



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

January 9, 2014

The Honorable Bill Haslam
Office of the Governor
State Capitol
Nashville, Tennessee 37243-0001

Dear Governor Haslam:

I am writing in response to Tennessee's request to amend its approved Race to the Top grant project. Between November 25, 2013 and January 8, 2014, 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. 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 activities in four projects, as described below.

- In the "Competitive Supplemental Fund" (CSF) project, shift funds based on grant obligations and timing of invoicing, and extend the project period for one LEA to complete activities.
 - Consistent with its Scope of Work commitment, the State provided an opportunity for local educational agencies (LEAs) with grant awards within the bottom 20 percent of the total share of the LEA portion of funds to apply for additional funds to implement activities in three areas: alternative compensation, job-embedded professional development, and turning around low-performing www.ed.gov

400 MARYLAND AVE., SW, WASHINGTON, DC 20202

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

schools. Through three rounds of grant competitions, the State awarded a total of \$1,390,767. The State will make budget adjustments as follows:

- Based on the total awarded, shift \$109,233 remaining in this budget to the “Integrating Data to Improve Instruction” project, as described below.
 - Based on the timing of LEA invoicing (e.g., due to summer professional development), shift \$289,001 from Year 3 to Year 4.
 - In order to provide adequate time for one LEA awarded a CSF grant to implement an alternative compensation plan to complete payouts based on performance in school year (SY) 2013-2014, extend the project period for up to \$70,000 in supplemental funding to LEAs in this project to June 30, 2015.
- In the “Integrating Data to Improve Instruction” project, utilize \$109,233 shifted from “CSF,” and \$789,267 from the funds previously noted as requiring future review and approval by the Department in a January 6, 2014 amendment update to extend contracts established to support LEAs to build instructional capacity in the transition to Common Core State Standards (CCSS) and the Partnership for Assessment of Readiness for College and Careers (PARCC) assessments.
 - The State’s strategy for transitioning to college- and career-ready standards and assessments relies on developing and delivering high-quality training across the State and redesigning its district support offices, now known as Centers of Regional Excellence (COREs), to offer additional support at the local level. In SY 2012-2013, the State refined its contract for this project to provide field-based staff in each of the eight CORE offices. Based on evidence of the impact on student outcomes in LEAs that received ongoing support from CORE offices in SY 2012-2013 and requests from LEAs, the State believes extending a portion of this contract will enable it to better support and build LEA capacity around the transition to new standards and assessments. Utilizing the shifted funds described above and \$3,000 redirected from within the project, the State will extend the project period for \$901,500 in this project to June 30, 2015, to support contracts for mathematics coordinators in each CORE office and associated indirect costs in SY 2014-2015.
- The “State Longitudinal Data Systems” project includes the State’s prekindergarten to grade 12 (P-12), prekindergarten to postsecondary (P-20), and educator evaluation data systems.
 - *P-12 Data System:* Based on initial implementation, the State refined its strategy for implementation of the P-12 data systems project to include the development

of Early Warning Data System (EWDS) dashboards as part of a broader system infrastructure enhancement that will support the EWDS and future applications that synthesize multiple data sources for ease of stakeholder use and analysis. In accordance with an amendment approved for this refined approach on January 22, 2013, the State has submitted required updates and provided additional clarification and documentation as requested. In its January 22, 2013 amendment approval, the Department noted that it would finalize approval of approximately \$5.2 million budgeted for Year 4 for this project based on review of monthly updates and an updated Scope of Work. Based on the evidence submitted and conversations during the last 10 months, the Department approves this budget.

The State will now extend development and piloting into SY 2013-2014, beginning offering professional development in SY 2013-2014, and make an EWDS available to LEAs statewide in fall 2014 through the enhanced P-12 system architecture. The State will shift approximately \$500,000 from Year 3 to Year 4 and utilize \$419,130 from funds previously noted as requiring future review and approval by the Department to extend contracts established in Year 3 to support strategic planning as well as technical oversight, design, and programming into Year 4.

