Race to the Top Program
Guidance and Frequently Asked Questions

U.S. Department of Education
Washington, D.C. 20202

November 2009

Purpose of the Guidance

The purpose of this guidance is to provide information about the Race to the Top program. The guidance provides the U.S. Department of Education's interpretation of various statutory provisions and does not impose any requirements beyond those included in the American Recovery and Reinvestment Act of 2009; the Race to the Top notice of final priorities, requirements, definitions, and selection criteria (NFP); the Race to the Top notice inviting applications (NIA); and other applicable laws and regulations. In addition, it does not create or confer any rights for or on any person.

The Department will provide additional or updated program guidance as necessary on its Race to the Top Web site, www.ed.gov/programs/racetothetop. If you have further questions that are not answered here, please email racetothetop@ed.gov

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A. Introduction and Eligible Entities

A-1. What is the Race to the Top program?

The Race to the Top program is authorized under sections 14005 and 14006 of the American Recovery and Reinvestment Act of 2009 (ARRA). Race to the Top is a competitive grant program to encourage and reward States that are implementing significant reforms in the four education areas described in the ARRA: enhancing standards and assessments, improving the collection and use of data, increasing teacher effectiveness and achieving equity in teacher distribution, and turning around struggling schools. The U.S. Department of Education (Department) will make awards in two phases, with Phase 1 funding awarded in spring 2010 and Phase 2 funding awarded by September 30, 2010.

The Department published the final notices for Race to the Top (*i.e.*, the notice inviting applications (NIA) and the notice of final priorities, requirements, definitions, and selection criteria (NFP)) in the Federal Register on November 18, 2009. Both notices include the final priorities, requirements, definitions, and selection criteria and the same four appendices.

The NIA also includes certain details for applicants, such as deadlines, budget guidance, and submission requirements. For the NIA, see 74 FR 59836, available at http://edocket.access.gpo.gov/2009/pdf/E9-27427.pdf.

The NFP also includes, among other things, the Department's summary of and response to comments on the proposed rules published on July 29, 2009. For the NFP, see 74 FR 59688, available at http://edocket.access.gpo.gov/2009/pdf/E9-27426.pdf.

The Race to the Top Application is available at http://www.ed.gov/programs/racetothetop/application.doc . Further resources are available at www.ed.gov/programs/racetothetop.

A-2. Who is eligible to apply for Race to the Top funds?

States are the eligible applicants under section 14006(a)(2) of the ARRA. As defined by section 14013 of the ARRA, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

A-3. May States apply as part of consortia?

No. Applications from consortia will not be accepted for this competition. A State must apply individually. However, States are encouraged to learn from each other's efforts, share information about lessons learned, and share work developed under their grants. (See the program requirement entitled Making Work Available.)

Note that the Department intends to hold a separate $350 million Race to the Top Assessment competition, under which States may be asked to apply as consortia.

A-4. What are the eligibility requirements for the Race to the Top program?

States must meet the following requirements in order to be eligible to receive funds under this program:

(a) The State's applications for funding under Phase 1 and Phase 2 of the State Fiscal Stabilization Fund (Stabilization) program must be approved by the Department prior to the State being awarded a Race to the Top grant.
(b) At the time the State submits its application, there must not be any legal, statutory, or regulatory barriers at the State level to linking data on student achievement (as defined in the NFP) or student growth (as defined in the NFP) to teachers and principals for the purposes of teacher and principal evaluation.

A-5. How does Race to the Top interact with the Stabilization program as part of eligibility requirement (a)?

The Stabilization program, Race to the Top, and other Federal programs authorized under the ARRA are being designed in consistent and mutually reinforcing ways. There are specific interactions between these programs. In particular, the Stabilization program provides States with critical resources to save jobs and advance reforms. Thus, in scoring Race to the Top applications, reviewers will consider the extent to which States have used ARRA and other Federal and State funding (including Stabilization funding) to pursue reforms in each of the four education reform areas. (See criterion (A)(3)(i).)

States have made assurances as part of their Stabilization applications to make progress in the four education reform areas. For example, as part of the Stabilization program, States must commit to collecting and publicly reporting key pieces of data related to the four reform areas; in this way, the work States are doing under the Stabilization program is an important foundation for Race to the Top. For this reason, under eligibility requirement (a), in order for the State to be eligible for the Race to the Top competition, the State's applications for funding under Phase 1 and Phase 2 of the Stabilization program must be approved by the Department prior to the State *receiving* a Race to the Top award. Note, however, that States need not have their applications for the Stabilization program approved by the Department prior to *submitting* an application for a Race to the Top grant.

The deadline for applications for the Stabilization program is January 11, 2010.

A-6. Do the "barriers" referenced in eligibility requirement (b) include barriers that are contained in collective-bargaining agreements at the LEA level?

No. Eligibility requirement (b) refers only to legal, statutory, or regulatory barriers at the State level. However, in order to successfully implement many of the plans under criterion (D)(2) (Improving Teacher and Principal Effectiveness Based on Performance), LEAs in collective bargaining States will need to work collaboratively with their local unions. Because this work and collaboration are so important, States will earn points (see criterion (A)(1)(ii)) based on the extent to which the local union leaders in their participating LEAs, where applicable, have indicated their support for the LEA's implementation of the State's plan by signing the Memoranda of Understanding or other binding agreement between the States and the LEAs.

B. General Application and Program Information

B-1. What are eligibility requirements, absolute priorities, selection criteria, competitive preference priorities, and invitational priorities?

Eligibility requirements are the requirements that a State must meet in order to be eligible for funding.

The absolute priority describes the items that a State must address in its application in order to receive an award. There is one absolute priority in the Race to the Top competition. If the Department determines that a State has not met the absolute priority, the State will not receive a Race to the Top award.

Selection criteria are the focal point of the application and peer review. A panel of reviewers will assign points to an application based on how States address these selection criteria. Race to the Top has 19 selection criteria, which are organized into six key categories: a State Success Factors category, a General category, and the four ARRA education reform areas.

The Race to the Top program includes one competitive preference priority, which emphasizes science, technology, engineering, and mathematics (STEM). As discussed in greater detail below, applicants that successfully meet this priority will receive 15 points.

Invitational priorities signal areas the Department is particularly interested in; applicants who meet an invitational priority do not earn extra points and are not given preference over other applications.

B-2. If a State does not meet a selection criterion, or does not respond to one, is it still eligible to compete for a Race to the Top grant?

Yes. Each selection criterion has a point value. (For more detail, see Appendix B, Scoring Rubric, published in each of the notices.) Under absolute priority 1, States must comprehensively address the four education reform areas specified in the ARRA, but they are not required to address every selection criterion. If a State does not address a criterion, it will not receive points in that area, but it will still be eligible to compete. If a State addresses the criterion, but does so only partially or poorly, it may receive partial or no points as determined by peer reviewers. If a State receives partial or no points on a criterion, it may still win if the overall application score is high enough.

