



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

July 30, 2013

The Honorable Nathan Deal
Office of the Governor
State of Georgia
203 State Capitol
Atlanta, Georgia 30334

Dear Governor Deal:

I am writing about Georgia's performance on its approved Race to the Top grant project, and in response to Georgia's recent requests to amend its approved Race to the Top plan. Through Race to the Top, States were awarded funds based on developing high-quality, comprehensive education reform plans that demonstrate courage, leadership, and collaboration. Grantees are accountable for implementing all areas of their approved Race to the Top plans. Changes or revisions to a State's plan that would significantly decrease or eliminate reform in any reform areas constitute a change to the State's Scope of Work (this includes changes in State law and regulations or the support that would prevent Race to the Top plan activities and deliverables). In this letter, I will discuss the U.S. Department of Education's (Department) concerns about Georgia's performance related to implementation of its teacher and leader evaluation system, amendments to Georgia's approved plans, and changes to Georgia's application commitments in one area of its grant.

High-risk status

As you are aware, the Department has been concerned about Georgia's ability to meet its commitments in Section D, "Great Teachers and Leaders," of its plan. On July 2, 2012, the Department placed goals 1-4 in Section D of Georgia's approved Scope of Work, related to its teacher and leader evaluation systems, on high-risk status under 34 CFR 80.12. As stated in the July 2, letter, the Department "is concerned about the overall strategic planning, evaluation, and project management for that system, which includes decisions regarding the quality of the tools and measures used during the educator evaluation pilot and the scalability of the supports the State offered to participating districts. The State has not demonstrated that it is developing and

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approaching implementation of the teacher and leader evaluation systems in a comprehensive and deliberate manner that includes consideration of dependent deliverables, a structured process for evaluating and incorporating formative feedback, and a communications strategy including all relevant stakeholders.”

Between April 4, 2013, and June 30, 2013, the State submitted amendment requests, as well as documentation, and clarifying information to the Department to support those requests. The requested amendments focus on Georgia’s request to delay full, high-stakes implementation of its teacher evaluation system for teachers of non-tested grades and subjects by one year, from school year (SY) 2013-2014 to SY 2014-2015. These delays have implications on other projects across the State’s Race to the Top plan, and may result in some commitments being implemented outside of the Race to the Top grant period. In addition, through amendment requests, conversations with the Department, and the Department’s program review process, the State has indicated that it will no longer implement a performance-based compensation system as described in its approved application. As a result, the Department remains very concerned about the State’s implementation of its teacher and leader evaluation system.

Amendments

As described above, between April 4, 2013, and June 30, 2013, the State submitted documentation and clarifying information to the Department to support amendment requests to its approved Race to the Top plan. As you are aware, the Department has the authority to approve amendments to your plan and budget, provided that such a change does not alter the scope or objectives of the approved proposal. In March 2013, the Department issued “Amendment Requests with No Cost Extension Guidance and Principles” indicating the process by which amendments containing requests to provide additional time for a grantee to accomplish the reform goals and deliverables it committed to in its Race to the Top application and approved Scope of Work would be reviewed and approved or denied. To determine whether approval could be granted, the Department has applied the conditions and elements specific to no cost extensions noted in the document, and compared it with the Race to the Top program Principles included in the “Grant Amendment Submission Process” document issued to Governors of grantee States in October 2011. Please note that in addition to the Principles mentioned above, the Department considers Georgia’s high-risk status when reviewing amendments.

Although the Department remains concerned about the State’s implementation of its teacher and leader evaluation system and acknowledges that the changes are a result of delays and ongoing implementation and capacity challenges in Georgia, the Department approves the following amendments and those in the attached table, in the area of Great Teachers and Leaders because they are necessary for the State to meet some of the commitments outlined in its approved plan within the no-cost extension period:

- Georgia will delay full implementation of its teacher evaluation system used to inform to personnel decisions for teachers of non-tested grades and subjects by

one year, from SY 2013-2014 to SY 2014-2015. In SY 2013-2014, the State will use only the Teacher Assessment on Performance Standards (TAPS) score, which is the observation component of the teacher evaluation system, for personnel decisions. For teachers of tested grades and subjects, the State will use the full Teacher Effectiveness Measure (TEM), which includes student growth percentiles and TAPS. The State reports that it reached this decision after conducting analyses of its Student Learning Objectives (SLO) data from the SY 2011-2012 pilot and the first semester of SY 2012-2013, as well as the educator feedback data from the spring 2012 focus groups and surveys, mid-year 2012-2013 survey, and five regional feedback sessions that were conducted with Georgia Department of Education staff. This analysis revealed the need for continued training around the development and implementation of SLOs. As a result of these findings, the State is creating additional guidance documents, conducting additional trainings on setting appropriate growth targets and effective implementation of SLOs, and providing intensive technical assistance to individual local educational agencies (LEAs) to develop multi-year implementation plans for SLOs in SY 2013-2014.

