

# Race to the Top Program

## Guidance and Frequently Asked Questions

*Addendum 2*  
*December 18, 2009*

- B-7. Will a law or policy that becomes effective only if a State is awarded a Race to the Top grant be viewed favorably? How would a law or policy that applies only to some, but not all, LEAs in a State be viewed?**

Because Race to the Top is a competition, the Department cannot speculate on how peer reviewers will view specific proposals provided in response to selection criteria. States are urged to put forward their strongest plans and policies, and reviewers will evaluate them against the criteria.

- C-7. What proportion of the funds available will be distributed in each phase of the competition?**

We have not pre-determined the number of grants or the amount of funding that will be awarded in each phase. While we encourage States to apply in Phase 1, we emphasize that the bar will be high and there will be plenty of funding available for Phase 2.

- D-1a. What is the process for the final tier of review?**

As stated in the Review and Selection Process section of the notice inviting applications, the Department intends to ask each finalist to send a team to Washington, D.C. to present the State's proposal to a panel of reviewers. The panel will take this opportunity to ask the State's team further questions in order to gain a more comprehensive picture of the State's application proposal, including its plans and its capabilities to implement them. At the conclusion of the presentation process, reviewers will finalize their scoring of the applications based on the selection criteria and scoring rubric in the notice.

A State's presentation team may include up to five individuals; because the panel of reviewers is interested primarily in hearing from, and asking questions of, State leaders who would be responsible for implementing the State's Race to the Top plan, only those individuals who would have significant ongoing roles in and responsibilities in executing the State's plan should present, and in no case could presentation teams include consultants.

- D-1b. What is the competition schedule?**

For Phase 1, we anticipate that applicants invited to participate in Tier 2 will be notified on or around March 1, 2010. The State team will be invited to present their proposals in Washington, D.C. the week of March 15, 2010. Winners will be announced in early April.

## **D-2a. What are the specific qualifications for the peer reviewers?**

The Department is identifying external expert reviewers to evaluate applications for the Race to the Top competition; U.S. Department of Education employees will not score the applications or participate in the discussions with peer reviewers. In August, when the Secretary issued an open call for reviewers, he asked for individuals with expertise in some, if not all, of the following areas:

- Education Policy
  - Policy implementation experience and/or legal expertise
- Education Reform
  - Deep understanding of teaching and learning, specifically K-12
  - Broad understanding of each of the four education reform areas (standards and assessments, teachers and school leaders, data systems, school turnaround), and specific expertise in at least one of these areas
  - Demonstrated experience in implementing or supporting reforms that led to improved student outcomes
  - Deep understanding of using data to inform continuous improvement at the classroom, school, district, and/or State levels
  - Understanding of and experience with implementing student-achievement-focused reform plans at scale in order to know what approaches have the greatest likelihood of success at the school, district, and State levels
- Capacity and Scale
  - Knowledge of effective operational and organizational/management infrastructures at State and district levels (e.g., people, processes, accountability structures, technology systems, program and grant management)
  - Ability to assess the effectiveness of leadership teams and key contributors
  - Knowledge of or experience with relationships between states and districts, as well as successful engagement of diverse stakeholders at each level
- Application Review and Evaluation
  - Experience participating in (as an evaluator) or managing state, federal, and/or philanthropic grant reviews (preferably with experience in applying scoring rubrics and specific criteria to this process)
  - Experience providing thoughtful, objective, constructive, and timely oral and written feedback to applicants and/or organizations on successes and opportunities for improvement

The Secretary's August 31, 2009 letter calling for reviewers is available at:  
<http://www.ed.gov/policy/gen/guid/secletter/090902.html>.

As a result of this open call, the Department received approximately 1,500 applications and nominations. As of December 14, 2009, we are currently engaged in a vetting process to select reviewers who meet the above criteria and do not have conflicts of interest. We expect to select approximately 75-100 reviewers for each phase of the competition.

