



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

May 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 March 19, 2014 and May 8, 2014, the State submitted amendment requests to and held conversations with 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 amendments described in the attached table, including an extension to the time period for implementation of four projects.ⁱ Note that some of these amendments utilize funds identified in a February 2014 amendment approval letter as unexpended funds.ⁱⁱ

As described in a July 12, 2013, amendment approval letter, the Department indicated that it generally approves the State's process to review local educational agency (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.

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.

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 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. 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

Grant project area affected	Specific project	Description of change
(A)(2)	First to the Top Oversight	<ul style="list-style-type: none"> Utilize \$398,533 of unexpended funds identified in February 2014 to increase the budget for Years 3-5 of this project. This total reflects actual spending in the travel and other categories in Year 3 and, in Years 4 and 5, refined estimates since July 2013 for personnel and related costs to oversee implementation of State projects approved by the Department for no-cost extensions as well as for participating LEAs approved by the State for no-cost extensions through June 2015.
(A)(2)	Tennessee Consortium on Research, Evaluation & Development (TNCRED)	<ul style="list-style-type: none"> Shift \$232,503 from Year 3 to Year 4 based on timing of billing expenditures for work completed in Year 3. Shift \$601,500 from Year 3 to Year 5 to extend the timeline of TNCRED's external evaluation of initiatives in the State's Race to the Top plan through June 30, 2015. In total, the State is approved for a no-cost extension of up to \$1,629,506. According to the State, this additional time will enable data from school year (SY) 2013-2014 (e.g., student outcomes, educator evaluation system) to be included in final reports and for all planned deliverables to be completed.
(B)(3)	Integrating Common Core into Pre-Service	<ul style="list-style-type: none"> Shift \$948,855 unexpended in Year 3 due to timing of billing for completion of modules and associated professional development and \$180,853 of unexpended funds identified in February 2014 to Years 4 and 5. The State is approved for a no-cost extension for up to \$1,509,262 through June 30, 2015 to extend contractual support to develop online modules and associated resources to support the integration of Common Core State Standards (CCSS) into teacher and school leader pre-service programs. This will also support State personnel overseeing implementation of this extended work and close out and final evaluations, including documenting key lessons and outcomes, for other projects in the State's plan involving coordination with institutions of higher education.
(B)(3)	Integrating TVAAS into Pre-Service	<ul style="list-style-type: none"> Shift \$250,000 from Year 3 contractual to Year 4 contractual to complete analyses for preparation programs on how their program completers perform relative to those in other programs. According to the State, this work was underway in Year 3 but additional time was needed to ensure data quality. Based on actual Year 3 expenditures and refined Year 4 personnel and travel estimates, \$15,050 of this project's budget will be redirected to support other areas in the State's plan.
(C)(3)	Integrating Data to Improve Instruction	<ul style="list-style-type: none"> Utilize \$202,000 of unexpended funds identified in February 2014 in Year 5 to refine estimates to continue to support mathematics coordinators in SY 2014-2015. Shift \$21,000 from Year 4 to Year 5 to extend contractual support to provide professional development to local educational agencies (LEAs) on developing and implementing alternative compensation plans.
(D)(1)	UTeach ⁱⁱⁱ	<ul style="list-style-type: none"> Utilize \$130,947 of unexpended funds identified in February 2014 and \$415,841 shifted from Year 3 in Year 4 to account for the timing of invoicing and refined estimates for contractual, personnel, and other costs.