B-3. How should a State respond if it lacks the data requested as evidence for a given selection criterion?

If a State does not have the evidence requested for a given selection criterion, the State should respond that it does not have the data. The lack of data will not disqualify the State from scoring points on a criterion, though it may reduce the number of points awarded for that particular criterion.

B-4. How may an applicant earn additional points under the competitive preference priority for science, technology, engineering, and mathematics (STEM)?

The competitive preference priority will be evaluated in the context of the State's entire application. Therefore, a State that is responding to this priority should provide a summary of its approach to addressing the priority and should address it throughout the application, as appropriate. The reviewers will assess the priority as part of their review of a State's application and determine whether it has been met. To meet the priority, the State's application must have a high-quality plan that addresses all three aspects of the STEM priority, which are:

> (i) offer a rigorous course of study in mathematics, the sciences, technology, and engineering; (ii) cooperate with industry experts, museums, universities, research centers, or other STEM-capable community partners to prepare and assist teachers in integrating STEM content across grades and disciplines, in promoting effective and relevant instruction, and in offering applied learning opportunities for students; and (iii) prepare more students for advanced study and careers in the sciences, technology, engineering, and mathematics, including by addressing the needs of underrepresented groups and of women and girls in the areas of science, technology, engineering, and mathematics.

The competitive preference priority is worth 15 points. Applicants will earn all or none of those points.

B-5. What is requested of the State's Attorney General (AG) under application requirement (f)?

Eligibility requirement (b) and a number of criteria in the Race to the Top application ask States to describe relevant State laws. In order for the State to meet application requirement (f), the State's AG (as the entity in the State responsible for interpreting State law) must read the application responses that describe laws and indicate that the descriptions are accurate. The State's AG is not being asked to write any opinions; rather, the AG must certify the accuracy of the application responses by way of a signature. The signature may be from the State's Attorney General or an authorized representative.

B-6. May an applicant amend its application after the deadline, if, for example, new State legislation relevant to reform criteria is enacted?

As noted in the Scoring Rubric (Appendix B), State Reform Conditions Criteria are based on a States' accomplishments prior to applying for the Race to the Top competition. Phase 1 and Phase 2 applications will be judged based on the State's status on each criterion on the date the application is submitted. In general, States cannot submit amendments or updates to their application after the application deadline; the sole exception is for Phase 2 applicants, who may submit additional information on their adoption of common standards after June 1 but by August 2, 2010.

If an unsuccessful Phase 1 applicant passes relevant legislation after it applies for Phase 1, it may strengthen its Phase 2 application by including this information in its application when it re-applies.

C. Grant Awards

C-1. How many States will be awarded Race to the Top grants?

The Department has not set a pre-determined number of grantees for either phase. The process will be competitive, and the number of grants will depend on the quality of the applications and the size of the grants awarded.

C-2. How do the two phases of the Race to the Top program differ?

States will have two opportunities to apply. States that are ready to apply now may apply for Phase 1, with applications due January 19, 2010, and awards made in spring 2010. States that need more time to prepare their applications may apply in Phase 2, with applications due June 1, 2010 and awards made by September 30, 2010. States that apply in Phase 1 but are not awarded grants may reapply for funding in Phase 2 (together with those States that are applying for the first time in Phase 2). Successful Phase 1 applicants (*i.e.,* new grantees) may not apply for additional funding in Phase 2.

C-3. How will grant sizes be determined?

In the notice inviting applications, the Department has provided States with guidelines on grant award sizes. While no grant size has been finalized, States have been grouped into five categories based on their student populations, and there is a suggested grant range for each category. This is nonbinding guidance; States are encouraged to develop budgets that match the plans they outline in their applications and to use these ranges to guide their thinking about the scope of Race to the Top projects.

The Department will decide on the size of each State's award based on a detailed review of the budget the State requests, considering such factors as the size of the State, the level of LEA participation, and the proposed activities.

C-4. What is the timeline for obligating and spending Race to the Top funds?

In accordance with the ARRA, the Department will obligate all funds to States by September 30, 2010. States will then have a 4-year project period from the time of the award in which to implement their plans and spend their grant money.

C-5. How will drawdowns of funds be tied to performance?

States and their participating LEAs that receive funds under Race to the Top are accountable for meeting the goals, timelines, budgets, and annual targets established in the States' applications. States must adhere to a fund drawdown schedule that is tied to meeting these goals, timelines, budgets, and annual targets. The Department will review each State's performance against these goals, timelines, budgets, and annual targets through (at a minimum) annual reports and ongoing dialogue.

C-6. Are there other rules that govern the amount of Race to the Top funds that a grantee or subgrantee may draw down at any one time?

Yes. A State must have an effective system for managing the flow of funds that ensures that LEAs are able to draw down funds as needed to pay program costs and that also minimizes the time that elapses between the transfer of the funds and their disbursement by the grantee or subgrantee, in accordance with U.S. Department of the Treasury regulations at 31 C.F.R. Part 205. (See 34 C.F.R. 80.21(b).) Grantees and subgrantees must promptly, but at least quarterly, remit to the Department interest earned on advances (34 C.F.R. 80.21(i)). The Department will take appropriate actions against grantees and subgrantees that fail to comply with this requirement.

D. Application Review and Selection

D-1. How will the application review process work?

The Department will use a two-tier review process to judge the eligible applications. The initial review will be based solely on reviews of the written applications; the final review will be based on both a State's written applications and in-person presentation. For more detail, see the Review and Selection Process section of the NIA.

D-2. Who will review the Race to the Top applications?

For both tiers of the application review process, the Department will use independent reviewers chosen from a pool of qualified educators, scholars, and other individuals knowledgeable in education reform who volunteered or were nominated in response to an open call for reviewers. The Department will thoroughly screen all reviewers for conflicts of interest to ensure a fair and competitive review process.

D-3. How will the scoring rubric for reviewers be used?

After considering public comments that suggested we publish specific details of the review process, the Department published the rubric that reviewers will use to score applications. The purpose of the rubric is to help ensure consistency among reviewers by giving them clear, common, written guidance on factors to consider when scoring applications against each selection criterion. The selection criteria that appear in the rubric are identical to those that appear in the NFP and the NIA. For more detail, see Appendix B, Scoring Rubric, published in each of the notices.

D-4. Which sections of a State's application and reviewer feedback will be made public?

