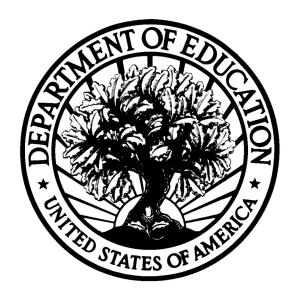U.S. Department of Education
Office of Elementary and Secondary Education
Academic Improvement and Teacher Quality Programs
Washington, D.C. 20202-6200

Fiscal Year 2011

Application for New Grants Under the Teacher Incentive Fund Program

CFDA 84.374A

Dated   **Material -**
Open Immediately
Closing Date:

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 247 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond is required to retain a benefit under the American Recovery and Reinvestment Act of 2009. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Education, 400 Maryland Ave., SW, Washington, DC 20210-4537 or email ICDocketMgr@ed.gov and reference the OMB Control Number 1810-0700. Note: Please do not return the completed Teacher Incentive Fund application to this address.

If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Carolyn Lampila**,** Teacher Incentive Fund program, U.S. Department of Education, 400 Maryland Avenue, SW, Room 3E116, Washington D.C. 20202-6200.

Table of Contents

ear Colleague:

Thank you for your interest in the Teacher Incentive Fund program, administered by the Office of Elementary and Secondary Education of the U.S. Department of Education (Department).

Please take the time to review the applicable priorities, selection criteria, and all of the application instructions thoroughly. An application will not be evaluated for funding if the applicant does not comply with all of the procedural rules that govern the submission of the application or the application does not contain the information required under the program (EDGAR §75.216 (b) and (c)).

For this competition it is **mandatory** for applicants to use the government-wide website, Grants.gov (http://www.grants.gov), to apply. Please note that the Grants.gov site works differently than the U.S. Department of Education's e-Application System. We strongly encourage you to familiarize yourself with Grants.gov and strongly recommend that you register *and* submit early.

Also be aware that applications submitted to Grants.gov for the Department of Education will now be posted using Adobe forms. Therefore, applicants will need to download the latest version of Adobe reader (at least Adobe Reader 8.1.2). Please review the **Submitting Applications with Adobe Reader Software** and **Education Submission Procedures and Tips for Applicants** forms found within this package for further information and guidance related to this requirement.

Using FY 2011 funds, the Department expects to award   for new grants under this competition. We will award discretionary grants on a competitive basis for a project period of up to 60 months. Grants are expected to be awarded in September.

Please visit our program website at http://www2.ed.gov/programs/teacherincentive/applicant.html for further information. If you have any questions about the program after reviewing the application package, please contact Error: Reference source not foundby telephone at (202) 205-5224 or via e-mail at tif@ed.gov.

Sylvia Lyles

Acting Director

Competition Background

Purpose of the Program

Purpose of Program: The purpose of the Teacher Incentive Fund (TIF) program is to support projects that develop and implement performance-based compensation systems (PBCSs) for teachers, principals, and other personnel in order to increase educator effectiveness and student achievement (as defined in this notice), measured in significant part by student growth (as defined in this notice), in high-need schools (as defined in this notice).

Program Background

Awards under this competition will be made from appropriations under **[TBD- FILL IN APPPROPRIATION LANGUAGE]**

As discussed in greater depth in this application package, all applicants for TIF funds must describe how they will use TIF funds to develop and implement PBCSs that at a minimum—
> (a) Consider gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year among other factors, and
> (b) Provide educators with incentives to take on additional responsibilities.

Grant recipients must demonstrate that their PBCSs are developed with the input of teachers and school leaders in the schools and LEAs the grants will serve. Grant recipients may also use TIF funds to develop or improve systems and tools (which may be developed and used either for the entire LEA or only for schools served under the grant) that would enhance the quality and success of the PBCS, such as high-quality teacher evaluations and tools to measure growth in student achievement.

While only teachers, principals, and other personnel who work in high-need schools as defined for this program may receive performance-based compensation under TIF, grant recipients may also use TIF funds to develop or improve systems and tools for use by either the entire LEA or only schools served by the grant that would enhance the quality and success of the PBCS. These might include both high-quality teacher evaluations, and tools to measure growth in student achievement.

Applicants must demonstrate its PBCS is part of a coherent and integrated strategy for strengthening the educator workforce. Furthermore, while awards under this program competition will be made for a period of up to five years, applications for TIF grants must include a plan for the fiscal sustainability of the activities conducted and systems developed under the grant once the grant period has expired.

This application package includes the priorities, requirements, and selection criteria that the Department has established for the TIF competition.

Award Information[1]

Estimated Available Funds: $505,000,000

Estimated Range of Awards: $500,000-$40,000,000 for the first year of the project. Funding for the second through fifth years is subject to the availability of funds and the approval of continuation awards (see 34 CFR 75.253).

Estimated Average Size of Awards: $17,500,000
Estimated Number of New Awards Anticipated: 20-60

---

[1] The Department is not bound by any estimates in this application.

Application Information

Eligible Applicants:
Eligible applicants for the TIF program include:
- State educational agencies (SEAs)
- Local educational agencies (LEAs), including charter schools that are LEAs,
- Partnerships of--
   (1) An SEA, LEA, or both; and
   (2) At least one nonprofit organization.

Deadlines and Submission:
Notice of Intent to Apply deadline: [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].
We will be able to develop a more efficient process for reviewing grant applications if we have a better understanding of the number of applications that we will receive. Therefore, we strongly encourage each potential applicant to send an email notice of its intent to apply for funding by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The notice of intent to apply is optional; you still may submit an application if you have not notified us of your intention to apply. Send the e-mail to tif@ed.gov with "Intent to Apply" in the e-mail subject line.

Final application deadline: [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

Applications must be submitted on or before the deadline date. Please note that the Department's grant application deadlines are 4:30:00 P.M. Washington, D.C. time. Late applications will not be accepted. *We strongly suggest that you submit your application several days before the deadline.* The Department is required to enforce the established deadline to ensure fairness to all applicants. No changes or additions to an application will be accepted after the deadline date and time.

Applications must be submitted electronically using the Grants.gov. See "Application Submission Procedures" for information on how to submit applications electronically.

Review and Selection Process:
The Department will screen applications submitted in accordance with the requirements published in the *Federal Register* notice inviting applications, and will determine which applications are eligible to be read by reviewers based on whether they have met eligibility and other statutory requirements.

The Department will use independent reviewers from various backgrounds and professions, including those with expertise in: teacher and principal evaluation systems, human capital decision making, teacher quality, data management and analysis, differentiated pay, educational policy, teaching, school leadership and/or program evaluation. The Department will thoroughly screen all reviewers for conflicts of interest to ensure a fair and competitive review process.

Reviewers will read, prepare a written evaluation, and score the applications assigned to their panel, using the selection criteria provided in this notice.

Reviewers will review and score all applications on the following four criteria:
(a) Need for the project;
(b) Project design;
(c) Adequacy of support for the proposed project; and
(d) Quality of local evaluation.

If eligible applicants have chosen to address the competitive preference priorities, reviewers will review and score those competitive preference priorities as well. If points are awarded, those points will be added to the eligible applicant's score. The Secretary will prepare a rank order of applications based solely on the evaluation of their quality according to the selection criteria.

Project Period:
The project period for this grant is up to 60 months, including the planning period, if applicable. Budgets should be developed with a project period of up to 60 months. The project period start date should be October 1, 2011.

Pre-Application Workshops:
To assist applicants in preparing the application and to respond to questions, the Department will host pre-application workshops. Visit the Teacher Incentive Fund's Web site at: http://www2.ed.gov/programs/teacherincentive/applicant.html for more information.

The purpose of the workshops is for Department staff to review the selection criteria, requirements, and priorities with interested applicants and provide a forum by which applicants' questions can be answered. The Department will also host three conference calls/webinar sessions, one of which will go over the same material presented at the bidders' conferences in case an applicant cannot make one of the on-site dates. Please visit the TIF website for dates, locations, and times of these technical assistance opportunities: http://www2.ed.gov/programs/teacherincentive/applicant.html.

Procurement Practices:
Applicants that intend to use procurement transactions in implementing proposed projects should be familiar with the requirements in the Education Department General Administrative Regulations (EDGAR) that establish minimum standards for procurement activities of State and local governments (34 C.F.R. § 80.36). Applicants that are non-profit organizations should become familiar with comparable procurement requirements of EDGAR applicable to them in 34 C.F.R. § 74.44.)

As a general matter, 34 C.F.R. § 80.36 governs competition in procurement transactions by grantees, including a requirement that all procurement transactions be conducted in a manner "providing full and open competition" consistent with the standards in that regulation. 34 C.F.R. § 80.36(c). Although grantees use "their own procurement procedures which reflect State and local laws and regulations" to the extent those procedures are consistent with the Federal requirements, all TIF grantees must follow the minimum requirements in 34 C.F.R. § 80.36. (See 34 C.F.R. 80.36(b)(1))

The requirements in 34 C.F.R. § 80.36 are designed to protect the competitive procurement process from undue influence, and have been in effect for many years. According to 34 C.F.R. § 80.36(c), all transactions must be conducted in a manner "providing full and open competition" consistent with the standards in the regulation. Several situations are listed in 34 C.F.R. § 80.36(c)(1) that would be considered to be restrictive of competition, although it is important to understand that the list is not exhaustive. Examples include:

1. Placing unreasonable requirements on firms in order for them to qualify to do business;
2. Requiring unnecessary experience and excessive bonding;
3. Organizational conflicts of interest; and
4. Specifying only a "brand name" product instead of allowing "an equal" product to be offered.