In order to provide capacity for the State to offer technical support to LEAs in transitioning data systems and build local capacity to operate new systems, the State is approved to extend the project period for up to \$728,324 in this budget to June 30, 2015. This total will support Tennessee Department of Education (TDOE) personnel, travel, and supplies costs to launch the EWDS as well as contracts and associated indirect costs to support the P-12 system infrastructure and technical assistance to LEAs transitioning to new systems.

- *P-20 Data System:* Tennessee's plan includes a commitment to extend its data system to incorporate P-20 data from TDOE, the Tennessee Higher Education Commissioner (THEC), and the Tennessee Department of Labor by the end of the grant period.

The State reports progress establishing a P-20 data warehouse and loading data from multiple agencies to generate dashboards. While the State initially planned to display all dashboards on a single public website, the State has instead decided to leverage existing web locations (*e.g.*, a jobs forecast is available on www.Driveto55.org; expanded statistics on the TDOE report cards available at www.tn.gov/education/reportcard/2013) to make dashboard content available. It is the Department's understanding that additional dashboards and portal capabilities are expected to be developed and launched in SY 2013-2014.

In addition to the refinement to its approach, the State will also shift \$3,998,324 from Year 3 to Year 4 contractual. It is the Department's understanding that this shift is due to the timing of vendor invoicing for completion of final rather than interim deliverables of the P-20 system development and that all deliverables are expected to be completed by the end of Year 4.

- *Educator Evaluation Data System:* The State will utilize \$334,025 from the funds previously noted as requiring future review and approval by the Department to extend the educator evaluation data system contract to June 30, 2015.ⁱ As described below, the State is developing a new licensure and educator evaluation data system. In order to provide LEAs with a fully functioning educator evaluation data system in SY 2014-2015 while the broader system is under development, the State will utilize the shifted funds described above as well as \$27,475 redirected from within the project to extend the project period for this contract and associated indirect costs to June 30, 2015.
- In the "Leadership" project, the State will utilize \$2,503,400 to support the development of data systems for educator licensure and evaluation as described in an amendment approved November 14, 2013. Per the condition noted in that approval, the State provided additional information on the timeline and milestones of this approach prior to December 31, 2013.

Based on implementation to date with its educator evaluation system and new State policy that will go into effect in SY 2014-2015 that will tie licensure renewals and progressions to educator evaluation scores over time, the State determined that educator evaluation and licensure should be the first components of the Tennessee Educator Management System (TEMS) to be developed. According to the State, TEMS will serve as a secure web-based portal that provides real-time, accurate, comprehensive information about the life cycle of an educator, including preparation and licensure, hiring and placement, and annual evaluation data. Over time, the State expects the new system to provide secure access tailored to multiple user types (*e.g.*, educators, LEAs, schools, educator preparation programs) and to streamline and add functionality so that data from multiple aspects of the State's approach to great teachers and leaders can interface with each other to improve strategic implementation.

It is the Department's understanding that the State plans to release a Request for Proposals (RFP) soon and select a vendor by March 2014 to begin development of these two components. The State indicated that it plans to begin testing of the educator licensure tool by October 2014 and to begin training to transition LEAs to the new educator evaluation data system by April 2015. Additional detail on the timelines and milestones for this project will be included in an updated version of the State's Scope of Work. Given that the RFP process is still in progress, the State is approved to extend up to the \$2,503,400 budgeted for this project to June 30, 2015.

As described in a July 12, 2013, amendment approval letter, the Department indicated that it generally approves the State's process to review LEA subgrant requests to obligate and liquidate funds after September 23, 2014. 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 these amendments 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 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 Tennessee's Race to the Top Program Officers, Jessie Harteis and Rachel Provencher, at 202-453-6651 and 202-453-6404 or Jessie.Harteis@ed.gov and Rachel.Provencher@ed.gov.

Sincerely,

//s//

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

cc: Kevin Huffman, Commissioner
Meghan Curran, Director, First to the Top

ⁱ Based on the “Educator Evaluation Data System,” “P-12 Data System,” and “Integrating Data to Improve Instruction” projects as described above, the State currently has \$1,359,831 in its overall budget that require additional amendment(s) for Department review.