to LEAs related to training, technical assistance, and pilot implementation of how to develop, identify, and implement SGMs.
 - The State will redirect \$1,210,000 to the “Redesign Educator Performance Management Systems” project budget, split evenly across the contractual budgets for Years 3 and 4, for the following:
 - \$210,000 to contract with an external provider to design and offer training to educators on SGM components of the OTES and OPES. This training will incorporate metrics from value-added assessments, ODE-approved assessments, and

locally determined SGMs using the Student Learning Objectives (SLO) process. Specific work will focus on determining SGMs to be used at the local level and understanding the SGM to inform decisions of evaluation, professional growth, retention, and compensation.

- \$840,000 to contract with Educational Service Centers to provide regional technical assistance for SGM components of OTES and OPES and alignment of local systems to State frameworks.
 - \$160,000 to support a pilot implementation of the SGM component of OTES and OPES in eight pilot LEAs¹. Each LEA will pilot multiple measures of student growth with several different teachers across a variety of grades and subjects. Pilot LEAs will be supported by regional Educational Service Centers (ESCs) and the vendor selected to design and implement SGM training. Results from the pilot will inform other districts in developing their growth measures, sharing lessons learned, and identifying the reliability and impact of various combinations of measures.
 - In addition, the State will redirect \$265,000 split evenly over Years 3 and 4 to support one staff member to manage the SGM component implementation and evaluation systems alignment. Specifically, over the two years the State will redirect \$160,000 to personnel, \$44,800 to fringe, \$10,000 to travel, \$18,400 to equipment, \$6,200 to supplies, and \$25,600 to indirect costs.
- For the project area of Turning Around Lowest-Achieving Schools, redirect \$500,000 to the State's "Turn Around Ohio's Lowest-Achieving Schools" project contractual budget to cover the Year 4 salary of four transformation specialists and one transformation specialist coordinator currently supported with School Improvement Grant (SIG) funding. The State originally planned to support these positions in Year 4 with State funding when the SIG funding expired, but will now cover the costs of these positions with Race to the Top funds.
- For the State's approved project budget level budgets, redirect \$17,337 of cost savings from overestimation of the funds needed for the "Sustain Capacity to Execute Statewide" contract in Year 1 to cover small increases in the indirect cost rate. The indirect cost rate for the following projects will be updated to reflect an updated indirect cost rate agreement of 11.4 percent: "Sustain Capacity to Execute Statewide; Engage Stakeholders in Implementation; Strengthen Assessment Leadership; Redesign Educator Performance Management Systems; Ensure Equitable Distribution of Educators; Expand Effective Educator Preparation Programs; and Turn Around Ohio's Lowest Achieving Schools.

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 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, Rebecca Zazove, at 202-260-1425 or Rebecca.Zazove@ed.gov.

Sincerely,

//s//

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

Cc: Stan Heffner, Superintendent of Public Instruction
Michael Sawyers, Deputy Superintendent of Public Instruction
Maggie Niedzwiecki, Race to the Top State lead

ⁱ While the State anticipates more than eight LEAs participating in this pilot, only eight will be funded with Race to the Top funding