If a vendor has already assisted the applicant in preparing an application for a grant, and subsequently is interested in providing contract services after the applicant receives the grant award, a close examination of all activities is warranted to ensure that the vendor did not act as an agent of the grantee, that the vendor does not have an organizational conflict of interest in the procurement, and that the requirements for full and open competition have not been violated.

Please note that the requirements regarding full and open competition could be violated even if a vendor's participation in the application process was limited and the vendor was not acting as an agent of the grantee. For example, a vendor that provides specifications that are then included in a grant application could have a competitive advantage over other vendors. Grantees should carefully examine all interactions with vendors to ensure that these interactions do not violate the requirement concerning full and open competition.

The grantee is responsible for complying with the procurement requirements in 34 C.F.R. § 80.36, which take precedence over State and local procedures in those cases where the minimum requirements in section 80.36 provide greater protection of the procurement process.

Because grantees must use appropriate procurement procedures to select contractors, **an applicant should not include the names of specific contractors or vendors in its grant application**. An applicant may include information about the scope of work to be completed by outside contractors and the contractor qualifications; however, it should not pre-identify a specific contractor or enter into an agreement with any contractor(s) until after the grant has been awarded.

Frequently Asked Questions:
The Department has also prepared frequently asked questions (FAQs) in order to assist applicants in completing an application. They are included in the FAQs section of this application and are available online at: http://www2.ed.gov/programs/teacherincentive/faq.html.

Competition Contact Information:
All questions regarding the TIF competition should be directed to Julie Coplin at: TIF@ed.gov, or at (202) 205-5224. Applicants are asked to review the application, the *Federal Register*

Notice Inviting Applications, the *Federal Register* Notice of Final Priorities, and the Frequently Asked Questions in their entirety prior to forwarding questions pertaining to the competition.

Transparency:
After awards are made under this competition, all of the submitted applications, together with reviewer scores and comments for those applications, may be posted on the Department's Web site.

Competition Priorities

The TIF application includes two types of priorities: Absolute and Competitive Preference.

Under 34 CFR 75.105(c)(3) we consider only applications that address the absolute priorities.

Under 34 CFR 75.105(c)(2)(i) we award additional points to an application that meets priorities 4 and 6. Applicant will be awarded points for competitive preference priority 5 depending on well the application addresses the priority. The number of points to be awarded for each competitive preference priority is indicated in parenthesis following the title of the priority.

Priority 1 (Absolute) -- Differentiated Levels of Compensation for Effective Teachers and Principals:

To meet this absolute priority, an applicant must demonstrate, in its application, that it will develop and implement a PBCS that rewards, at differentiated levels, teachers and principals who demonstrate their effectiveness by improving student achievement (as defined in this notice) as part of the coherent and integrated approach of the local educational agency (LEA) to strengthening the educator workforce.

In determining teacher and principal effectiveness as part of the PBCS, the LEA—
      (a) Must give significant weight to student growth (as defined in this notice), based on objective data on student performance;
      (b) Must include observation-based assessments of teacher and principal performance at multiple points in the year, carried out by evaluators trained in using objective evidence-based rubrics for observation, aligned with professional teaching standards; and, if applicable, as part of the LEA's coherent and integrated approach to strengthening the educator workforce; and
      (c) May include other measures, such as evidence of leadership roles (as defined in this notice), that increase the effectiveness of other teachers in the school or LEA.

In determining principal effectiveness as part of a PBCS, the LEA must give significant weight to student growth (as defined in this notice) and may include supplemental measures such as high school graduation and college enrollment rates.

In addition, the applicant must demonstrate that the differentiated effectiveness incentive payments will provide incentive amounts that are substantial and provide justification for the level of incentive amounts chosen. While the Department does not propose a minimum incentive amount, the Department encourages applicants to be thorough in their explanation of why the selected incentive amounts are likely high enough to create change in the behavior of current and prospective teachers and principals in order to ultimately improve student outcomes.

Priority 2 (Absolute) -- Fiscal Sustainability of the Performance-Based Compensation System (PBCS):

To meet this absolute priority, the applicant must provide, in its application, evidence that:

8

(a) The applicant has projected costs associated with the development and implementation of the PBCS, during the project period and beyond, and has accepted the responsibility to provide such performance-based compensation to teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) who earn it under the system; and

(b) The applicant will provide from non-TIF funds over the course of the five-year project period an increasing share of performance-based compensation paid to teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) in those project years in which the LEA provides such payments as part of its PBCS.

Priority 3 (Absolute) -- Comprehensive Approaches to the Performance-Based Compensation System (PBCS):

To meet this absolute priority, the applicant must provide, in its application, evidence that the proposed PBCS is aligned with a coherent and integrated strategy for strengthening the educator workforce, including in the use of data and evaluations for professional development and retention and tenure decisions in the LEA or LEAs participating in the project during and after the end of the TIF project period.

Priority 4 (Competitive Preference) -- Use of Value-Added Measures of Student Achievement *(10 points)***:**

To meet this competitive preference priority, the applicant must demonstrate, in its application, that the proposed PBCS for teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) will use a value-added measure of the impact on student growth (as defined in this notice) as a significant factor in calculating differentiated levels of compensation provided to teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools).

Under this priority, the applicant must also demonstrate that it has a plan to ensure that, as part of the PBCS, it has the capacity to (1) implement the proposed value-added model (e.g., through robust data systems that collect the necessary data and ensure data quality), and (2) clearly explain the chosen value-added model to teachers to enable them to use the data generated through the model to improve classroom practices.

Priority 5 (Competitive Preference) -- Increased Recruitment and Retention of Effective Teachers to Serve High-Need Students and in Hard-to-Staff Subjects and Specialty Areas in High-Need Schools *(up to 10 points)***:**

To meet this competitive preference priority, the applicant must demonstrate in its application that its proposed PBCS is designed to assist high-need schools (as defined in this notice) to (1) serve high-need students (as defined in this notice), (2) retain effective teachers in teaching positions in hard-to-staff subjects and specialty areas, such as mathematics, science, special education, and English language acquisition, and (3) fill vacancies with teachers of those subjects or specialty areas who are effective or likely to be effective. The applicant must provide

an explanation for how it will determine that a teacher filling a vacancy is effective or likely to be effective. In addition, applicants must demonstrate, in their applications, the extent to which the subjects or specialty areas they propose to target are hard-to-staff. Lastly, applicants must demonstrate, in their applications, that they will implement a process for effectively communicating to teachers which of the LEA's schools are high-need and which subjects and specialty areas are considered hard-to-staff.

Priority 6 (Competitive Preference) -- New Applicants to the Teacher Incentive Fund *(4 points)***:**

To meet this competitive preference priority, an applicant must be a new applicant to the TIF program. For the purposes of this priority, a new applicant is (1) an eligible entity that has not previously been awarded a grant under the TIF program, or (2) a nonprofit organization that previously received funding through TIF, as part of a partnership with one or more LEAs or SEAs, but that is applying to work with a different group of eligible LEAs or SEAs than it worked with under any previous TIF grant. Under this competitive preference priority, a current nonprofit grantee may not propose to use new TIF funds to compensate for any activities related to the development and implementation of its PBCS in LEAs and high-need schools (as defined in this notice) already served under the current grant. Rather, a nonprofit organization that is a current TIF grantee may only use new TIF funds for the costs of implementing the PBCS in high-need schools (as defined in this notice) that have not previously received TIF funds.

Application Requirements

In order to be eligible for the competition, applicants must address each of the items below.

NOTE: Additional background information about these requirements or definitions may be included in the Notice of Final Priorities, Requirements, Definitions, and Selection Criteria or Notice Inviting Applications for this program published in the Federal Register. Those Federal Register notices are included in the Legal and Regulatory Material section of this application package

Application Requirement:

Each applicant must describe in its application how its proposed PBCS will provide educators with incentives to take on additional responsibilities and leadership roles (as defined in this notice).

Core Elements of a PBCS and a Potential Planning Period:

Each applicant must either--
  (a) Demonstrate in its application that it has in place the five core elements that follow; or
  (b) If the applicant cannot demonstrate in its application that it has in place each of the five core elements--
    (1) Agree, as part of its application, to implement a planning period of up to one year, during which it will use its TIF funds to develop the core element or elements it lacks; and
    (2) Include, in its application, a plan for how it will implement the core element or elements it lacks during the planning period.