Grant project area affected	Specific project	Description of change
(D)(2)	Innovation Acceleration Fund (IAF)	<ul style="list-style-type: none"> • Shift \$184,904 from Year 3 to Year 4 based on timing of expenditures for payouts based on performance in SY 2012-2013. • Based on one IAF grantee revising its anticipated budget, \$14,967 from Year 5 will be redirected to support other areas in the State's plan.
(D)(3)	Teacher and Principal Evaluation Development	<ul style="list-style-type: none"> • Shift \$1,444,076 from Year 3 to Year 4 based on the timing of billing expenditures for work completed in Year 3, and small adjustments in personnel, fringe, and supplies. This total includes shifting \$50,000 in Year 3 contractual based on actual costs to Year 4 to expand support for implementation of student portfolios for non-tested grades and subjects in SY 2014-2015. Although funds for this contract will be expended during Year 4, teachers will access the technology platform supporting implementation through June 2015. • Shift \$92,465 from the Leadership project to the Teacher and Principal Evaluation Development project to streamline funding for a contract that supports both projects. • Based on actual expenditures and revised estimates for Years 3-5, \$447,738 will be redirected to support other areas in the State's plan.
(D)(3)	Teacher Working Conditions Survey	<ul style="list-style-type: none"> • Shift \$199,000 from Year 3 to Year 4 based on delayed completion of the final report on the SY 2012-2013 Teacher Working Conditions Survey. • Based on a revised approach to supporting LEAs in their understanding of survey results through Centers of Regional Excellence (CORE) offices rather than convenings, \$64,000 is redirected to support other areas in the State's plan.
(D)(4)	Teach TN	<ul style="list-style-type: none"> • Based on actual mentoring and professional development costs due to a smaller-than-projected cohort (i.e., 24 Commissioner's Fellows as opposed to 35), \$147,571 is redirected from Years 3 and 4 to support other areas in the State's plan.
(D)(4)	Teacher Preparation Program Effectiveness Report Card	<ul style="list-style-type: none"> • Based on revised staffing costs and the utilization of other funding to complete deliverables, \$154,453 is redirected to support other areas in the State's plan. According to the State, it used an existing contract to complete the analysis of value-added results included in the teacher preparation program report cards. • Extend the timeline of this project through December 2014 to release a report including value-added data from SY 2013-2014.
(D)(5)	School Leader Study	<ul style="list-style-type: none"> • Based upon refined cost estimates and a revised approach to completing analysis tasks associated with compiling a report on the effectiveness of school leader preparation program graduates, \$156,315 from Years 3 and 4 is redirected to support other areas in the State's plan. According to the State, a contract to conduct analysis for the statewide and institution-level reports is no longer necessary as the State and the Tennessee Higher Education Commission (THEC) have the capacity to conduct the analyses necessary to complete the initial and future reports.

Grant project area affected	Specific project	Description of change
(D)(5)	STEM Professional Development	<ul style="list-style-type: none"> • Shift a total of \$1,018,146 from Year 3 to Year 4 and other areas of the State’s plan based on the timing of expenditures for activities completed in Year 3 but billed for in Year 4 and actual expenditures of STEM Professional Development grantees. <ul style="list-style-type: none"> ○ \$538,544 shifts from Year 3 to Year 4 contractual based on timing of billing expenditures for activities completed in summer 2013. ○ Based on actual grantee costs and revisions to staff oversight costs, \$479,601 is redirected to support other areas in the State’s plan. According to the State, final STEM Professional Development grantee expenditures were under budget based on actual participants (approximately 750 in total as opposed to the projected 800) and actual supplies costs.
(E)(2)	Tennessee College Access and Success Network (TCASN)	<ul style="list-style-type: none"> • Shift \$282,656 from Years 3 and 4 to Year 5 based on actual expenditures. In total, the State is approved for a no-cost extension of up to \$1,365,106. According to the State, extending the timeline through June 30, 2015, will provide adequate time for six TCASN grant recipients to implement and refine their college access programs, and for the State to continue to support grantees and complete professional development deliverables, including launching online college-access course modules.

ⁱ This amendment includes approval of no-cost extensions into Year 5 for Tennessee Consortium on Research, Evaluation & Development (TNCRED), Integrating Common Core into Pre-Service, Teacher Preparation Program Effectiveness Report Card, and Tennessee College Access and Success Network (TCASN). All other references to Year 5 budgets are updates to projects previously approved no-cost extensions.

ⁱⁱ Based on the revisions approved in this letter and other minor budget adjustments, \$588,196 is being added to those funds most recently discussed in a February 20, 2014 amendment. A total of \$2,793,404 remains in the State’s overall budget requiring additional amendment(s) for Department review.

ⁱⁱⁱ In a November 14, 2013 amendment letter, the Department identified the State’s goal to be to produce an additional 150 mathematics and science teachers by SY 2014-2015 through UTeach. The Department would like to correct this, and note that the State’s goal is to produce an additional 100 mathematics and science teachers annually through the program beginning in SY 2014-2015.