

Race to the Top Program
Guidance and Frequently Asked Questions

Addendum 6
April 20, 2010

C-3. How will grant sizes be determined for the Phase 2 competition?

Please note: For the Phase 2 competition, this answer supersedes the previously published answer to the same question.

On April 2, 2010, the Department issued a new rule for the Phase 2 competition for Fiscal Year 2010.¹ For Phase 2, the State's budget must conform to the budget ranges below;² we will not consider a State's application if its request exceeds the maximum in its budget range. Most importantly, the State should develop a budget that is appropriate for and consistent with the plan it outlines in its application.

Category 1 – \$350-700 million	California, Texas, New York, Florida
Category 2 – \$200-400 million	Illinois, Pennsylvania, Ohio, Georgia, Michigan, North Carolina, New Jersey
Category 3 – \$150-250 million	Virginia, Arizona, Indiana, Washington, Tennessee, ³ Massachusetts, Missouri, Maryland, Wisconsin
Category 4 – \$60-175 million	Minnesota, Colorado, Alabama, Louisiana, South Carolina, Puerto Rico, Kentucky, Oklahoma, Oregon, Connecticut, Utah, Mississippi, Iowa, Arkansas, Kansas, Nevada
Category 5 – \$20-75 million	New Mexico, Nebraska, Idaho, West Virginia, New Hampshire, Maine, Hawaii, Rhode Island, Montana, Delaware, ⁴ South Dakota, Alaska, North Dakota, Vermont, Wyoming, District of Columbia

The Department may award additional funds to grantees, above the submitted budget amounts, so that grantees may participate in technical assistance activities.

C-3a. Why did the Department cap the budget amounts that States may request in their Phase 2 applications?

To fund as many strong applications as possible, we have capped the budget amounts States may request in Phase 2. (See revised FAQ C-3 for further details.) Funding for Race to the Top is finite. Based on the Phase 1 budgets, which exceeded the maximum ranges by an

¹ The Federal Register notice announcing the new rule can be found at: <http://www2.ed.gov/legislation/FedRegister/other/2010-2/040210a.html>

² The Department developed budget ranges for each State by ranking every State according to its share of the national population of children ages 5 through 17 based on data from "Estimates of the Resident Population by Selected Age Groups for the United States, States, and Puerto Rico: July 1, 2008" released by the Population Division of the U.S. Census Bureau. The Department identified the natural breaks in the population data and then developed overlapping budget ranges for each category, taking into consideration the total amount of funds available for awards.

³ Tennessee is not eligible to receive a grant in Phase 2, because it received a grant in Phase 1.

⁴ Delaware is not eligible to receive a grant in Phase 2, because it received a grant in Phase 1.

average of 40 percent and in some cases considerably more, we determined that without capped budget ranges in Phase 2, we would likely have to deny funding to some extraordinary proposals from deserving States. We are confident that this decision is in the best interests of all States and their students. We also believe that the budget ranges provide enough funds for States to implement dramatic reforms.

C-3b. Why can't States submit budgets of whatever size they believe are needed to implement their most ambitious reform plans and then let the Department simply cut back the budget?

When an applicant submits a budget to match its proposed work plans, the applicant is legally committed to substantially implementing that plan and achieving the proposed goals and objectives. Reviewers score applications based on the proposed plans and budgets. If the Department significantly changes a budget after an application is scored, it could affect the scope of work, call into question the validity of the scores, and affect the ability of the grantee to fulfill its obligations under the grant. While we will carefully fulfill our responsibility to reduce budgets where we find proposed costs to be unnecessary, unreasonable, or not allowable under a grant, we are not in a position to make large-scale changes to a winning application's scope of work after the fact; to do so would undermine the integrity of the competitive grant process.

D-9. In Phase 1, some review panels had diverse opinions that were reflected in the panel scores. Should all of the scores for such a panel have been counted?

As expected, different panels agreed more or less about the quality of a State's application. On several panels, some individual reviewers had a substantially higher or lower judgment of the quality of the application than did their peers, and the scores reflected this diversity of opinion.⁵ In each such instance, the reviewers' comments justified the given score. We value this diversity of opinion and believe it leads to better overall recommendations.

These opinions were the product of a rigorous review process:

- Each of the 58 reviewers was carefully chosen for their expertise from a pool of approximately 1500 applicants.
- For Tier 1, each reviewer spent roughly 30 hours reading each application, and then discussed each application in detail with their panel. To facilitate these discussions, we provided each panel with a measure of the variation between individual reviewers' scores for each criterion on that application. This allowed reviewers to quickly identify and focus their discussions on differences in scores, and ensure that those differences were based, not on misunderstandings of the criteria, but on legitimate disagreements as to the quality of the State's responses.
- For finalist States, reviewers had three additional opportunities to discuss the applications: (1) the panels met to discuss the questions to ask of States during the Q&A session; (2) reviewers asked questions of the State to clarify or validate their scores and

⁵ After the review was completed, the Department examined the scores and determined that no reviewers were consistent "outliers".

comments; and (3) following the State's presentation and Q&A session, the panels met a final time.

We believe that if, after going through such a rigorous process, one of these carefully selected experts believed that an application deserved a relatively higher or lower score than other reviewers on the panel believed it deserved, that professional opinion should not be ignored by the Department. Discounting the diversity in reviewer opinions or scores could exclude meaningful information that was the product of a thorough review process. To ignore or eliminate such information would be counterproductive to our goal of funding the highest-quality applications.

K-19. Must States that are reapplying in Phase 2 obtain new MOUs from their participating LEAs?

States do not necessarily need to obtain new LEA MOUs so long as the MOUs they obtained in Phase 1 remain accurate and applicable for their Phase 2 applications. If a State makes changes to its Phase 2 application that affects its MOU terms and conditions or scopes of work, it must update the MOU to reflect these changes, and re-execute the agreement or amendment.

In any case, as stated in the model MOU, the Department expects participating LEAs to be familiar with their State's application. By signing the MOUs, LEAs indicate they are supportive of and committed to working on all or significant portions of their State's plan. Therefore, States should make sure that the participating LEAs are familiar with the State's Phase 2 proposal, even if the MOUs did not have to be revised.

States may also use this opportunity to engage LEAs that chose not to participate in Phase 1.