Core Elements:
  (a) A plan for effectively communicating to teachers, administrators, other school personnel, and the community at-large the components of its PBCS;
  (b) The involvement and support of teachers, principals, and other personnel (including input from teachers, principals, and other personnel in the schools and LEAs to be served by the grant) and the involvement and support of unions in participating LEAs (where they are the designated exclusive representatives for the purpose of collective bargaining) that is needed to carry out the grant;
  (c) Rigorous, transparent, and fair evaluation systems for teachers and principals that differentiate effectiveness using multiple rating categories that take into account student growth (as defined in this notice) as a significant factor, as well as classroom observations conducted at least twice during the school year. The evaluation process must: (1) use an objective, evidence-based rubric aligned with professional teaching or leadership standards and the LEA's coherent and integrated approach to strengthening the educator workforce; (2) provide for observations of each teacher or principal at least twice during the school year by individuals (who may include peer reviewers) who are provided specialized training; (3) incorporate the collection and

evaluation of additional forms of evidence; and (4) ensure a high degree of inter-rater reliability (i.e., agreement among two or more raters who score approximately the same);

    (d) A data-management system[2] that can link student achievement (as defined in this notice) data to teacher and principal payroll and human resources systems; and

    (e) A plan for ensuring that teachers and principals understand the specific measures of teacher and principal effectiveness included in the PBCS, and receive professional development that enables them to use data generated by these measures to improve their practice.

Planning Period Requirements:
Each grantee that implements a planning period to develop the core element or elements it lacks, is--

    (a) Required to demonstrate in its annual performance report or other interim performance report that it has implemented any of the five core elements it had lacked at the start of the project; and

    (b) Prohibited from using TIF program funds to provide incentive payments to teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) until it has implemented a PBCS that, to the Secretary's satisfaction, has all five core elements.

Professional Development:

Each applicant must demonstrate, in its application, that its proposed PBCS will include a high-quality professional development component for teachers and principals consistent with the definition of the term professional development in section 9101(34) of the ESEA.

The applicant must demonstrate that its PBCS has a professional development component in place, or a specific plan for developing one, that is directly linked to the specific measures of teacher and principal effectiveness included in the PBCS. The professional development component

    (1) Be based on needs assessed either at the high-need schools (as defined in this notice) participating in the applicant's proposed PBCS or LEA-wide;

    (2) Be targeted to individual teachers' and principals' needs as identified in the evaluation process;

    (3) Provide—

        (a) Those teachers and principals in participating TIF schools who do not receive differentiated compensation based on effectiveness under the PBCS with the tools and skills they need to improve their effectiveness in the classroom or school and be able to raise student achievement (as defined in this notice); and

        (b) Those teachers and principals who are deemed to be effective and who, therefore, receive differentiated compensation under the PBCS, with the tools and skills they need to (1) continue effective practices in the classroom or school and raise student achievement (as defined in this notice), and (2) successfully assume additional responsibilities and leadership roles (as defined in this notice);

---

[2] Successful applicants that receive Teacher Incentive Fund program grant awards must ensure that the program's PBCS, including the necessary data systems, complies with the Family Educational Rights and Privacy Act (FERPA), including the regulations in 34 CFR Part 99, as well as any applicable State and local requirements regarding privacy.

(4) Support teachers and principals to better understand and use the measures of effectiveness in the PBCS to improve practice and student achievement (as defined in this notice); and

(5) Include a process for regularly assessing the effectiveness of this professional development in improving teacher and leadership practice to increase student achievement (as defined in this notice) and making modifications necessary to improve its effectiveness.

High-Need Schools Documentation:

Each applicant must demonstrate, in its application, that the schools to be served by the proposed PBCS are high-need schools (as defined in this notice). Each applicant must provide, in its application, a list of schools in which the proposed PBCS will be implemented as well as the most current data on the percentage of each identified school's students who are eligible for free or reduced-price lunch subsidies under the Richard B. Russell National School Lunch Act, or other poverty measures that the LEA uses (see section 1113(a)(5) of the ESEA (20 U.S.C. 6313(a)(5))). Data provided to demonstrate eligibility as a high-need school (as defined in this notice) must be school-level data; the Department will not accept LEA- or State-level data for purposes of documenting whether a school is a high-need school (as defined in this notice).

Additional Eligibility Requirement:

Each applicant that currently participates in a TIF project must confirm in its application either that—

(a) Its proposed PBCS would be available to educators in high-need schools (as defined in this notice) in which the LEA does not currently make a TIF-supported PBCS available; or

(b) If the applicant's current TIF project serves only principals or only teachers, its proposed project would add teachers or principals, respectively, who work in high-need schools (as defined in this notice) and who are not eligible for performance-based compensation under the applicant's current TIF project's PBCS.

If awarded a grant, the grantee must maintain its PBCS for teachers and principals in high-need schools (as defined in this notice) for the duration of the new TIF project period. An applicant may also propose to have other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) who work in high-need schools (as defined in this notice) benefit from the PBCS.

Selection Criteria

The maximum score for all selection criteria is 200 points. The points or weights assigned to each criterion are indicated in parentheses. Non-Federal peer reviewers will review each application. They will be asked to evaluate and score each program narrative against the following selection criteria:

Need for the Project (20 points)

In determining the need for the proposed project, the Secretary will consider the extent to which the applicant establishes that--

   (1) The high-need schools (as defined in this notice) whose educators would be part of the PBCS have difficulty (8 points) --
   (i) Recruiting highly qualified or effective teachers, particularly in hard-to-staff subjects or specialty areas, such as mathematics, science, English language acquisition, and special education; and
   (ii) Retaining highly qualified or effective teachers and principals.
   (2) Student achievement (as defined in this notice) in each of the schools whose educators would be part of the PBCS is lower than in what the applicant determines are comparable schools in the LEA, or another LEA in its State, in terms of key factors such as size, grade levels, and poverty levels (8 points);
   (3) A definition of what it considers a "comparable" school for the purposes of paragraph (2) of this selection criterion is established (4 points).

Project Design (120 points)

The Secretary will consider the quality of the design of the proposed project. In determining the quality of the design of the proposed project, the Secretary will consider the extent to which the proposed PBCS—

   (1) Is part of a proposed LEA or statewide strategy, as appropriate, for improving the process by which each participating LEA rewards teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) in high-need schools (as defined in this notice) based upon their effectiveness as determined in significant part by student growth (as defined in this notice). With regard to the effectiveness of teachers, principals, and other personnel, the Secretary will consider whether (36 points)--
   (i) The methodology the LEA or SEA proposes to use in its PBCS to determine the effectiveness of a school's teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) includes valid and reliable measures of student growth (as defined in this notice);
   (ii) The participating LEA would use the proposed PBCS to provide performance awards to teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) that are of sufficient size to affect the behaviors of teachers, principals, and other personnel and their decisions as to whether to go to, or remain working in, the high–need school; and

(iii) The applicant provides a clear explanation of how teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools) are determined to be "effective" for the purposes of the proposed PBCS.

    (2) Has the involvement and support of teachers, principals, and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools), including input from teachers, and principals, and other personnel in the schools and LEAs to be served by the grant, and the involvement and support of unions in participating LEAs where they are the designated exclusive representatives for the purpose of collective bargaining that is needed to carry out the grant (24points);

    (3) Includes rigorous, transparent, and fair evaluation systems for teachers and principals that differentiate levels of effectiveness using multiple rating categories that take into account data on student growth (as defined in this notice) as a significant factor, as well as classroom observations conducted at least twice during the school year (28 points);

    (4) Includes a data-management system, consistent with the LEA's proposed PBCS, that can link student achievement (as defined in this notice) data to teacher and principal payroll and human resources systems (16 points); and

    (5) Incorporates high-quality professional development activities that increase the capacity of teachers and principals to raise student achievement (as defined in this notice) and are directly linked to the specific measures of teacher and principal effectiveness included in the PBCS (16 points).

Adequacy of Support for the Proposed Project (40 points)

In determining the adequacy of the support for the proposed project, the Secretary considers the extent to which—

    (1) The management plan is likely to achieve the objectives of the proposed project on time and within budget, and includes clearly defined responsibilities and detailed timelines and milestones for accomplishing project tasks (12 points);

    (2) The project director and other key personnel are qualified to carry out their responsibilities, and their time commitments are appropriate and adequate to implement the project effectively (8 points);

    (3) The applicant will support the proposed project with funds provided under other Federal or State programs and local financial or in-kind resources (12 points); and

    (4) The requested grant amount and project costs are sufficient to attain project goals and reasonable in relation to the objectives and design of the project (8 points).

Quality of Local Evaluation (20 points)

In determining the quality of the local project evaluation, the Secretary considers the extent to which the applicant's evaluation plan—

    (1) Includes the use of strong and measurable performance objectives (that are clearly related to the goals of the project) for raising student achievement (as defined in this notice), increasing the effectiveness of teachers, principals and other personnel (in those sites in which the grantee wishes to expand the PBCS to additional staff in its schools), and retaining and recruiting effective teachers, principals, and other personnel (8 points);

    (2) Will produce evaluation data that are quantitative and qualitative (4 points); and

    (3) Includes adequate evaluation procedures for ensuring feedback and continuous

improvement in the operation of the proposed project (8 points).

Definitions

High-need school means a school with 50 percent or more of its enrollment from low-income families, based on eligibility for free or reduced-price lunch subsidies under the Richard B. Russell National School Lunch Act, or other poverty measures that LEAs use (see section 1113(a)(5) of the ESEA (20 U.S.C. 6313(a)(5)). For middle and high schools, eligibility may be calculated on the basis of comparable data from feeder schools. Eligibility as a high-need school under this definition is determined on the basis of the most currently available data.