To foster transparency and openness, the Department plans to post all State applications and final scores – for both successful and unsuccessful applications – on its Web site at the conclusion of each phase of the competition. The Department also intends to post on its Web site a transcript and/or video of each finalist's presentation of its proposal. States may choose to make their applications and scores publicly available at any time. We also anticipate making State annual reports publicly available. (For more on annual reports, see the questions under the Transparency, Accountability, Reporting, and Other Obligations section of this document.)

D-5. Will States that are not awarded grants receive feedback on their applications?

The Department will make reviewer comments available to States that are not chosen as finalists or grantees as soon as possible after those determinations are made.

E. State Success Factors

E-1. May States focus their applications on only one of the four education reform areas?

No. As stated in absolute priority 1, the Department will only consider applications that comprehensively address all four education reform areas specified in the ARRA: enhancing standards and assessments, improving the collection and use of data, improving teacher effectiveness and achieving equity in teacher distribution, and turning around struggling schools. Criterion (A)(1)(i) asks States to describe their overarching reform agendas, which must encompass the four education areas described in the ARRA.

E-2. How much flexibility do States have to innovate under Race to the Top?

Race to the Top offers States numerous opportunities to innovate. While the program defines the areas within which innovation is targeted, it does little to specify the plans States should adopt or how such plans should be implemented. In fact, the competition is designed to encourage States to draw on their particular strengths and successes to date, and to use those as launching pads for statewide scaling of promising practices. Creativity and innovation are rewarded in this competition.

E-3. How will Race to the Top reward existing successful practices in States?

Race to the Top will reward State success in two key respects.

First, several of the criteria – including all of the State Reform Conditions criteria and criterion (A)(3) – explicitly reward States for having put into place key conditions for reform by the time they apply or for having improved student achievement and closed achievement gaps.

Second, in creating their plans for the State Reform Plan criteria, States are encouraged to build on their existing assets and successes by learning from effective State and local practices and engaging stakeholders with critical knowledge and experience. We believe that State plans that build on a foundation of successful existing practices will be more likely to succeed in improving student outcomes.

E-4. Which assessments are specified by Race to the Top criteria to measure a State's progress in increasing student achievement and decreasing achievement gaps?

Race to the Top criteria specify using both the National Assessment of Educational Progress (NAEP) and the assessments required under section 1111(b)(3) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) to track a State's increases in student achievement and decreases in the achievement gap over the course of the State's grant. The NAEP provides a consistent benchmark of academic achievement across States. The State's

assessments under the ESEA provide links to the State's existing accountability system. For specific information, see criteria (A)(1)(iii) and (A)(3)(ii). For more support in responding to criteria concerning the NAEP, see Appendix A.

E-5. Should States describe changes in their State assessment systems that affect the comparability of data on State assessments over time?

Yes. When describing data regarding the assessments required under the ESEA, the State should note any factors (*e.g.*, changes in cut scores, new content standards, new assessments, changes in time of administration, or changes in accommodations policies) that could affect the measurement of growth in student achievement from one year to the next (see application requirement (g)(3)).

F. Standards and Assessments

F-1. By what date should a State adopt the common standards developed by a consortium in order to maximize its score under criterion (B)(1)? What is the timing for implementation of those standards?

Under criterion (B)(1)(ii), Phase 1 applicants will earn points based on the extent to which they demonstrate *commitment to and progress toward adopting* a common set of K-12 standards by August 2, 2010. Phase 2 applicants will earn points based on whether they have *adopted* a common set of K-12 standards by August 2, 2010.

As described in the Scoring Rubric, States that meet the August 2, 2010 target date will earn more points for this criterion; a State that has a high-quality plan to adopt common standards by a later date in 2010 will earn some points for this criterion. For more detail, see Appendix B, Scoring Rubric, published in each of the notices.

The Department understands that this is an ambitious timeline for adoption of common K-12 standards. However, the Department has extended the deadline as far as possible (August 2, 2010) while still allowing for compliance with the statutory requirement that all Race to the Top funds be obligated by September 30, 2010.

We understand that *adoption* of standards is a legal process that occurs in the State, and fully expect that *implementation* of the standards will follow a thoughtful, deliberate course in subsequent year(s). Implementation of standards is the focus of criterion (B)(3).

F-2. What funding will be made available for the ongoing administration and scoring of new, common assessments?

States may use funding under the Grants for State Assessments program (subject to the requirements of section 6111 of the ESEA) to help pay for the ongoing administration and scoring costs of assessments.[1]

[1] In each year beginning with fiscal year 2005, the Congress has provided $400 million for the Grants for State Assessments program.

As noted in the NIA and the NFP under the Statewide Summative Assessments program requirement, no funds awarded under the Race to the Top competition may be used to pay for costs related to statewide summative assessments (*e.g.,* the State assessments required under the ESEA); this prohibition does not refer to final exams or other "summative assessments" designed and used at the local or classroom levels. Statewide summative assessment costs are not a permitted use of funds in this program because the Department intends to fund the creation of common assessments tied to common sets of K-12 standards through a separate Race to the Top Assessment competition.

G. Data Systems to Support Instruction

G-1. How do the criteria on data (C1, C2, and C3) relate to one another and differ from each other?

Criterion (C)(1) focuses on the creation of statewide longitudinal data systems; criterion (C)(2) focuses on the use of the data from the statewide longitudinal data systems; and criterion (C)(3) addresses the creation, sharing, support for, and use of local instructional improvement systems – that is, data systems designed primarily to help teachers improve instruction for every child in the class, and to help schools and LEAs support their teachers and students. The full definition of the term "instructional improvement system" is included in the Definitions section of the NFP.

G-2. Are States eligible to compete for Race to the Top if their statewide longitudinal data system does not include all of the elements specified in the America COMPETES Act?

Yes. Under criterion (C)(1), States are evaluated based on the extent to which their statewide longitudinal data system includes all of the America COMPETES Act elements. This criterion is worth 24 points, and applicants will earn two points for every element that the State has in place, out of 12 elements possible. (See Appendix B, Scoring Rubric, published in each of the notices.) Even if a State receives partial or no points on a criterion, it may still win if the overall application score is high enough.

H. Great Teachers and Leaders

H-1. Does the Department advocate evaluating, paying, or dismissing teachers or principals on the basis of test scores alone?

No. The Department believes that teacher and principal evaluations and related decisions should be based on multiple measures of teacher performance. The Department also believes that student growth should be one of those measures and should be weighted as a significant factor. For this reason, criterion (D)(2) (Improving Teacher and Principal Effectiveness Based on Performance) asks LEAs and/or States to develop evaluation systems that take into account student growth as a significant factor. In response to public comments, the definitions of effective teacher and principal and highly effective teacher and principal have been clarified; these now specify that States, LEAs, or schools must use multiple measures in determining effectiveness. These definitions also state that effectiveness must be evaluated, in significant part, based on student growth, and they

provide examples of supplemental measures a State or LEA may use (*e.g.*, for teachers, multiple observation-based assessments of teacher performance). We believe that the decision about which supplemental measures should be used is best left to educators and leaders in LEAs and/or States who are close to the classroom and who can best determine which metrics work in their environments.