It is the Department's understanding that this amendment has implications on other aspects of Georgia Race to the Top plan, including improving effectiveness of teacher and leader preparation programs and implementation of career ladder and tiered certification guidelines. Although these two aspects of the plan do not include Race to the Top funds, the Department would like to have additional conversations with the State and may need more information about these projects. Additionally, it is our understanding that this amendment will not result in a change in your State's outcomes, nor will it substantially change the Scope of Work.

Performance-Based Compensation

As mentioned above, the State has indicated that it will no longer implement one of the goals and commitments related to performance-based compensation system, as described in its approved application. Specifically, Georgia committed to redefining its compensation system. Georgia described a plan to implement several changes in SY 2013-2014: 1) tie step increases for teachers to teachers' performance on the rubrics-based evaluation tool; 2) tie annual salary increases for principals to each principal's Leader Effectiveness Measures (LEM); 3) develop career ladder opportunities for all teachers that allow teachers to take on additional responsibilities for additional pay, while remaining in the classroom; 4) award individual performance bonuses to all teachers on the basis of the Teacher Effectiveness Measure (TEM) and to school leaders on the basis of LEM; and 5) make additional individual bonuses available to core teachers in high-need schools if they reduce the achievement gap, defined as the difference in achievement between any student subgroup in a teacher's classroom and the highest performing subgroup in the State. Georgia stated in its approved application that it was committed to making the new performance-based compensation program a lasting and sustainable reform, not just in participating LEAs, but statewide.¹

¹ Georgia's commitments related to performance-based compensation can be found in its Race to the Top application on pages: 43; 102; 110-114; 116-118; 124; 125; 129; 133-134, and 535-535. Georgia's commitments

Through amendment requests, conversations with both the State and participating LEAs, and the Department's program review process, it is the Department's current understanding that Georgia has changed its strategy and no longer plans to implement the performance-based compensation system described in its approved application and referenced in its approved Scope of Work. Instead of implementing the performance-based compensation system described in its application, in SY 2013-2014, Georgia intends to provide one-time bonuses to teachers and leaders for reducing the achievement gap, and in SY 2014-2015, Georgia intends to provide one-time bonuses to teachers and leaders based on the evaluation system.

This change in scope to the State's plan significantly decreases or eliminates reform in one of the areas and results in the grantee's failure to comply substantially with the terms related to this portion of its Race to the Top award. Therefore, the Department intends to initiate withholding procedures under 34 CFR 80.43 for \$9,904,629 of the State's Race to the Top funds associated performance-based compensation in Project 17: Performance-based pay for teachers (\$3,820,462) and Project 18: Additional bonuses for high-need schools to reduce the achievement gap (\$6,084,167).

In order to avoid withholding, the State must provide a plan and evidence, including sufficient legal authority, if necessary, to implement the full scope of the performance-based compensation system described in its approved application and Scope of Work. The Department looks forward to additional conversations with the State regarding its plans for implementation. If the Department initiates withholding procedures, it will send a subsequent letter that details next steps.

Please note that this letter will be posted on the Department's website. If you need any assistance or have any questions regarding Race to the Top, please do not hesitate to contact me.