Student achievement means--
> (a) For tested grades and subjects--
> (1) A student's score on the State's assessments under the ESEA; and
> (2) As appropriate, other measures of student learning, such as those described in paragraph (b) of this definition, provided that they are rigorous and comparable across schools; and
> (b) For non-tested grades and subjects, alternative measures of student learning and

performance, such as student scores on pre-tests and end-of-course tests; student performance on English language proficiency assessments; and other measures of student achievement that are rigorous and comparable across schools.

Student growth means the change in student achievement (as defined in this notice) for an individual student between two or more points in time. A State or LEA may also include other measures that are rigorous and comparable across schools.

High-need students means students at risk of educational failure or otherwise in need of special assistance and support, such as students who are living in poverty, who attend high-minority schools, who are far below grade level, who have left school before receiving a regular high-school diploma, who are at risk of not graduating with a diploma on time, who are homeless, who are in foster care, who have been incarcerated, who have disabilities, or who are English learners.

Additional responsibilities and leadership roles means additional duties teachers may voluntarily accept, such as: (1) serving as master or mentor teachers who are chosen through a performance-based selection process (including through assessment of their teaching effectiveness and the ability to work effectively with other adults and students) and who have responsibilities to share effective instructional practices and/or to assess and improve the teaching effectiveness of other teachers in the school; (2) roles in induction and mentoring of novice teachers or high-need students (as defined in this notice); (3) tutoring students; or (4) roles in establishing and developing learning communities designed to continually improve the capacity of all teachers in a school to advance student learning, using a shared set of practices, instructional principles, or teaching strategies.

Application Submission Procedures

The deadline for submission of Teacher Incentive Fund Program applications through Grants.gov is   .

Application Transmittal Instructions

Attention Electronic Applicants: This program **requires** the electronic submission of applications--specific requirements and instructions can be found in the Federal Register notice. Please note that you **must** follow the Application Procedures as described in the Federal Register notice announcing the grant competition.

We will reject your application if you submit it in paper format unless, as described in the Federal Register notice for this competition, you qualify for one of the exceptions to the electronic submission requirement and submit, no later than two weeks before the application deadline date, a written statement to the Department that you qualify for one of these exceptions.

Applications Submitted Electronically
Applications for grants under this program must be submitted electronically using the Governmentwide Grants.gov Apply site at http://www.Grants.gov. Through this site, you will be able to download a copy of the application package, complete it offline, and then upload and submit your application. You may **not** e-mail an electronic copy of a grant application to us.

Your application must be fully uploaded and submitted and must be date and time stamped by the Grants.gov system **no later than 4:30:00 p.m., Washington, DC time, on the application deadline date.** Except as otherwise noted in Federal Register notice for this competition, we will not consider your application if it is date and time stamped by the Grants.gov system later than 4:30:00 p.m., Washington, DC time, on the application deadline date.

You should review and follow the Education Submission Procedures for submitting an application through Grants.gov that are included in this application package to ensure that you submit your application in a timely manner to the Grants.gov system.

Please note the following:
- You must attach any narrative sections of your application as files in a **.pdf** (Portable Document) format. **If you upload a file type other than a .pdf file, or submit a password-protected file, we will not review that material**.

- Grants.gov cannot process an application that includes two or more files that have the same name within a grant submission.

- When attaching files, applicants should limit the size of their file names. Lengthy file names could result in difficulties with opening and processing your application. We recommend your file names be less than 50 characters. The amount of time it can take to upload an application will vary depending on a variety of factors, including the size of the application and the speed of your Internet connection. Therefore, we strongly recommend that you do

not wait until the application deadline date to begin the submission process through Grants.gov.

- Your electronic application must comply with any page-limit requirements described in this application package.

- If you are experiencing problems submitting your application through Grants.gov, please contact the Grants.gov Support Desk, toll free, at 1-800-518-4726. You must obtain a Grants.gov Support Desk Case Number and must keep a record of it.

According to the instructions found in the Federal Register notice, <u>only those requesting and qualifying</u> for an Exception to the electronic submission requirement may submit an application via mail, commercial carrier or by hand delivery.

<u>Submission of Paper Applications by Mail</u>:
If you qualify for an exception to the electronic submission requirement, you may mail (through the U.S. Postal Service or a commercial carrier) your application to the Department. You must mail the original and two copies of your application, on or before the application deadline date, to the Department at the following address:

> U.S. Department of Education
> Application Control Center
> Attention: (CFDA Number 84.374A)
> LBJ Basement Level 1
> 400 Maryland Avenue, SW.
> Washington, DC 20202-4260

You must show proof of mailing consisting of one of the following:
(1) A legibly dated U.S. Postal Service postmark.
(2) A legible mail receipt with the date of mailing stamped by the U.S. Postal Service.
(3) A dated shipping label, invoice, or receipt from a commercial carrier.
(4) Any other proof of mailing acceptable to the Secretary of the U.S. Department of Education.

If you mail your application through the U.S. Postal Service, we do not accept either of the following as proof of mailing:
(1) A private metered postmark.
(2) A mail receipt that is not dated by the U.S. Postal Service.
If your application is postmarked after the application deadline date, we will not consider your application.

<u>Note</u>: The U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, you should check with your local post office.

<u>Submission of Paper Applications by Hand Delivery</u>:
If you qualify for an exception to the electronic submission requirement, you (or a courier service) may deliver your paper application to the Department by hand. You must deliver the

original and two copies of your application by hand, on or before the application deadline date, to the Department at the following address:

U.S. Department of Education
Application Control Center
Attention: (CFDA Number 84.374A)
550 12th Street, SW.
Washington, DC 20202-4260

The Application Control Center accepts hand deliveries daily between 8:00 a.m. and 4:30:00 p.m., Washington, DC time, except Saturdays, Sundays, and Federal holidays.

<u>Note for Mail or Hand Delivery of Paper Applications</u>:
If you mail or hand deliver your application to the Department--
(1) You must indicate on the envelope and--if not provided by the Department--in Item 11 of the SF 424 the CFDA number, including suffix letter, if any, of the competition under which you are submitting your application; and
(2) The Application Control Center will mail to you a notification of receipt of your grant application. If you do not receive this notification within 15 business days from the application deadline date, you should call the U.S. Department of Education Application Control Center at (202) 245-6288.

Submitting Applications with Adobe Reader Software

The Department of Education, working with Grants.gov, is currently moving from using PureEdge software to using Adobe Reader software exclusively and applications submitted to Grants.gov for the Department of Education will be posted using Adobe forms. Applicants will no longer need to use the PureEdge software to create or submit an application.

Please note: The compatible version of Adobe Reader is **<u>required</u>** for viewing, editing and submitting a complete grant application package for the Department of Education through Grants.gov. Applicants should confirm the compatibility of their Adobe Reader version **<u>before</u>** downloading the application. To ensure applicants have a version of Adobe Reader on their computer that is compatible with Grants.gov, applicants are encouraged to use the test package provided by Grants.gov that can be accessed at http://www.grants.gov/applicants/AdobeVersioningTestOnly.jsp.

Important issues to consider:

- If the applicant opened or edited the application package with any software other than the compatible version of Adobe Reader, the application package may contain errors that will be transferred to the new package even if you later download the compatible Adobe Reader version.

- Applicants **cannot** copy and paste data from a package initially opened or edited with an incompatible version of Adobe Reader and will need to download an **entirely new package** using the compatible version of Adobe Reader.

- Some applicants using an incompatible version of Adobe Reader **may have trouble** opening and viewing the application package while others may find they can open, view and complete the application package but **may not be able to submit** the application package through Grants.gov.

- Grants.gov **does not** guarantee to support versions of Adobe Reader that are not compatible with Grants.gov.

- Any and all edits made to the Adobe Reader application package **must** be made with the compatible version of Adobe Reader.

For your convenience, the latest version of Adobe Reader is available for free download at http://grantsgov.tmp.com/static2007/help/download_software.jsp#adobe811.

We strongly recommend that you review the information on computer and operating system compatibility with Adobe available at http://www.grants.gov/applicants/applicant_faqs.jsp#software **before** downloading, completing or submitting your application.

Applicants are reminded that they should submit their application a day or two in advance of the closing date as detailed in the Federal Register Notice. If you have any questions regarding this matter please email the Grants.gov Contact Center at support@grants.gov or call 1-800-518-4726

Education Submission Procedures and Tips for Applicants

To facilitate your use of Grants.gov, this document includes important submission procedures you need to be aware of to ensure your application is received in a timely manner and accepted by the Department of Education.

ATTENTION – Adobe Forms and PDF Files Required
Applications submitted to Grants.gov for the Department of Education will be posted using Adobe forms. Therefore, applicants will need to download the latest version of Adobe reader (at least Adobe Reader 8.1.2). Information on computer and operating system compatibility with Adobe and links to download the latest version is available on Grants.gov. We strongly recommend that you review these details on www.Grants.gov before completing and submitting your application. In addition, applicants should submit their application a day or two in advance of the closing date as detailed below. Also, applicants are required to upload their attachments in .pdf format only. (See details below under "Attaching Files – Additional Tips.") If you have any questions regarding this matter please email the Grants.gov Contact Center at support@grants.gov or call 1-800-518-4726.

Also, applicants should be aware that on October 11, 2010, Grants.gov implemented a new security build which requires each organization's e-Biz POC (Point of Contact) update their Grants.gov registration. To complete this step, the e-Biz POC must have their DUNS number and CCR MPIN. We recommend this step be completed several days before application submission unless the e-Biz POC has already responded to this requirement. For more information on this topic, please visit this Grants.gov information link: http://www.grants.gov/securitycommebiz/.