H-2. Does the Department advocate evaluating, paying, or dismissing teachers or principals on the basis of student achievement (rather than student growth), which could discourage them from teaching disadvantaged students?

No. Such a position would run counter to the Secretary's goal of encouraging highly effective teachers and principals to teach and lead in high-poverty and high-minority schools. Student growth, not raw student achievement or proficiency data, is therefore the relevant measure on which to focus teacher and principal evaluations. The definitions of "effective teacher," "effective principal," "highly effective teacher," "highly effective principal," therefore, specify that student *growth* should be used as a significant factor in determining effectiveness. Criterion (D)(2) also specifies that growth must be a significant factor in determining effectiveness.

H-3. How do the definitions of student achievement, student growth, and effective teacher and principal align?

"Student achievement" is the foundational definition and is structured to give LEAs and States the flexibility to develop measures for all subjects and all grades. "Student growth" is defined generally as the change in student achievement between two or more points in time. In determining who is a (highly) effective teacher or principal, States, LEAs, or schools must include multiple measures, provided that effectiveness is evaluated, in significant part, by student growth (see the definitions of "effective principal," "effective teacher," "highly effective principal," and "highly effective teacher," published in each of the notices).

As States and LEAs develop their plans, all of these definitions are important to understand. Student growth is a building block for the activities discussed in criterion (D)(2), such as establishing clear approaches to measuring student growth and designing evaluation systems that take into account data on student growth. Student growth is also a key building block for criterion (D)(3), as States and LEAs develop plans for ensuring that the most effective teachers and principals are working in the highest-need settings (*i.e.*, in high-poverty and/or high-minority schools).

H-4. Under the definitions of student achievement and student growth, is it acceptable for LEAs to use measures that are not comparable among classrooms?

No. According to these definitions, measures must be rigorous (*i.e.,* statistically rigorous) and comparable across classrooms in a district or across classrooms statewide. It is not acceptable to use measures of student growth that are only comparable across students within a class.

I. Turning Around the Lowest-Achieving Schools

I-1. How can States design their Race to the Top and Title I School Improvement Grant plans to work in concert?

Race to the Top and School Improvement Grants are closely aligned, and States can strengthen their Race to the Top applications by demonstrating a similar alignment of their plans for implementing these two programs. School Improvement Grants will provide substantial funding that must be used primarily to implement the same school intervention models—turnaround, restart, school closure, and transformation—that are encouraged in criterion (E)(2).

In turn, successful implementation of these models will be facilitated by key reforms that States will carry out under Race to the Top. States should closely examine the requirements of the four school intervention models in light of the criteria for a successful Race to the Top application. For example, State efforts to expand the use of data to improve instruction (criterion (C)(3)) and activities to improve recruitment, training, and retention of teachers and principals (criterion (D)) will provide critical support for the effective implementation of the turnaround and transformation models. These models require, for example, replacing the principal in a persistently lowest-achieving school; providing staff with ongoing, high-quality, job-embedded professional development; using data to identify and implement new instructional programs; and continuously using student data to inform and differentiate instruction to better meet the academic needs of individual students.

In addition, State efforts to increase the number of high-performing charter schools and other innovative schools (criterion (F)(2)) may help support local implementation of the restart model. States also might strengthen School Improvement Grant implementation by making sure that Race to the Top reforms—such as the expanded use of data to improve instruction and teacher and principal evaluation systems—are implemented early in LEAs with large numbers of persistently lowest-achieving schools. Finally, States may build on School Improvement Grants—which will fund interventions only in Title I schools in improvement, corrective action, or restructuring or Title I-eligible secondary schools—by using Race to the Top funds to pay for the implementation of school intervention models in secondary schools that would be considered persistently lowest-achieving schools if they were eligible to receive Title I funds.

J. General Selection Criteria

J-1. Does the Department believe that charter schools are the sole answer for turning around the nation's persistently lowest-achieving schools?

No. While high-performing charter schools are one promising means by which to turn around our nation's persistently lowest-achieving schools, they are by no means the only way to do so, nor is that their only function. The Secretary believes that high-performing charter schools can be an educational lifeline in communities with chronically low-achieving regular public schools. In such cases, charter schools, whether created through the conversion of a regular public school enrolling the same students or by establishing a new school that provides an alternative to the regular public schools, offer one of the most promising

options for breaking the cycle of educational failure. Therefore, to better reflect the Department's point of view in this area and in response to comments, we have moved the criterion on charter schools (criterion (F)(2)) from the section on Turning Around the Lowest-Achieving Schools to the General section.

We also acknowledge that charter school operators do not have a monopoly on educational innovation and that some States, LEAs, and schools have developed alternative education reform models that are demonstrating success in raising student achievement and turning around persistently low-achieving schools. We have thus added new criterion (F)(2)(v), regarding the extent to which States enable LEAs to operate innovative, autonomous public schools (a term defined in the NFP) other than charter schools.

J-2. In what ways does Race to the Top focus on increasing the number of high-performing charter schools, rather than merely increasing the number of charter schools?

Race to the Top focuses on increasing the number of high-performing charter schools in two critical ways. First, under criterion (F)(2)(i), States will receive points based on the extent to which their laws do not prohibit or effectively inhibit increasing the number of high-performing charter schools. Second, criterion (F)(2)(ii) addresses charter school authorizers and accountability, an area that is critical to raising the bar for charter school quality and ensuring that charter schools that are failing their students are closed.

J-3. Are States eligible to compete for a Race to the Top grant if they don't have a charter school law or if they have a charter school cap?

Yes. Each selection criterion has a certain point value (for point values, see Appendix B, Scoring Rubric, published in each of the notices). If a State does not address a criterion, it will not receive points in that area, but it is still eligible to compete. If a State addresses the criterion, but does so only partially or poorly, it may receive partial or no points as determined by peer reviewers. If a State receives partial or no points on a criterion, it may still win if the overall application score is high enough. In addition, we have also added a fifth part to criterion (F), under which States may receive credit if they enable LEAs to operate innovative, autonomous public schools other than charter schools.

J-4. In criterion (F)(2)(i), what does the phrase "measured (as set forth in Appendix B) by the percentage of total schools in the State that are allowed to be charter schools" mean?