Sincerely,

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

cc: Superintendent John Barge
Dr. Susan Andrews
Erin Hames

Additional Approved Amendments

Grant project area affected	Description of change
Great Teachers and Leaders	1) Georgia will shift the end date for building its student growth model from October 2011 to September 2014. The State reports that the original proposal was written to accommodate the possibility of buying an existing model. However, after review of the State's requirements and its long-term sustainability, the State elected to modify an existing model in-house. Georgia reports that it will continue to update and refine the model after each year of implementation, and therefore must shift the end date accordingly.
Great Teachers and Leaders	Georgia will shift the end date for finalizing the teacher-of record requirements that will be used in the student growth model from December 2011 to September 2013 to reflect that this work will continue to be refined throughout the grant period. The State reports that it is modifying its data systems as needed to ensure the linkages meet its needs.
Great Teachers and Leaders	Georgia will shift the end date for roll-out of the student growth model to LEAs from March 2012 to September 2013 to align with its timeline for full implementation. Georgia reports that the student growth model was still under development in summer and fall 2012, and was not included in its first year of the teacher and leader evaluation pilot. Additionally, student growth percentiles based on End-of-Course exams took longer than anticipated.
Great Teachers and Leaders	Georgia will shift the end dates for activities related to validation and refinement of the survey component of the evaluation system. As detailed in the Department's July 2, 2012 letter, the State revised the survey component of the evaluation system prior to implementation in SY 2012-2013, and integrated the survey into the observation protocol. Therefore, the survey validation will now occur as part of the evaluation of the observation protocol. Due to the earlier delays described above, May 2013 was the first time the State could begin assessing the correlations between all components of the evaluation system. The end date for validation of the survey tool is shifted from July 2012 to July 2013 and the end date for evaluation of the survey component is shifted from August 2012 to September 2014 so the State can conduct additional analyses after each year of implementation.

Grant project area affected	Description of change
Great Teachers and Leaders	1) Georgia did not include the achievement gap component of the evaluation system for leaders in SY 2011-2012 in accordance with its approved plan. As a result, it will shift the start date for implementation of this component from February 2012 to September 2012 and the end from August 2012 to September 2013. 2) Georgia will shift the end dates for activities related to communication, training, and evaluation of the reduction of the student achievement gap component of the evaluation system from February 2012 to September 2014 to account for the continued analysis and quality assurance review it will conduct after each year of implementation.
Great Teachers and Leaders	1) Georgia will shift the end dates for all activities related to the evaluation of the teacher and leader evaluation system to September 2014 due to implementation delays and so the State can conduct additional analyses after each year of implementation. The first full year of implementation of the evaluation system was in SY 2012-2013, so the State was unable to start conducting evaluation activities until May 2013. Throughout the Scope of Work, evaluation activities were initially slated to end in 2011 and 2012. 2) Additionally, the timeline for selecting a vendor to validate the revised evaluation tools are shifted by one year from April -May 2012, to April -May 2013.
Great Teachers and Leaders	Georgia will shift the end date for activities related to training and communication on the teacher and leader evaluation system to September 2014. The State reports that as it makes modifications to the evaluation systems, implementations procedures, and its electronic platform, it will need to revise its training and communication materials accordingly. Throughout the Scope of Work, training and communication activities were initially slated to end in 2011 and 2012.

Grant project area affected	Description of change
Great Teachers and Leaders	<p>Georgia will modify the composition of its Teacher Preparation Program Effectiveness Measure based on feedback from its task force and Educator Effectiveness Technical Advisory Committee. Specifically, the State will:</p> <ul style="list-style-type: none"> ○ Increase the content knowledge component from 20% to 30% to account for a greater emphasis on content pedagogy rather than general content knowledge; ○ Reduce the induction success rate from 20% to 10% because, similar to the student growth component, it is based on the TEM; and ○ Create a new annual program performance measure that includes the persistence measure, comprising 10% of the total Teacher Preparation Program Effectiveness Measure. The new measure will include additional components such as completion rates, placement of graduates, employer surveys, and completer surveys and will be a broader measure of program performance.
Great Teachers and Leaders	<p>Georgia will modify the composition of its Leader Preparation Program Effectiveness Measure based on feedback from its task force and Educator Effectiveness Technical Advisory Committee. Specifically, the State will:</p> <ul style="list-style-type: none"> ○ Increase the content knowledge component from 20% to 30% to account for a greater emphasis on content pedagogy rather than general content knowledge; ○ Remove the talent development component. Originally, this component was defined as “overall TEM, aggregated for teachers in the leader’s schools.” However, the Leader Effectiveness Measure (LEM), which comprises 50% of the Leader Preparation Program Effectiveness Measure, already includes the aggregate TEM, making this measure duplicative; and ○ Create a new annual program performance measure that includes the persistence measure, comprising 10% of the Leader Preparation Program Effectiveness Measure. The new measure will include additional components such as completion rates, placement of graduates, employer surveys, and completer surveys and will be a broader measure of program performance.