1) **REGISTER EARLY** – Grants.gov registration may take five or more business days to complete. You may begin working on your application while completing the registration process, but you cannot submit an application until all of the Registration steps are complete. For detailed information on the Registration Steps, please go to: http://www.grants.gov/applicants/get_registered.jsp. [Note: Your organization will need to update its Central Contractor Registry (CCR) registration annually.]

2) **SUBMIT EARLY** – **We strongly recommend that you do not wait until the last day to submit your application. Grants.gov will put a date/time stamp on your application and then process it after it is fully uploaded.** The time it takes to upload an application will vary depending on a number of factors including the size of the application and the speed of your Internet connection, and the time it takes Grants.gov to process the application will vary as well. If Grants.gov rejects your application (see step three below), you will need to resubmit successfully before 4:30:00 p.m. Washington, DC time on the deadline date.

   Note: To submit successfully, you must provide the DUNS number on your application that was used when you registered as an Authorized Organization

Representative (AOR) on Grants.gov. This DUNS number is typically the same number used when your organization registered with the CCR (Central Contractor Registry). If you do not enter the same DUNS number on your application as the DUNS you registered with, Grants.gov will reject your application.

3) **VERIFY SUBMISSION IS OK** – You will want to verify that Grants.gov and the Department of Education receive your Grants.gov submission timely and that it was validated successfully. To see the date/time your application was received, login to Grants.gov and click on the Track My Application link. For a successful submission, the date/time received should be earlier than 4:30:00 p.m. Washington, DC time, on the deadline date, AND the application status should be: Validated, Received by Agency, or Agency Tracking Number Assigned.

If the date/time received is later than 4:30:00 p.m. Washington, D.C. time, on the deadline date, your application is late. If your application has a status of "Received" it is still awaiting validation by Grants.gov. Once validation is complete, the status will either change to "Validated" or "Rejected with Errors." If the status is "Rejected with Errors," your application has not been received successfully. Some of the reasons Grants.gov may reject an application can be found on the Grants.gov site: http://www.grants.gov/applicants/applicant_faqs.jsp#54. For more detailed information on troubleshooting Adobe errors, you can review the Adobe Reader Error Messages document at http://www.grants.gov/assets/AdobeReaderErrorMessages.pdf. If you discover your application is late or has been rejected, please see the instructions below. Note: You will receive a series of confirmations both online and via e-mail about the status of your application. Please do not rely solely on e-mail to confirm whether your application has been received timely and validated successfully.

Submission Problems – What should you do?
If you have problems submitting to Grants.gov before the closing date, please contact Grants.gov Customer Support at 1-800-518-4726 or http://www.grants.gov/contactus/contactus.jsp, or use the customer support available on the Web site: http://www.grants.gov/applicants/applicant_help.jsp.

If electronic submission is optional and you have problems that you are unable to resolve before the deadline date and time for electronic applications, please follow the transmittal instructions for hard copy applications in the Federal Register notice and get a hard copy application postmarked by midnight on the deadline date.

If electronic submission is required, you must submit an electronic application before 4:30:00 p.m., unless you follow the procedures in the Federal Register notice and qualify for one of the exceptions to the electronic submission requirement and submit, no later than two weeks before the application deadline date, a written statement to the Department that you qualify for one of these exceptions. (See the Federal Register notice for detailed instructions.)

Helpful Hints When Working with Grants.gov
Please note, once you download an application from Grants.gov, you will be working offline and saving data on your computer. Please be sure to note where you are saving the Grants.gov file

on your computer. You will need to logon to Grants.gov to upload and submit the application. **You must provide the DUNS number on your application that was used when you registered as an Authorized Organization Representative (AOR) on Grants.gov.**

Please go to http://www.grants.gov/applicants/applicant_help.jsp for help with Grants.gov. For additional tips related to submitting grant applications, please refer to the Grants.gov Submit Application FAQs found on the Grants.gov http://www.grants.gov/help/submit_application_faqs.jsp.

Dial-Up Internet Connections
When using a dial up connection to upload and submit your application, it can take significantly longer than when you are connected to the Internet with a high-speed connection, e.g. cable modem/DSL/T1. While times will vary depending upon the size of your application, it can take a few minutes to a few hours to complete your grant submission using a dial up connection. **If you do not have access to a high-speed connection and electronic submission is required, you may want to consider following the instructions in the Federal Register notice to obtain an exception to the electronic submission requirement no later than two weeks before the application deadline date.** (See the Federal Register notice for detailed instructions.)

MAC Users
For MAC compatibility information, review the Operating System Platform Compatibility Table at the following Grants.gov link: http://www.grants.gov/help/download_software.jsp. **If electronic submission is required and you are concerned about your ability to submit electronically as a non-windows user, please follow instructions in the Federal Register notice to obtain an exception to the electronic submission requirement no later than two weeks before the application deadline date.** (See the Federal Register notice for detailed instructions.)

Attaching Files – Additional Tips

Please note the following tips related to attaching files to your application, especially the
requirement that applicants **only include .pdf files** in their application:

1. Ensure that you attach **.PDF files only** for any attachments to your application. PDF
   files are the only Education approved file type accepted as detailed in the Federal
   Register application notice. Applicants must submit individual .PDF files only when
   attaching files to their application. Specifically, the Department will not accept any
   attachments that contain files within a file, such as PDF Portfolio files. Any
   attachments uploaded that are not .PDF files or are password protected files will not
   be read. If you need assistance converting your files to a .pdf format, please refer to
   this Grants.gov webpage with links to conversion programs:
   http://www.grants.gov/help/download_software.jsp#pdf_conversion_programs
2. Grants.gov cannot process an application that includes two or more files that have the
   same name within a grant submission. Therefore, each file uploaded to your
   application package should have a unique file name.
3. When attaching files, applicants should follow the guidelines established by
   Grants.gov on the size and content of file names. Uploaded files must be less than 50
   characters, contain no spaces, no special characters (example: -, &, *, %, /, #, \)
   including periods (.), blank spaces and accent marks. Applications submitted that do
   not comply with the Grants.gov guidelines will be rejected at Grants.gov and not
   forwarded to the Department.

4. Applicants should limit the size of their file attachments. Documents submitted that
   contain graphics and/or scanned material often greatly increase the size of the file
   attachments and can result in difficulties opening the files. For reference, the average
   discretionary grant application package totals 1 to 2 MB. Therefore, you may want to
   check the total size of your package before submission.

Application Instructions

Electronic Application Format

Applications for grants under this competition <u>must</u> be submitted electronically, unless you qualify for an exception to the electronic submission requirement in accordance with the instructions in this application package.

<u>In accordance with EDGAR §75.216 (b) and (c), an application will not be evaluated for funding if the applicant does not comply with all of the procedural rules that govern the submission of the application or the application does not contain the information required under the program.</u>
It is recommended that your electronic application be organized in the following manner and include the following parts in order to expedite the review process. Instructions for all parts and forms of the application are found either on the following pages of the application package or individually for each form on Grants.gov.

Important note: Applications submitted to Grants.gov for the Department of Education will be posted using Adobe forms. Therefore, applicants will need to download the latest version of Adobe reader (at least Adobe Reader 8.1.2).

Information on computer and operating system compatibility with Adobe and links to download the latest version is available on Grants.gov. Also, please review the **Submitting Applications with Adobe Reader Software** and **Education Submission Procedures and Tips for Applicants** forms found within this package for further information and guidance related to this requirement.

We strongly recommend that you review these details on www.Grants.gov before completing and submitting your application. In addition, applicants should submit their application a day or two in advance of the closing date as detailed below. Applicants will no longer need to use the PureEdge software to create or submit an application. If you have any questions regarding this matter please email the Grants.gov Contact Center at support@grants.gov or call 1-800-518-4726.

Instructions for all parts and forms of the application are found either on the following pages of the application package or individually for each form on Grants.gov.

Note: Please do not attach any narratives, supporting files, or application components to any forms unless it is specifically required by the instructions for the individual section of the application. Although several forms accept attachments, the Department of Education will only review materials/files attached in accordance with the instructions provided within this application package.

Electronic Application Submission Checklist

Review your electronic application to ensure you have completed the following forms and sections:

Part 1: Preliminary Documents
❏ Application for Federal Assistance (form SF 424)
❏ ED Supplemental Information for SF 424

Part 2: Budget Information
❏ ED Budget Information Non-Construction Programs (ED Form 524)

Part 3: ED Abstract Form
❏ Project Abstract

Part 4: Project Narrative Attachment Form
❏ Application Narrative

Part 5: Budget Narrative Attachment Form
❏ Budget Narrative

Part 6: Other Attachments Form
❏ Individual Resumes for Project Directors & Key Personnel

Part 7: Assurances and Certifications
❏ Assurances for Non-Construction Programs (SF 424B Form)
❏ Disclosure of Lobbying Activities (Standard Form LLL)
❏ Grants.gov Lobbying Form
❏ General Education Provisions Act (GEPA) Requirements – Section 427 (ED GEPA427 form)
❏ Survey on Ensuring Equal Opportunity for Applicants (form 1890-0014)

Part 8: Intergovernmental Review (Executive Order 12372)
❏ State Single Point of Contact (SPOC) List

Part 1: Preliminary Documents
❑ Application for Federal Assistance (Form SF 424)
❑ ED Supplemental Information for SF 424

These forms require basic identifying information about the applicant and the application. Please provide all requested applicant information (including name, address, e-mail address and DUNS number).

When applying electronically via Grants.gov, you will need to ensure that the DUNS number you enter on your application is the same as the DUNS number your organization used when it registered with the Central Contractor Registry.

Applicants are advised to complete the Application for Federal Assistance (Form SF 424) <u>first</u>. Grants.gov will automatically insert the correct CFDA and program name automatically wherever needed on other forms.

NOTE: Please do not attach any narratives, supporting files, or application components to the Standard Form (SF 424). Although this form accepts attachments, the Department of Education will only review materials/files attached in accordance with the instructions provided within this application.

Instructions for the SF-424

Public reporting burden for this collection of information is estimated to average 60 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form (including the continuation sheet) required for use as a cover sheet for submission of preapplications and applications and related information under discretionary programs. Some of the items are required and some are optional at the discretion of the applicant or the Federal agency (agency). Required items are identified with an asterisk on the form and are specified in the instructions below. In addition to the instructions provided below, applicants must consult agency instructions to determine specific requirements.

Item	Entry:	Item	Entry:
1.	**Type of Submission:** (Required): Select one type of submission in accordance with agency instructions. • Preapplication • Application • Changed/Corrected Application – If requested by the agency, check if this submission is to change or correct a previously submitted application. Unless requested by the agency, applicants may not use this to submit changes after the closing date.	10.	**Name Of Federal Agency**: (Required) Enter the name of the Federal agency from which assistance is being requested with this application.
		11.	**Catalog Of Federal Domestic Assistance Number/Title:** Enter the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested, as found in the program announcement, if applicable.
2.	**Type of Application**: (Required) Select one type of application in accordance with agency instructions. • New – An application that is being submitted to an agency for the first time. • Continuation - An extension for an additional funding/budget period for a project with a projected completion date. This can include renewals. • Revision - Any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision, enter the appropriate letter(s). More than one may be selected. If "Other" is selected, please specify in text box provided. A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration E. Other (specify)	12.	**Funding Opportunity Number/Title:** (Required) Enter the Funding Opportunity Number and title of the opportunity under which assistance is requested, as found in the program announcement.
		13.	**Competition Identification Number/Title:** Enter the Competition Identification Number and title of the competition under which assistance is requested, if applicable.
		14.	**Areas Affected By Project:** List the areas or entities using the categories (e.g., cities, counties, states, etc.) specified in agency instructions. Use the continuation sheet to enter additional areas, if needed.
3.	**Date Received:** Leave this field blank. This date will be assigned by the Federal agency.	15.	**Descriptive Title of Applicant's Project:** (Required) Enter a brief descriptive title of the project. If appropriate, attach a map showing project location (e.g., construction or real property projects). For preapplications, attach a summary description of the project.
4.	**Applicant Identifier**: Enter the entity identifier assigned by the Federal agency, if any, or applicant's control number, if applicable.		
5a	**Federal Entity Identifier**: Enter the number assigned to your organization by the Federal Agency, if any.	16.	**Congressional Districts Of**: (Required) 16a. Enter the applicant's Congressional District, and 16b. Enter all District(s) affected by the program or project. Enter in the format: 2 characters State Abbreviation – 3 characters District Number, e.g., CA-005 for California 5th district, CA-012 for California 12th district, NC-103 for North Carolina's 103rd district.
5b.	**Federal Award Identifier**: For new applications leave blank. For a continuation or revision to an existing award, enter the previously assigned Federal award identifier number. If a changed/corrected application, enter the Federal Identifier in accordance with agency instructions.		• If all congressional districts in a state are affected, enter "all" for the district number, e.g., MD-all for all congressional districts in Maryland. • If nationwide, i.e. all districts within all states are affected, enter US-all. • If the program/project is outside the US, enter 00-000.
6.	**Date Received by State:** Leave this field blank. This date will be assigned by the State, if applicable.		
7.	**State Application Identifier:** Leave this field blank. This identifier will be assigned by the State, if applicable.		
8.	**Applicant Information**: Enter the following in accordance with agency instructions:		
	a. Legal Name: (Required): Enter the legal name of applicant that will undertake the assistance activity. This is the name that the organization has registered with the Central Contractor Registry. Information on registering with CCR may be obtained by visiting the Grants.gov website.	17.	**Proposed Project Start and End Dates**: (Required) Enter the proposed start date and end date of the project.
	b. Employer/Taxpayer Number (EIN/TIN): (Required): Enter the Employer or Taxpayer Identification Number (EIN or TIN) as assigned by the Internal Revenue Service. If your organization is not in the US, enter 44-4444444.	18.	**Estimated Funding:** (Required) Enter the amount requested or to be contributed during the first funding/budget period by

	c. Organizational DUNS: (Required) Enter the organization's DUNS or DUNS+4 number received from Dun and Bradstreet. Information on obtaining a DUNS number may be obtained by visiting the Grants.gov website.		each contributor. Value of in-kind contributions should be included on appropriate lines, as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses.
	d. Address: Enter the complete address as follows: Street address (Line 1 required), City (Required), County, State (Required, if country is US), Province, Country (Required), Zip/Postal Code (Required, if country is US).		
	e. Organizational Unit: Enter the name of the primary organizational unit (and department or division, if applicable**)** that will undertake the assistance activity, if applicable.	19.	**Is Application Subject to Review by State Under Executive Order 12372 Process?** Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process. Select the appropriate box. If "a." is selected, enter the date the application was submitted to the State
	f. Name and contact information of person to be contacted on matters involving this application: Enter the name (First and last name required), organizational affiliation (if affiliated with an organization other than the applicant organization), telephone number (Required), fax number, and email address (Required) of the person to contact on matters related to this application.	20.	**Is the Applicant Delinquent on any Federal Debt?** (Required) Select the appropriate box. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes. If yes, include an explanation on the continuation sheet.
9.	Type of Applicant: (Required) Select up to three applicant type(s) in accordance with agency instructions. A. State Government B. County Government C. City or Township Government D. Special District Government E. Regional Organization F. U.S. Territory or Possession G. Independent School District H. Public/State Controlled Institution of Higher Education I. Indian/Native American Tribal Government (Federally Recognized) J. Indian/Native American Tribal Government (Other than Federally Recognized) K. Indian/Native American Tribally Designated Organization L. Public/Indian Housing Authority M. Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education) N. Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education) O. Private Institution of Higher Education P. Individual Q. For-Profit Organization (Other than Small Business) R. Small Business S. Hispanic-serving Institution T. Historically Black Colleges and Universities (HBCUs) U. Tribally Controlled Colleges and Universities (TCCUs) V. Alaska Native and Native Hawaiian Serving Institutions W. Non-domestic (non-US) Entity X. Other (specify)	21.	**Authorized Representative**: (Required) To be signed and dated by the authorized representative of the applicant organization. Enter the name (First and last name required) title (Required), telephone number (Required), fax number, and email address (Required) of the person authorized to sign for the applicant. A copy of the governing body's authorization for you to sign this application as the official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)

[**U.S Department of Education note**: As of spring, 2010, the FON discussed in Block 12 of the instructions can be found via the following URL: http://www.grants.gov/applicants/find_grant_opportunities.jsp.]

Instructions for the ED Supplemental Information for SF 424

1. **Project Director.** Name, address, telephone and fax numbers, and e-mail address of the person to be contacted on matters involving this application.

2. **Novice Applicant.** Check **"Yes"** or "**No**" only if assistance is being requested under a program that gives special consideration to novice applicants. Otherwise, **leave blank.**

Check "**Yes"** if you meet the requirements for novice applicants specified in the regulations in 34 CFR 75.225 and included on the attached page entitled "Definitions for Department of Education Supplemental Information for SF 424." By checking "Yes" the applicant certifies that it meets these novice applicant requirements. Check "**No**" if you do not meet the requirements for novice applicants**.**

3. **Human Subjects Research.** (See I. A. "Definitions" in attached page entitled "Definitions for Department of Education Supplemental Information For SF 424.")

If Not Human Subjects Research. Check "**No**" if research activities involving human subjects are not planned at any time during the proposed project period. The remaining parts of Item 3 are then not applicable.

If Human Subjects Research. Check "**Yes**" if research activities involving human subjects are planned at any time during the proposed project period, either at the applicant organization or at any other performance site or collaborating institution. Check "**Yes**" even if the research is exempt from the regulations for the protection of human subjects. (See I. B. "Exemptions" in attached page entitled "Definitions for Department of Education Supplemental Information For SF 424.")

If Human Subjects Research is Exempt from the Human Subjects Regulations. Check "**Yes**" if all the research activities proposed are designated to be exempt from the regulations. Insert the exemption number(s) corresponding to one or more of the six exemption categories listed in I. B. "Exemptions." In addition, follow the instructions in II. A. "Exempt Research Narrative" in the attached page entitled "Definitions for Department of Education Supplemental Information For SF 424."

If Human Subjects Research is Not Exempt from Human Subjects Regulations. Check "**No**" if some or all of the planned research activities are covered (not exempt). In addition, follow the instructions in II. B. "Nonexempt Research Narrative" in the page entitled "Definitions for Department of Education Supplemental Information For SF 424

Human Subjects Assurance Number. If the applicant has an approved Federal Wide (FWA) on file with the Office for Human Research Protections (OHRP), U.S. Department of Health and Human Services, that covers the specific activity, insert the number in the space provided. If the applicant does not have an approved assurance on file with OHRP, enter "None." In this case, the applicant, by signature on the SF-424, is declaring that it will comply with 34 CFR 97 and proceed to obtain the human subjects assurance upon request by the designated ED official. If the application is recommended/selected for funding, the designated ED official will request that the applicant obtain the assurance within 30 days after the specific formal request.

Note about Institutional Review Board Approval. ED does not require certification of Institutional Review Board approval with the application. However, if an application that involves non-exempt human subjects research is recommended/selected for funding, the designated ED official will request that the applicant obtain and send the certification to ED within 30 days after the formal request.

Paperwork Burden Statement. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1890-0017. The time required to complete this information collection is estimated to average

between 15 and 45 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4700. If you have comments or concerns regarding the status of your individual submission of this form write directly to: Joyce I. Mays, Application Control Center, U.S. Department of Education, Potomac Center Plaza, 550 12th Street, S.W. Room 7076, Washington, DC 20202-4260.

Definitions for ED Supplemental Information for SF 424

Definitions:

Novice Applicant (See 34 CFR 75.225). For discretionary grant programs under which the Secretary gives special consideration to novice applications, a novice applicant means any applicant for a grant from ED that—

- Has never received a grant or subgrant under the program from which it seeks funding;

- Has never been a member of a group application, submitted in accordance with 34 CFR 75.127-75.129, that received a grant under the program from which it seeks funding; and

- Has not had an active discretionary grant from the Federal government in the five years before the deadline date for applications under the program. For the purposes of this requirement, a grant is active until the end of the grant's project or funding period, including any extensions of those periods that extend the grantee's authority to obligate funds.

In the case of a group application submitted in accordance with 34 CFR 75.127-75.129, a group includes only parties that meet the requirements listed above.

PROTECTION OF HUMAN SUBJECTS IN RESEARCH

I. Definitions and Exemptions

A. Definitions.

A research activity involves human subjects if the activity is research, as defined in the Department's regulations, and the research activity will involve use of human subjects, as defined in the regulations.

—Research

The ED Regulations for the Protection of Human Subjects, Title 34, Code of Federal Regulations, Part 97, define research as "a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge." *If an activity follows a deliberate plan whose purpose is to develop or contribute to generalizable knowledge it is research.* Activities, which meet this definition, constitute research whether or not they are conducted or supported under a program that is considered research for other purposes. For

example, some demonstration and service programs may include research activities.

—Human Subject

The regulations define human subject as "a living individual about whom an investigator (whether professional or student) conducting research obtains (1) data through intervention or interaction with the individual, or (2) identifiable private information." *(1) If an activity involves obtaining information about a living person by manipulating that person or that person's environment, as might occur when a new instructional technique is tested, or by communicating or interacting with the individual, as occurs with surveys and interviews, the definition of human subject is met. (2) If an activity involves obtaining private information about a living person in such a way that the information can be linked to that individual (the identity of the subject is or may be readily determined by the investigator or associated with the information), the definition of human subject is met.* [Private information includes information about behavior that occurs in a context in which an individual can reasonably expect that no observation or recording is taking place, and information which has been provided for specific purposes by an individual and which the individual can reasonably expect will not be made public (for example, a school health record).]

B. Exemptions.

Research activities in which the **only** involvement of human subjects will be in one or more of the following six categories of *exemptions* are not covered by the regulations:

(1) Research conducted in established or commonly accepted educational settings, involving normal educational practices, such as (a) research on regular and special education instructional strategies, or (b) research on the effectiveness of or the comparison among instructional techniques, curricula, or classroom management methods.

(2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless: (a) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and (b) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of

34

criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.

If the subjects are children, exemption 2 applies only to research involving educational tests and observations of public behavior when the investigator(s) do not participate in the activities being observed. Exemption 2 does not apply if children are surveyed or interviewed or if the research involves observation of public behavior and the investigator(s) participate in the activities being observed. [Children are defined as persons who have not attained the legal age for consent to treatments or procedures involved in the research, under the applicable law or jurisdiction in which the research will be conducted.]

(3) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior that is not exempt under section (2) above, if the human subjects are elected or appointed public officials or candidates for public office; or federal statute(s) require(s) without exception that the confidentiality of the personally identifiable information will be maintained throughout the research and thereafter.

(4) Research involving the collection or study of existing data, documents, records, pathological specimens, or diagnostic specimens, if these sources are publicly available or if the information is recorded by the investigator in a manner that subjects cannot be identified, directly or through identifiers linked to the subjects.

(5) Research and demonstration projects which are conducted by or subject to the approval of department or agency heads, and which are designed to study, evaluate, or otherwise examine: (a) public benefit or service programs; (b) procedures for obtaining benefits or services under those programs; (c) possible changes in or alternatives to those programs or procedures; or (d) possible changes in methods or levels of payment for benefits or services under those programs.

(6) Taste and food quality evaluation and consumer acceptance studies, (a) if wholesome foods without additives are consumed or (b) if a food is consumed that contains a food ingredient at or below the level and for a use found to be safe, or agricultural chemical or environmental contaminant at or below the level found to be safe, by the Food and Drug Administration or approved by the Environmental Protection Agency or the Food Safety and Inspection Service of the U.S. Department of Agriculture.

II. Instructions for Exempt and Nonexempt Human Subjects Research Narratives

If the applicant marked "Yes" for Item 3 of Department of Education Supplemental Information for SF 424, the applicant must provide a human subjects "exempt research" or "nonexempt research" narrative. Insert the narrative(s) in the space provided. If you have multiple projects and need to provide more than one narrative, be sure to label each set of responses as to the project they address.

A. Exempt Research Narrative.
If you marked "Yes" for item 3 a. and designated exemption numbers(s), provide the "exempt research" narrative. The narrative must contain sufficient information about the involvement of human subjects in the proposed research to allow a determination by ED that the designated exemption(s) are appropriate. The narrative must be succinct.

B. Nonexempt Research Narrative.

If you marked "No" for item 3 a. you must provide the "nonexempt research" narrative. The narrative must address the following seven points. Although no specific page limitation applies to this section of the application, be succinct.

(1) **Human Subjects Involvement and Characteristics**: Provide a detailed description of the proposed involvement of human subjects. Describe the characteristics of the subject population, including their anticipated number, age range, and health status. Identify the criteria for inclusion or exclusion of any subpopulation. Explain the rationale for the involvement of special classes of subjects, such as children, children with disabilities, adults with disabilities, persons with mental disabilities, pregnant women, prisoners, institutionalized individuals, or others who are likely to be vulnerable

(2) **Sources of Materials**: Identify the sources of research material obtained from individually identifiable living human subjects in the form of specimens, records, or data. Indicate whether the material or data will be obtained specifically for research purposes or whether use will be made of existing specimens, records, or data.

(3) **Recruitment and Informed Consent**: Describe plans for the recruitment of subjects and the consent procedures to be followed. Include the circumstances under which consent will be sought and obtained, who will seek it, the nature of the information to be provided to prospective subjects, and the method of documenting consent. State if

the Institutional Review Board (IRB) has authorized a modification or waiver of the elements of consent or the requirement for documentation of consent.

(4) **Potential Risks**: Describe potential risks (physical, psychological, social, legal, or other) and assess their likelihood and seriousness. Where appropriate, describe alternative treatments and procedures that might be advantageous to the subjects.

(5) **Protection Against Risk**: Describe the procedures for protecting against or minimizing potential risks, including risks to confidentiality, and assess their likely effectiveness. Where appropriate, discuss provisions for ensuring necessary medical or professional intervention in the event of adverse effects to the subjects. Also, where appropriate, describe the provisions for monitoring the data collected to ensure the safety of the subjects.

(6) **Importance of the Knowledge to be Gained**: Discuss the importance of the knowledge gained or to be gained as a result of the proposed research. Discuss why the risks to subjects are reasonable in relation to the anticipated benefits to subjects and in relation to the importance of the knowledge that may reasonably be expected to result.

(7) **Collaborating Site(s)**: If research involving human subjects will take place at collaborating site(s) or other performance site(s), name the sites and briefly describe their involvement or role in the research.

Copies of the Department of Education's Regulations for the Protection of Human Subjects, 34 CFR Part 97 and other pertinent materials on the protection of human subjects in research are available from the Grants Policy and Oversight Staff, Office of the Chief Financial Officer, U.S. Department of Education, Washington, DC 20202-4250, telephone: (202) 245-6120, and on the U.S. Department of Education's Protection of Human Subjects in Research Web Site: http://www.ed.gov/about/offices/list/ocfo/humansub.html

NOTE: The **State Applicant Identifier** on the SF 424 is for State Use only. Please complete it on the OMB Standard 424 in the upper right corner of the form (if applicable).

Part 2: Budget Information
❑ ED Budget Information Non-Construction Programs (ED Form 524)

This part of your application contains information about the Federal funding you are requesting. Remember that you must provide all requested budget information for each year of the project (up to 60 months) and the total column in order to be considered for Federal funding. Specific instructions for completing the budget forms are provided within this application package.

Instructions for completing ED Form 524 Section A:

Name of Institution/Organization: Enter the name of the applicant in the space provided.

Personnel (line 1): Enter project personnel salaries and wages only. Include fees and expenses for consultants on line 6.

Fringe Benefits (line 2): The institution's normal fringe benefits contribution may be charged to the program. Leave this line blank if fringe benefits applicable to direct salaries and wages are treated as part of the indirect cost.

Travel (line 3): Indicate the travel costs of employees and participants only. Include travel of persons such as consultants on line 6. Applicants must set aside adequate funds within their proposed budget to send a project director and at least two individuals from each school included in the application to a two-day technical assistance meeting in Washington, DC, in each year of the project period.

Equipment (line 4): Indicate the cost of tangible, non-expendable personal property that has a usefulness greater than one year and acquisition costs that are the lesser of the capitalization level established by the applicant entity for financial statement purposes or $5,000 per article. Lower limits may be established to maintain consistency with the applicant's policy.

Supplies (line 5): Show all tangible, expendable personal property. Direct supplies and materials differ from equipment in that they are consumable, expendable, and of a relatively low unit cost. *Supplies purchased with grant funds should directly benefit the grant project and be necessary for achieving the goals of the project.*

Contractual (line 6): The contractual category should include all costs specifically incurred with actions that the applicant takes in conjunction with an established internal procurement system. Include consultant fees, expenses, and travel costs in this category if the consultant's services are obtained through a written binding agreement or contract.

Construction (line 7): Not applicable.

Other (line 8): Indicate all direct costs not covered on lines 1-6. For example, include costs such as space rental, required fees, honoraria and travel (where a contract is not in place for services), training, and communication and printing costs. *Do not include costs that are included in the indirect cost rate.*

<u>Total Direct Costs (line 9):</u> The sum of lines 1-8.

<u>Indirect Costs (line 10):</u> Indicate the applicant's approved indirect cost rate, per sections 75.560 – 75.564 of EDGAR. If an applicant does not have an approved indirect cost rate agreement with a cognizant Federal agency, the applicant must apply to the Department for a temporary indirect cost rate if it wishes to charge indirect costs to the grant. For more information, go to the Department's website at: http://www.ed.gov/about/offices/list/ocfo/fipao/icgindex.html.

<u>Training Stipends (line 11):</u> This line item is not applicable to this program. The training stipend line item only pertains to costs associated with long term training programs and college or university coursework, not workshops or short-term training supported by this program.
Salary stipends paid to teachers and other school personnel for participating in short-term professional development should be reported in <u>Personnel</u> (line 1).

<u>Total Cost (line 12):</u> This should equal to sum of lines 9-11 (total direct costs + indirect + stipends). The sum for column one, labeled *Project Year 1* (a), should also be equal to item 15a on the application cover sheet (SF Form 424).

Instructions for ED 524

General Instructions

This form is used to apply to individual U.S. Department of Education (ED) discretionary grant programs. Unless directed otherwise, provide the same budget information for each year of the multi-year funding request. Pay attention to applicable program specific instructions, if attached. You may access the Education Department General Administrative Regulations, 34 CFR 74 – 86 and 97-99, on ED's website at: http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html

You must consult with your Business Office prior to submitting this form.

Section A - Budget Summary
U.S. Department of Education Funds

All applicants must complete Section A and provide a break-down by the applicable budget categories shown in lines 1-11.

Lines 1-11, columns (a)-(e): For each project year for which funding is requested, show the total amount requested for each applicable budget category.

Lines 1-11, column (f): Show the multi-year total for each budget category. If funding is requested for only one project year, leave this column blank.

Line 12, columns (a)-(e): Show the total budget request for each project year for which funding is requested.

Line 12, column (f): Show the total amount requested for all project years. If funding is requested for only one year, leave this space blank.

Indirect Cost Information: If you are requesting reimbursement for indirect costs on line 10, this information is to be completed by your Business Office. (1): Indicate whether or not your organization has an Indirect Cost Rate Agreement that was approved by the Federal government. If you checked "no," ED generally will authorize grantees to use a temporary rate of 10 percent of budgeted salaries and wages subject to the following limitations:
    (a) The grantee must submit an indirect cost proposal to its cognizant agency within 90 days after ED issues a grant award notification; and
    (b) If after the 90-day period, the grantee has not submitted an indirect cost proposal to its cognizant agency, the grantee may not charge its grant for indirect costs until it has negotiated an indirect cost rate agreement with its cognizant agency.
    (2): If you checked "yes" in (1), indicate in (2) the beginning and ending dates covered by the Indirect Cost Rate Agreement. In addition, indicate whether ED, another Federal agency (Other) or State agency issued the approved agreement. If you check "Other," specify the name of the Federal or other agency that issued the approved agreement.
    (3): If you are applying for a grant under a Restricted Rate Program (34 CFR 75.563 or 76.563), indicate whether you are using a

restricted indirect cost rate that is included on your approved Indirect Cost Rate Agreement or whether you are using a restricted indirect cost rate that complies with 34 CFR 76.564(c)(2). Note: State or Local government agencies may not use the provision for a restricted indirect cost rate specified in 34 CFR 76.564(c)(2). Check only one response. Leave blank, if this item is not applicable.

Section B - Budget Summary
Non-Federal Funds

If you are required to provide or volunteer to provide cost-sharing or matching funds or other non-Federal resources to the project, these should be shown for each applicable budget category on lines 1-11 of Section B.

Lines 1-11, columns (a)-(e): For each project year, for which matching funds or other contributions are provided, show the total contribution for each applicable budget category.

Lines 1-11, column (f): Show the multi-year total for each budget category. If non-Federal contributions are provided for only one year, leave this column blank.

Line 12, columns (a)-(e): Show the total matching or other contribution for each project year.

Line 12, column (f): Show the total amount to be contributed for all years of the multi-year project. If non-Federal contributions are provided for only one year, leave this space blank.

Section C - Budget Narrative [Attach separate sheet(s)]
Pay attention to applicable program specific instructions,
if attached.

1. Provide an itemized budget breakdown, and justification by project year, for each budget category listed in Sections A and B. For grant projects that will be divided into two or more separately budgeted major activities or sub-projects, show for each budget category of a project year the breakdown of the specific expenses attributable to each sub-project or activity.

2. For non-Federal funds or resources listed in Section B that are used to meet a cost-sharing or matching requirement or provided as a voluntary cost-sharing or matching commitment, you must include:

    a. The specific costs or contributions by budget category;
    b. The source of the costs or contributions; and
    c. In the case of third-party in-kind contributions, a description of how the value was determined for the donated or contributed goods or services.

    [Please review ED's general cost sharing and matching regulations, which include specific limitations, in 34 CFR 74.23, applicable to non-

governmental entities, and 80.24, applicable to governments, and the applicable Office of Management and Budget (OMB) cost principles for your entity type regarding donations, capital assets, depreciation and use allowances. OMB cost principle circulars are available on OMB's website at: http://www.whitehouse.gov/omb/circulars/index.html]

3. If applicable to this program, provide the rate and base on which fringe benefits are calculated.

4. If you are requesting reimbursement for indirect costs on line 10, this information is to be completed by your Business Office. Specify the estimated amount of the base to which the indirect cost rate is applied and the total indirect expense. Depending on the grant program to which you are applying and/or your approved Indirect Cost Rate Agreement, some direct cost budget categories in your grant application budget may not be included in the base and multiplied by your indirect cost rate. For example, you must multiply the indirect cost rates of "Training grants" (34 CFR 75.562) and grants under programs with "Supplement not Supplant" requirements ("Restricted Rate" programs) by a "modified total direct cost" (MTDC) base (34 CFR 75.563 or 76.563). Please indicate which costs are included and which costs are excluded from the base to which the indirect cost rate is applied.

    When calculating indirect costs (line 10) for "Training grants" or grants under "Restricted Rate" programs, you must refer to the information and examples on ED's website at: http://www.ed.gov/fund/grant/apply/appforms/appforms.html.

    You may also contact (202) 377-3838 for additional information regarding calculating indirect cost rates or general indirect cost rate information.

5. Provide other explanations or comments you deem necessary.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1894-0008. The time required to complete this information collection is estimated to vary from 13 to 22 hours per response, with an average of 17.5 hours per response, including the time to review instructions, search existing data sources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4537. If you have comments or concerns regarding the status of your individual submission of this form, write directly to (insert program office), U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, D.C. 20202..

Part 3: ED Abstract Form

This section should be attached as a single document to the ED Abstract Form in accordance with the instructions found on Grants.gov and should be organized in the following manner and include the following parts in order to expedite the review process.

Ensure that you only attach the Education approved file types detailed in the Federal Register application notice (.pdf). Also, do not upload any password-protected files to your application.

Please note that Grants.gov cannot process an application that includes two or more files that have the same name within a grant submission.

When attaching files, applicants should limit the size of their file names. Lengthy file names could result in difficulties with opening and processing your application. We recommend your file names be less than 50 characters.

❑ **Project Abstract**
 The project abstract should not exceed **one page** and should include a concise description of the following information:

- Project objectives and activities,
- Applicable priorities
- Proposed project outcomes
- