

**Race to the Top  
Amendment Requests with No Cost Extension  
Guidance and Principles  
March 2013**

**Purpose:**

The purpose of a no cost extension is to, as necessary, 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.

Grantees were awarded funds based on developing high-quality, comprehensive education reform plans that demonstrate courage, leadership, and collaboration. Grantees are accountable for implementing their approved Race to the Top plans. On January 6, 2011, the U.S. Department of Education (the Department) sent a letter and “Grant Amendment Submission Process” document to Governors of Race to the Top grantee States indicating the process by which the Department would review and approve or deny amendments. All approved amendments are posted on the Department’s website at <http://www2.ed.gov/programs/racetothetop/amendments/index.html>.

As Race to the Top Phase 1 and Phase 2 grantees plan for the final grant year and foresee that they will need additional time to complete certain projects, grantees may request a no cost extension to extend the work of the grant beyond the final project year, consistent with the amendment process and the principles in this document. A grantee interested in a no cost extension must submit an amendment proposal to the Department that meets the *Amendment Principles* (<http://www2.ed.gov/programs/racetothetop/grant-amendment-submission-process-oct-4-2011.pdf>) as well as the additional elements outlined in the Department Review section of this document.

As noted in the **Grant Amendment Submission Process (Revised October 4, 2011)**, grantees may propose revisions to goals, activities, timelines, budgets, or annual targets, provided that the following **conditions** are met:

- Such revisions do not result in the grantee’s failure to comply with the terms and conditions of their award and the program’s statutory and regulatory provisions;
- The revisions do not change the overall scope and objectives of the approved proposal; and
- The Department and the grantee mutually agree in writing to such revisions. The Department has sole discretion to determine whether to approve such revisions or modifications.

**Timing**

Delaware and Tennessee grants end on June 13 and July 27, 2014 (respectively); the other ten Phase 2 States grants end on September 23, 2014. Unless an amendment that includes a no cost extension is approved by the Department, each grantee is expected to complete all Race to the

Top projects, activities, and deliverables by the end of its grant period and return any remaining funds to the U.S. Department of Treasury (the Treasury). (Funds may be liquidated up to 90 days after the end of the grant period.) If a no cost extension is approved, all funds by law return to the Treasury as of October 1, 2015 (i.e., grantees cannot liquidate funds after September 30, 2015). The Department will accept amendment requests that include no cost extensions on a “rolling basis,” but asks that grantees make their requests by January 2014, to ensure adequate time for Department review and to conduct follow up conversations with the State. Given that all funds must be liquidated by September 30, 2015, the Department will be reluctant to approve any request that would necessitate obligating funds after **July 1, 2015**.

### **Department Review**

Similar to any other amendment, the Department will consider each amendment that includes no cost extension requests on a case-by-case basis in the context of a grantee’s plan and Scope of Work (i.e., implications to the project(s), scope and overall objective(s) and outcomes for which the amendment is being sought).<sup>1</sup>

Amendment requests that include no cost extension requests will be reviewed by the Department against the October 2011 *Amendment Principles*, as well as the following elements:

1. The extent to which the grantee has demonstrated the amendment(s):
  - a. Is aligned with the grantee’s scope and objectives, including the State’s Scope of Work and reform theory of action;
  - b. Takes into consideration dependent deliverables, activities, and timelines;
  - c. Helps the State meet its targets and goals;
  - d. Explicitly addresses the timelines and implications of the amendment on the 50 percent LEA subgrants (i.e., allocations to participating LEAs), as well as the process the State will use to approve LEA subgrant requests to obligate and liquidate funds after the current grant end date; and
  - e. May be executed within the new timeline (no later than July 2015)  
*Note:* In alignment with the overall project goals, grant funds may be used to complete a portion of a larger long-term project; in these situations, the context of the long-term project and when and how the project will be completed must be included in the State’s sustainability plan.
2. Consistent with Grant Condition N, the grantee’s explanation or demonstration of how investments included in the no cost extension request are adding value to other States and/or the public domain. For example, a State may request a no cost extension to develop an open source technology solution or training modules that will be freely available to the public.<sup>2</sup>

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<sup>1</sup> Note: the Department will no longer accept amendments on performance measures or goals for Phase 1 and Phase 2 Race to the Top grantees.

<sup>2</sup> Condition N: The Grantee and its subgrantees making work developed under the grant freely available, including by posting to any website or other publication process and to any technical standards specified

3. The grantee's explanation and plan for how the impact of the work will be sustained (and, if appropriate, completed) after the timeframe of the no cost extension.

When considering an amendment request that includes a no cost extension request, the Department will also consider a grantee's status and standing with the Department. This includes whether the grantee has been placed on high-risk status at any point during the grant period, Scope of Work implementation progress, and performance in other related federal grant programs.

Note that fiscal responsibility and appropriate use of funds is a priority for the Department. States will be held accountable for how they and their districts use and monitor their Race to the Top grant funds.