Criterion (F)(2)(i) specifies that each State will be evaluated based on the extent to which:

> The State has a charter school law that does not prohibit or effectively inhibit increasing the number of high-performing charter schools (as defined in this notice) in the State, measured (as set forth in Appendix B) by the percentage of total schools in the State that are allowed to be charter schools or otherwise restrict student enrollment in charter schools.

State laws generally define charter school caps in terms of the number of charter schools that are permitted to operate in the State. However, because States vary widely in size, the absolute numbers do not provide reviewers a consistent way to measure the extent to which specific caps inhibit growth in the number of charter schools. In response, the Department has provided reviewers with a benchmark for evaluating this criterion: the percentage of total schools in the State that are allowed to be charter schools. For example, if State A has a charter school cap of 100, and has 1000 total schools in the State, it would have a 10 percent cap under this benchmark. Similarly, if State B has a charter school cap of 100 and has 2000 total schools in the State, it would have a 5 percent cap under this benchmark. The reviewer guidance for this criterion suggests that, other restrictions and flexibilities aside, reviewers should give States "high" points if they have no caps or caps of 10 percent or more; "medium" points if they have caps of 5 to 10 percent; and "low" points if they have caps of less than 5 percent.

Another way to think about this benchmark is as the percentage of a State's schools that would be charter schools if the State cap were met.

K. States and LEAs

K-1. How do States sign up participating LEAs?

Participating LEAs must agree to implement all or significant portions of the State's plan and must enter into a Memorandum of Understanding (MOU) or other binding agreement with the State that specifies the scope of work that the LEA will implement. The expectation is that participating LEAs will implement significant aspects of the State's plan because the reform elements are designed to work together to create a comprehensive approach to improving teaching and learning.

During the public comment period, States requested additional guidance and support regarding the participation of their LEAs. In response, the Department has developed a sample MOU that States can use or modify, as needed, when entering into agreements with participating LEAs (see Appendix D, Participating LEA MOUs, published in each of the notices). In addition, to aid States in their planning, we are providing here a description of one potential way in which a State could approach and navigate the process of signing up participating LEAs:

1) The State outlines its statewide reform agenda and specific plans, in collaboration and consultation with LEAs, as appropriate, and keeps its LEAs aware of the plans as they develop.

2) The State creates a standard MOU or other binding agreement for LEAs to sign if they are interested in participating in the State's Race to the Top plans. To make this task simpler, a model MOU is included in the application package (see Appendix D, Participating LEA MOU, published in each of the notices); States may use this as-is, adapt it, or create their own anew.

3) Each LEA decides if it is interested in participating in the State's Race to the Top plan. If so, it completes the MOU, determines (together with the State) the portions of the plan in which it will participate, signs the MOU, and returns it to the State.

   As LEAs complete the MOU, they will notice that it has three sections: the terms and conditions, the scope of work, and the signature block. (Again, see Appendix D, published in each of the notices, for more specific guidance.) The following issues are worthy of note:
   a) Keeping the terms and conditions consistent across all LEAs makes the State's task easier as it completes its application.
   b) LEAs must agree to participate in "all or significant portions" of their State's plans. For inclusion in the State's application, LEAs need only complete a preliminary scope of work (see Exhibit I in the model MOU) that indicates which portions of the State's plans the LEA is agreeing to implement. If a State is awarded a Race to the Top grant, the participating LEAs will have up to 90 days to complete a more detailed, final scope of work.
   c) A signature is required from an authorized LEA representative; however, criterion (A)(1)(ii)(c) encourages LEAs to demonstrate the support of their leadership by obtaining signatures from as many as possible of the following: the LEA superintendent (or equivalent); the president of the local school board (or equivalent, if applicable); and the local teachers' union leader (if applicable).

4) The State reviews each MOU to ensure that it meets the requirements the State has set for LEA participation in "all or significant portions" of the State's plan; the State countersigns the MOU if the LEA is accepted as a participant. (If an LEA is not accepted, States should have a process for providing feedback and allowing LEAs to resubmit. Note, however, that any LEA that signs up after the State has submitted its Race to the Top application will not be considered in the reviewers' evaluations).

5) The State completes the tables that summarize LEA participation, which are required as evidence for criteria (A)(1)(ii)-(iii) (see the application package).

6) If the State is awarded a Race to the Top grant, its participating LEAs (including those that submitted too late to be included in the application) will have up to 90 days to complete final scopes of work (referred to as Exhibit II in the model MOU). At the conclusion of that period, States will notify LEAs of their final section 14006(c) subgrant.

K-2. Do participating LEAs have to implement the State's entire plan? What criteria can a State establish for LEA participation?

Generally, we would expect LEAs to implement the State's entire plan, as the various components are designed to work together to create a comprehensive approach to improving teaching and learning. However, there may be circumstances under which an LEA would implement only significant portions of a State plan. Consistent with section 14006(c) of the ARRA, States may define what LEAs need to do to participate in the State's plans. This could include specifying the required significant portions of the State's plan that participating LEAs must implement. All LEAs that commit to implementing all or

significant portions of a State's plan, and that sign an MOU, would receive subgrants based on their relative shares of Part A of Title I, consistent with section 14006(c) of the ARRA. States do not have the discretion to select participating LEAs or limit LEA participation by using certain demographic or geographic characteristics or setting up a competition to determine which LEAs may participate.[2]

K-3. Can States limit how an LEA uses its Race to the Top funds?

Yes. LEAs must use their funding in a manner that is consistent with the State's plan and the MOU or other binding agreement between the LEA and the State. States may establish more detailed rules on uses of funds provided they are consistent with the ARRA. Note that, although LEAs receive subgrants from the State based on their relative shares of funding received through Title I, Part A, the LEAs' uses of Race to the Top funds are not subject to the restrictions on uses of funds that apply to Title I formula funds.

K-4. When must participating LEAs sign up to be part of the grant?

States are encouraged to sign up all of their participating LEAs before they apply for a Race to the Top grant so that reviewers may give the State full credit for LEA participation under selection criteria (A)(1)(ii) and (A)(1)(iii). If a State wishes, it may add participating LEAs up until 90 days after it has been awarded a grant (this is also the deadline for participating LEAs to complete full statements of their scopes of work). However, States will not receive points under selection criteria (A)(1)(ii) and (A)(1)(iii) for expected but as-yet-unrealized LEA participants. For more details, see the Participating LEA Scope of Work requirement in the notices.

K-5. If LEAs sign up to participate within the 90-day window, how does this affect the performance targets the State has agreed to?

A number of performance measures are expressed in terms of the percentage of participating LEAs engaged in certain activities. Because the State's annual targets are expressed as percentages, the targets need not change as the number of participating LEAs increases, but the State will be evaluated using a denominator based on the set of final, not initial, participating LEAs.