**E-6. What graduation rate data should States use under criterion (A)(3)(ii)(c)?**

Under criterion (A)(3)(ii)(c), States receive points based on their track record of improving high school graduation rates, overall and by student subgroup, since at least 2003. States should, where possible, include graduation rate data calculated using the four-year or extended-year adjusted cohort graduation rate as defined in 34 CFR 200.19(b)(1) (as cited in the notice). If a State does not have these data (or does not have these data for all relevant years), it should include the graduation rate data it has, and note the definition that was used to calculate each rate.

**F-4. Must a State participate in a particular common standards consortium in order to earn the points under criterion (B)(1)?**

No. Race to the Top does not endorse any particular consortium or set of standards. Criterion (B)(1) specifies characteristics of consortia and standards that earn States points under this criterion. The parallel section of the Scoring Rubric in Appendix B also provides additional details on the points that may be earned under this criterion.

**H-5. For performance measures that ask States to report the “number of teachers,” should States report full-time equivalent (FTE) numbers or teacher headcount numbers?**

Consistent with the Stabilization program, States should use teacher headcount numbers when reporting data for criteria (D)(1) through (D)(4).

**K-2a. Must States give all LEAs the option to participate in their Race to the Top application?**

Yes. All LEAs in a State must have the opportunity to participate in the State’s Race to the Top application if they commit to implementing “all or significant portions” of the State’s plan and meet the other requirements that the State established for participating LEAs. Thus, each State should:

1. **Define its reform plan.** The State develops its reform plan, keeps its LEAs current with the plans as they evolve, and ensures that all LEAs have access to the State plan.
2. **Define “all or significant portions.”** The State defines what LEAs must do to participate in “all or significant portions” of the State’s plans, including for example, specifying the required portions of the State’s plan that participating LEAs must implement. Generally, we expect LEAs to implement the State’s entire plan because the various components should be designed to work together to create a comprehensive approach to improving teaching and learning.
3. **Draft MOU.** The State drafts a standard MOU or other binding agreement to be executed by the State and each participating LEA.
4. **Provide option to LEAs.** The State shares its plan with all LEAs (including charter school LEAs) and gives them the opportunity to opt-in as participating LEAs by signing the MOU or other binding agreement.

States cannot select participating LEAs or limit LEA participation by using demographic or geographic characteristics or by setting up a competition to determine which LEAs may

participate. Nor may they use their authority to establish requirements to set up a situation that, in effect, amounts to such a restriction or competition.

**K-2b. Can a State provide additional funding to certain participating LEAs or select certain participating LEAs to implement certain activities?**

Yes. As discussed on pages 62-63 of the application, if a State wishes to provide additional funding to certain participating LEAs, it may do so. This would not alter the formula in the section 14006(c) subgrant; instead, this additional support must come from the 50 percent of the State's award that is not distributed based on participating LEAs' shares of Title I, Part A funds. Examples of purposes for which a State might want to supplement a participating LEA's budget with more than its section 14006(c) share include:

1. One or more participating LEAs may be implementing a special or pilot activity that requires additional funding.
2. A participating LEA might have a small section 14006(c) share of the funds that the State chooses to supplement given the plans in which the LEA is participating.

If a State chooses to provide supplemental funding to certain participating LEAs, it may describe the purpose of this additional funding in a project-level budget narrative, and include the information on line 12 of the project-level budget table (Supplemental Funding for Participating LEAs).

**K-3a. What are the allowable uses of Race to the Top funds and what uses of funds are prohibited?**

There are two categories of funding under the Race to the Top general program. As discussed in other FAQs, 50 percent of the grant must be subgranted to LEAs based on their relative share of funding under Title I, Part A of the ESEA, sometimes referred to as the "section 14006(c) subgrant." LEAs must use these funds in a manner that is consistent with the State's plan and the MOU or other binding agreement between the LEA and the State. A State may establish more specific requirements for its LEAs' uses of funds provided they are consistent with the ARRA.

The other 50 percent of the Race to the Top funds is sometimes referred to as the "State's 50 percent," because the State has considerable flexibility in using these funds to support its reform plan. These funds are not distributed via the Title I formula; in fact, there is no pre-set formula for their distribution. Instead, this portion of the grant is available to the State for State-level activities, for disbursements to LEAs, and for other purposes as the State may propose in its plan.

In general, there are few restrictions on the use of Race to the Top funds, except that they must be used to implement the State's approved Race to the Top plan; they must be consistent with the Department's administrative regulations as well as OMB's cost principle circulars, such as A-87; and they must meet the requirements in the ARRA, as described below.<sup>1</sup> With these exceptions, States have considerable latitude in defining their plans and,

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<sup>1</sup> For OMB's cost principle circulars, see [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars).

therefore, have considerable discretion in determining how grant funds will be used if they win.

As noted above, the ARRA places several restrictions on uses of funds as follows:

- Section 14003 of the ARRA prohibits an LEA from using Race to the Top funds for
  - Payment of maintenance costs;
  - Stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public;
  - Purchase or upgrade of vehicles;
  - Improvement of stand-alone facilities whose purpose is not the education of children, including central office administration or operations or logistical support facilities; or
  - School modernization, renovation, or repair that is inconsistent with State law.<sup>2</sup>
- Section 14011 of the ARRA prohibits Race to the Top funds from being used to provide financial assistance to students to attend private elementary or secondary schools, unless the funds are used to provide special education and related services to children with disabilities as authorized by the IDEA.
- Section 1604 of the ARRA prohibits Race to the Top funds from being used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

Finally, as described in FAQ F-3, funds may not be used for costs related to statewide summative assessments.

### **K-3b. Can a State require that its participating LEAs use their funds in specific ways?**

*Note: In the November version of the Race to the Top Guidance/FAQs, question K-3 addresses a related issue. This answer further clarifies that guidance.*

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. As noted earlier, States may establish more detailed rules on uses of funds, provided they are consistent with the ARRA. Therefore, States may require that participating LEAs use their funds to pay for certain activities that are required elements of a State's plan.

### **K-4a. Can an LEA sign on to participate after the State submits its application for Race to the Top?**

As discussed in FAQ K-4 in the previously issued guidance, if a State wishes it may add participating LEAs up until 90 days after it has been awarded a grant.

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<sup>2</sup> An LEA may use Race to the Top funds for construction of new school facilities as well as for modernization, renovation, or repair of existing facilities to the extent that these projects are consistent with the State's Race to the Top plan. However, 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. See FAQ L-2.

If a State needs to add a participating LEA after the 90-day window, the State must obtain approval from the Department. Such requests will be handled in writing on a case-by-case basis. Note that if a State adds a participating LEA that receives funding under Title I, Part A, it will need to recalculate its section 14006(c) subgrant allocations to all participating LEAs. For this reason, we strongly encourage States to establish and maintain its group of participating LEAs as soon as possible but no later than within the first 90 days of the grant period.

Alternatively, a State may add a late-joining LEA as an *involved LEA* instead of as a *participating LEA*. If a State wishes to do this, it may include in its budget funding for the activities of involved LEAs. Adding LEAs in this manner would not require approval from the Department, since States are not required to submit information on their involved LEAs as part of their application, nor would the State need to recalculate its section 14006(c) subgrant allocations to participating LEAs. Note, however, that the involved LEA's progress in implementing the State's Race to the Top plans would not count towards the State's performance targets that are defined in terms of participating LEAs.

To be clear, States do not have to allow LEAs to join after the State has been awarded a Race to the Top grant - that decision is up to the State.

**K-13. May an LEA that does not receive funding under Title I, Part A of the ESEA be a participating LEA?**

Yes. Note, however, that such a participating LEA may not receive funds under the State's section 14006(c) subgrant. The State may however, at its discretion, provide funding for such a participating LEA from the State's 50 percent of the grant. As discussed in FAQ K-2b, States may include this in on line 12 of the State budget table (Supplemental Funding for Participating LEAs).

Alternatively, such an LEA could be included in the State's plan as an involved LEA, in which case it would not be subject to the requirements regarding participating LEAs (and neither would it count towards the State's score under criteria (A)(1)(ii) and (A)(1)(iii), nor toward its performance targets that are defined in terms of participating LEAs). In this case, the State may denote funding on line 11 of the State budget table (Funding for Involved LEAs).

**K-14. Is the Department of the Interior/ Bureau of Indian Education eligible to receive funds under the Race to the Top fund? How may BIE-funded LEAs and LEAs serving high populations of Native American students participate in the Race to the Top competition?**

The Bureau of Indian Education (BIE) is not eligible to receive funds under Race to the Top. As stated in FAQ A-2, States are the eligible applicants under section 14006(a)(2) of the ARRA.

However, any LEA, including those that serve high populations of Native American and tribal students, may participate in its State's Race to the Top plan as a "participating LEA" if

the LEA agrees to implement all or a significant portion of the State’s reform plan. If the State is awarded a grant, participating LEAs that are eligible for Title I funds from an SEA (as opposed to from the BIE) will receive funds under the State’s section 14006(c) subgrant, under which LEAs receive subgrants based on their relative shares of funding under Part A of Title I. This would include LEAs that are considered tribal schools that receive Title I funding from the State.

LEAs that are not eligible for Title I funds from the SEA, including LEAs that receive Title I funds directly from the BIE, may participate as participating LEAs and receive funds from the State’s 50 percent share, at the State’s discretion. Alternatively, as explained in FAQ K-13, LEAs that do not receive Title I funding could be included in the State’s plan as involved LEAs, at the State’s discretion.

**K-15. Do participating LEAs have to include all of their schools in their Race to the Top activities?**

No. However, an LEA should make sure that it involves enough schools to ensure that it is meaningfully implementing its portion of the State’s plan. If a State wishes, it could include in its agreement with an LEA a clause requiring minimum levels of school participation.

**L-5. May Race to the Top funds be used to support early childhood education programs?**

To the extent that it is consistent with a State’s Race to the Top plans (*e.g.* in response to Invitational Priority 3, Innovations for Improving Early Learning Outcomes), States and their LEA subgrantees have considerable flexibility in using these grant funds to support early childhood programs and services. Such activities could be considered authorized activities under the ESEA, since under Title VIII of the ESEA (Impact Aid) an LEA may support pre-K programs, even if pre-K is not considered part of “elementary education” under State law.

**L-6. Should States include hyperlinks in their applications?**

States should *not* include hyperlinks to websites in their applications. Reviewers will be instructed not to follow such hyperlinks. We understand that hyperlinks can be a convenient way to provide information; however, because hyperlinks can be updated after the deadline for submitting applications, they cannot be considered as part of the application.

**L-7. What file types must a State use in its application?**

As specified in the notice inviting applications, all electronic application files must be in a .DOC (Microsoft Word document in compatibility mode), .DOCX (Microsoft Word document), .RTF (rich text), or .PDF (Portable Document) format. Each file name should clearly identify the part of the application to which the content is responding. If a State submits a file type other than the four file types specified in this paragraph, the Department will not review that material. States should not password-protect these files.

We recommend that, where possible, States convert any .DOC, .DOCX, or .RTF files into .PDF format. If a State does not do so, graphics and tables may not properly retain their formatting when the application is printed. The Department will not reformat applications.

**L-8. Should a State format its application in color or in black and white?**

When the Department prints the applications for reviewers, the applications will not be printed in color. Therefore, we recommend that States format their applications in black and white.

**M-4. How should States include their plans to coordinate funding from other competitive grant programs in their Budget and Budget narratives if the awards for those other programs have not yet been made?**

*Note: In the November version of the Race to the Top Guidance/FAQs, question M-2 addresses a related issue. This answer further clarifies that guidance.*

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 some situations, States may be applying for other competitive grant funds at the time they are applying for Race to the Top, and may not know whether they will receive these other funds. For example, grants under the Statewide Longitudinal Data Systems are scheduled to be awarded in May 2010, after States will have applied for Phase 1 of Race to the Top.

In such cases, States may build their budgets under the assumption that they will not receive these other competitive funds, and discuss in their budget narrative how they would further expand their plans if they received the funds.

However, if a State is confident that it will receive funding – for example, because the source in question is a formula program such as the Title I School Improvement Grants program – the State may build its budget under the assumption that it will receive these funds.