K-6. What if a State has difficulty completing the MOUs with LEAs before the Phase 1 deadline?

To support States in this work, the Department has shared a sample process and provided sample documents (see Appendix D, Participating LEA MOU, published in each of the final notices). If a State is concerned about being able to sign up its participating LEAs in time to apply for Phase 1, it may want to apply in Phase 2, which will provide additional time to develop the application and sign up participating LEAs.

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[2] Note that States have considerable flexibility in awarding or allocating the remaining 50 percent of their Race to the Top award that is not subject to the section 14006(c) subgrant. This portion of the grant is available to the State for State-level activities, for disbursements to LEAs, and other purposes as the State may propose in its plan.

K-7. Are the points under criterion (A)(1)(iii) based solely on how many participating LEAs have signed on to the State's plan?

No. Under criterion (A)(1)(iii), States receive points based on the extent to which the LEAs participating in the State's Race to the Top plan will translate into broad statewide impact, allowing the State to reach its ambitious yet achievable goals, overall and by student subgroup, for improving the specified student outcomes. Thus, the set of participating LEAs will be evaluated, not just in terms of numbers, but also in terms of the statewide impact the specific participating LEAs are likely to have based on their combined student population, student-in-poverty population, and other factors.

K-8. How should States determine each LEA's section 14006(c) subgrant (*i.e.*, its subgrant under section 14006(c) of the ARRA, which requires that at least 50 percent of a State's grant be subgranted directly to LEAs based on their relative shares of Part A of Title I)?

A State must calculate a section 14006(c) subgrant for each LEA by:

a. Determining the LEA's share of total 2009 allocations of Part A of Title I of all LEAs that have signed MOUs and are participating in the State's Race to the Top plan (*i.e.,* the LEA's Title I share); and then
b. Multiplying the LEA's Title I share by the amount that must be subgranted to participating LEAs (*i.e.,* 50 percent of the State's total Race to the Top grant).

For example, State A receives a $200 million Race to the Top grant and has 5 LEAs, of which 3 are participating in the State's Race to the Top grant. Assume that those 3 LEAs received a total of $40 million in Title I, Part A funds in 2009, with $20 million going to LEA 1, $10 million to LEA 2, and $10 million going to LEA 3. Thus, the section 14006(c) shares for the three participating LEAs are, in order: 50 percent, 25 percent, and 25 percent, and their section 14006(c) subgrants are, in order: $50 million, $25 million, and $25 million.

Total State Race to the Top grant: $200,000,000
Total minimum amount subgranted to LEAs under section 14006(c): $100,000,000

Participating LEAs	2009 Title I allocation	2009 Title I share	Section 14006(c) subgrant
LEA 1	$20,000,000	50 percent	$50,000,000
LEA 2	$10,000,000	25 percent	$25,000,000
LEA 3	$10,000,000	25 percent	$25,000,000
TOTAL	$40,000,000		

K-9. Are relative shares under 14006(c) based on the regular fiscal year (FY) 2009 appropriation only or based on both the regular 2009 appropriation and the ARRA Title I allocations?

The ARRA requires that each State receiving a Race to the Top grant award 50 percent of the funds to LEAs based on their relative shares of funding under part A of Title I of the ESEA for the most recent year. Since all Race to the Top grants will be made in 2010, FY 2009 will be the most recent year. States must use the sum of the funding that LEAs received through the regular FY 2009 appropriation and the supplement they received through the ARRA to determine their LEAs' relative shares.

K-10. How can a State accommodate its non-participating LEAs who still need to do some work in, for example, transitioning to new standards?

There are some aspects of a Race to the Top plan that States can only fulfill with the involvement of all or almost all of their LEAs. LEAs that do not sign MOUs but are nonetheless involved in some Race to the Top-related activities (*e.g.,* transitioning to a common set of K-12 standards) are called "involved LEAs." States do not need to submit information on their involved LEAs as part of their applications, and States will not be evaluated based on their involved LEAs. Involved LEAs may be signed up by the State at any time and by any method that the State chooses. Involved LEAs are not eligible to receive a share of the funds that States must subgrant to LEAs under section 14006(c) of the ARRA. However, States may provide funding to involved LEAs from the remaining 50 percent of funds or from other sources.

K-11. How are charter schools treated as subgrantees of the State?

Per the ARRA, all LEAs, including public charter schools identified as LEAs under State law, must be given the same opportunity to be participating LEAs. In addition, LEAs must include charter and non-charter schools in an equitable manner.

L. Other

L-1. Can private schools receive Race to the Top funds?

No. The statutory language of the ARRA specifically provides that States are the eligible applicants for Race to the Top funds, and that only LEAs are eligible to receive subgrants from the States. Race to the Top funds may not be provided to private schools through a grant or subgrant, and there is no requirement that private school students, teachers, or other educational personnel participate in Race to the Top on an equitable basis (as required in some ESEA programs). Furthermore, Race to the Top funds may not be used to provide financial assistance to students to attend private schools. However, States have the flexibility to use the 50 percent of Race to the Top funding that is not distributed on the basis of the Title I, Part A formula to include private school students, teachers, and other educational personnel in activities that a State and its LEAs deem appropriate, and may contract with private schools for appropriate secular activities, consistent with the State's plan.

L-2. May LEAs use Race to the Top funds for construction, modernization, renovation, or repair?

Consistent with the Department's May 11, 2009 guidance for the Stabilization program,[3] the Department discourages States and LEAs from using Race to the Top funds for new construction because this use may limit the ability of the State and its LEAs to implement the State's core Race to the Top plans. States may propose that certain participating LEAs may use Race to the Top funds for modernization, renovation, or repair projects to the extent that these projects are consistent with the State's Race to the Top plans.

L-3. If an LEA repair, renovation, or modernization project is included in an approved State Race to the Top plan, do the Davis-Bacon wage requirements apply to these activities?

Yes. Any laborers and mechanics employed by contractors or subcontractors for school repair, renovation, or modernization projects assisted in whole or in part with Race to the Top ARRA funds must be paid in accordance with the prevailing wage requirements as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40 of the U.S. Code (commonly called Davis-Bacon and related acts). (See also 20 U.S.C. 1232b Labor Standards and section 1606 of the ARRA.) Contracts must include language that acknowledges that all contractors or subcontractors must pay wages that are not less than those established for the locality of the project (prevailing wage rates). 29 CFR 5.5.

The U.S. Department of Labor (DOL) determines and publishes prevailing wage rates for the various regions of the country. If an LEA needs information about the prevailing wages in its community, the LEA should contact the DOL regional office serving its geographic location. A list of the regional offices with contact information can be found at the following Web site: http://www.dol.gov/whd/programs/dbra/regions.htm. An LEA can also find additional Davis-Bacon and other prevailing wage information at the following DOL Web sites: http://www.dol.gov/whd/programs/dbra/faqs.htm and http://www.dol.gov/whd/recovery/dbfaqs.htm.

The DOL regional offices may also provide guidance as to where the required weekly payroll submissions referenced in the Davis-Bacon regulations (see 29 CFR 3.3 and 3.4 for example) should be sent. State Departments of Labor (or equivalent) may also provide further guidance on these types of issues.

L-4. What role do parents, teachers, and students play in Race to the Top?

Students are, of course, the ultimate beneficiaries of Race to the Top reform efforts and funding. However, they – together with parents, teachers, and other members of the public – can also play a role in helping their States win Race to the Top grants. For example, stakeholders may play critical roles in supporting States and LEAs in implementing the plans, helping to identify and share effective practices, and ensuring that plans are leading to improved outcomes for students. They might, for example, be asked by their State to support the design and development of the State's Race to the Top proposals, to help the

[3] Available at: www.ed.gov/programs/statestabilization/guidance-mod-05112009.pdf.

State identify promising local practices on which to build, or to write statements of support for their State's application. States receive points specifically for their stakeholders' involvement under criterion (A)(2)(ii)(b).

M. Interactions with other Programs

M-1. How does Race to the Top interact with the Investing in Innovation (i3) fund?

Race to the Top and i3 are designed to be complementary and mutually reinforcing; however, there is no direct interaction between these two programs. The eligible applicants for i3 are LEAs and nonprofit partners.

M-2. How does Race to the Top interact with the Statewide Longitudinal Data Systems, Teacher Incentive Fund, and School Improvement Grants programs?

Each of these three programs provides funding for States and/or LEAs to do work in one of the four education reform areas that Race to the Top addresses (data, teacher and principal effectiveness, and turning around persistently lowest-achieving schools, respectively). Race to the Top applications should include discussions of how the State and its LEAs will use these and/or other major funding sources consistent with the State's plans. For example, States may propose to use their School Improvement Grants to fund school intervention efforts in Race to the Top (under criterion (E)(2)), or to use Statewide Longitudinal Data Systems funding to pursue plans under criterion (C)(2) (Accessing and Using State Data). States should keep in mind that Race to the Top funding is highly flexible while funding from other programs may be more targeted, and should use this flexibility in a way that is most likely to improve student outcomes. Race to the Top encourages States to coordinate funding from other Federal, State, and local sources to align with the State's Race to the Top goals (see criterion (A)(2)(i)(d)). In addition, the Budget section of the Application prompts States to describe how other Federal (*e.g.,* School Improvement Grants, Statewide Longitudinal Data Systems grants, Teacher Incentive Fund grants, Title I, Part A), State, and local funds will be leveraged to further support Race to the Top education reform plans.

For further discussion of how States can design their Race to the Top and Title I School Improvement Grant plans together, see question I-1 in this document.

M-3. How does the Race to the Top State competition interact with the Race to the Top Assessment competition?

The Department intends to hold a separate $350 million Race to the Top Assessment competition. Receiving or not receiving a grant in one program will not privilege or penalize a State in the other competitive program. However, the implementation work States will do on standards and assessments in both competitive programs will be aligned, so that the two programs amplify each other's impact.

N. Transparency, Accountability, Reporting, and Other Obligations

N-1. What are our shared responsibilities for ensuring that all funds under the ARRA are used for authorized purposes and instances of fraud, waste, and abuse are prevented?

All ARRA funds must be spent with an unprecedented level of transparency and accountability. Accordingly, recipients of ARRA funds must maintain accurate, complete, and reliable documentation of all ARRA expenditures. The law contains very specific reporting requirements and requires that detailed information on the uses of funds be available publicly on www.recovery.gov.

States have important oversight responsibilities and must monitor activities supported by grants and subgrants to ensure compliance with all applicable Federal requirements. If a grantee or subgrantee fails to comply with requirements governing the funds, the Department may, consistent with applicable administrative procedures, take one or more enforcement actions, including withholding or suspending, in whole or part, funds awarded under the program, or recovering misspent funds following an audit.

The ARRA established the Recovery Accountability and Transparency Board, which is responsible for coordinating and conducting oversight of spending under the ARRA to prevent fraud, waste, and abuse. The Department's Office of Inspector General (OIG) will be conducting comprehensive audits of ARRA implementation activities. In addition, Department program offices will closely monitor these activities.

Any instances of potential fraud, waste, and abuse should be promptly reported to the OIG hotline at 1-800-MIS-USED or oig.hotline@ed.gov. Moreover, recipients are reminded that significant new whistleblower protections are provided under section 1553 of the ARRA.

N-2. What are the reporting requirements for Race to the Top?

A State receiving Race to the Top funds must submit to the Department an annual report that must include, in addition to the standard elements, a description of the State's and its participating LEAs' progress to date on their goals, timelines, and budgets, as well as actual performance compared to the annual targets the State established in its application with respect to each performance measure. For more details, see the Reporting requirement published in both notices.

A State that receives Race to the Top funds must also meet the reporting requirements that apply to all ARRA-funded programs. Specifically, the State must submit reports, within 10 days after the end of each calendar quarter, that contain the information required under section 1512(c) of the ARRA in accordance with any guidance issued by the Office of Management and Budget or the Department (ARRA Division A, Section 1512(c)). Guidance for section 1512 quarterly reports is available at http://www.ed.gov/policy/gen/leg/recovery/section-1512.html.

In addition, for each year of the program, the State will submit a report to the Secretary, as required by section 14008 of the ARRA, at such time and in such manner as the Secretary may require, that describes:

- the uses of funds within the State;
- how the State distributed the funds it received;
- the number of jobs that the Governor estimates were saved or created with funds;
- the State's progress in reducing inequities in the distribution of highly qualified teachers, in implementing a State longitudinal data system, and developing and implementing valid and reliable assessments for limited English proficient students and students with disabilities;
- if applicable, a description of each modernization, renovation, or repair project approved in the State application and funded, including the amounts awarded and project costs. (ARRA Division A, section 14008)

Grantees may request information from participating LEAs to complete these reports. For the reports required under sections 1512(c) and 14008 of the ARRA, grantees must submit separate reports through FederalReporting.gov for the Stabilization and Race to the Top programs.

N-3. Does the receipt of Race to the Top funds require recipients to comply with Federal civil rights laws?

Yes. The receipt of any Federal funds obligates recipients to comply with Federal civil rights laws that prohibit discrimination based on race, color, national origin, sex, disability, and age. For additional information on civil rights obligations, see http://www.ed.gov/policy/gen/leg/recovery/notices/civil-rights.html.

O. Resources and Information

O-1. Where can one obtain updated information or answers to questions about the Race to the Top program?

The Department will post updated information about the Race to the Top program on the Department's Web site at www.ed.gov/programs/racetothetop.

You may submit specific questions about the Race to the Top program to the following e-mail address: racetothetop@ed.gov. Department staff will respond promptly to your questions. We will update this FAQ document with relevant questions and answers.

O-2. What technical assistance will the Department offer to prospective applicants?

The Department will be hosting two Technical Assistance Planning Workshops for potential Race to the Top applicants to review technical and logistical aspects of the competition. At the workshops, Department staff will review the Race to the Top selection criteria, requirements, and priorities and answer technical questions about the Race to the Top program.

The first workshop will be in Denver, Colorado on December 3, 2009. The second workshop will be in the Baltimore-Washington area on December 10, 2009. These two workshops will cover the same content, so we recommend that applicants attend whichever one of the two workshops is most convenient. For those who cannot attend in person, we will provide a conference call-in number for the December 10 workshop. In addition, we will post transcripts of the workshops at www.ed.gov/programs/racetothetop. Next spring, we intend to host one or more similar workshops to support States preparing their Phase 2 applications.

For more information, please go to www.ed.gov/programs/racetothetop. Announcements of any other conference calls or webinars will also be available at this Web site.

Appendix A – Technical Guidance Regarding NAEP

AA-1. NAEP uses a sample of students in three grades for its assessments, which by design will have less statistical power for detecting growth than assessments that test every student. Given this fundamental difference, what options are available to States to demonstrate their progress using NAEP under criterion (A)(3)(ii)?

It is true that the NAEP is based on samples of the student population that result in larger margins of error in detecting differences than would be the case with a census or test of every student. Similarly, for some student groups within some States, NAEP's sample sizes may be too small to detect even fairly substantial changes in achievement or achievement gaps with a high degree of statistical precision. Here are two ways that States might address this problem in demonstrating their progress using NAEP under criterion (A)(3)(ii).

First, States may provide in their applications a justification for reducing the statistical significance level. The standard criterion used in many statistical agencies such as the National Center for Education Statistics (NCES) in the Department is 0.05. That is, there must be at least a 95 percent chance that the null hypothesis is false before a difference can be accepted as statistically different from zero. However, in some applied settings, when samples are relatively small, a relaxed criterion may be more appropriate for making educationally meaningful comparisons. For example, a State might justify using a 0.10 criterion for statistical significance because a particular subgroup in NAEP might be too small to yield a statistically significant finding at the 0.05 level. The justification should follow professional statistical guidelines, such as those recommended by Cohen (1988). (J. Cohen, (1988). Statistical Power Analysis for the Behavioral Sciences, Lawrence Earl Baum, Hillsdale, NJ).

Second, States may include in their applications justification for using effect sizes, or consistency in the effect size of gains between NAEP and a State test, as evidence for detecting growth. State tests are based on larger samples of students than NAEP. Because NAEP scores are reported on a 0 to 500-point scale, and State tests normally use other scale units, the score gains need to be compared in terms of some common unit. This can be done by expressing the gains on both assessments in standardized units; that is, by dividing the number of score points gained by the number of score points in a standard deviation.[4] For example, a six-point gain on a NAEP mathematics test, for which the national standard deviation is 35 points, would be equivalent to a gain of 0.171 in standardized units. A ten-point gain on a State-administered test, for which the nationally normed standard deviation is 60 points, would be equivalent to a (very similar) gain of 0.167 in standardized units. Similarly, a State could compare the achievement gains in standardized units for a subgroup on the NAEP to the achievement gains in standardized units for that same subgroup on the State test, as long as it uses comparably calculated, preferably nationally normed, estimates of

[4] The standard deviation is a statistical measure of the variability of the scores in the population. By dividing each score by the corresponding, comparably calculated standard deviation, the assumption is made that the two measures are based on the same population, and the variability is the same, although measured in different units. For greater transparency, it is best to use nationally normed standard deviations. However, if this is not available for a State administered test, the effect size calculations should be based on State standard deviations for *both* the State test and NAEP.

standard deviation for NAEP and the State test. If the gain on the State test was statistically significant, the NAEP gain could be considered confirmatory, even if it was not statistically significant. The use of such methodology should follow professional statistical guidelines such as those discussed in Cohen (1988).

AA-2. Since NAEP and State assessments are not perfectly aligned, what recommendations could the Department offer to States for demonstrating progress on NAEP?

The content of State assessments may be different from NAEP's broader coverage of a particular subject matter. Therefore, NAEP and State assessment results are not perfectly correlated. It is possible that a State will show gains on State-specific content that is not represented on NAEP or, conversely, a State may show gains on NAEP-specific content that is not included on a State's assessment. Thus, NAEP and State assessments are expected to show a similar—but not identical—pattern of performance. For example, when State trends indicate score growth, it would be helpful for the State to explain why there may be a discrepancy in patterns of scores.

Similarly, since State assessments and NAEP set performance standards for proficiency that have overlapping, but different purposes, States could explain why there are discrepancies in the percent of students performing at the proficient level and describe the implications for having different definitions for proficiency. A full discussion of this issue regarding tracking gains in the percentage of students meeting State proficiency targets using NAEP can be found in a recent NCES publication entitled: *Mapping State Proficiency Standards Onto NAEP Scales: 2005-2007,* available at http://nces.ed.gov/nationsreportcard/pdf/studies/2010456.pdf.

State assessments and NAEP also differ in their population coverage, particularly with respect to the inclusion of English language learners and students with disabilities. Although NAEP follows school guidelines for inclusion of such students in the assessments, NAEP does not allow all the accommodations permitted in some States, and NAEP does not have alternate assessments. NCES regularly publishes Full Population Estimates on its Web site (*e.g.*, http://nces.ed.gov/nationsreportcard/about/inclusion.asp#research) to evaluate the impact of this alignment issue. Such data can be used by States to help explain discrepancies, if any, between gains reported by the States versus what is reported by NAEP. In addition, under application requirement (g)(1), States should include the NAEP exclusion rate for students with disabilities and the exclusion rate for English language learners, along with clear documentation of the State's policies and practices for determining whether a student with a disability or an English language learner should participate in the NAEP and on whether a student needs accommodations.

AA-3. Is the Department interested in student progress on NAEP as demonstrated by improvement in parameters other than the percentage reaching NAEP's proficient level?

Yes. States may demonstrate progress using any NAEP statistic, including scale scores, percentiles, and the percent of students reaching NAEP's *Basic*, *Proficient* or *Advanced* levels or moving from one of these levels up to the next.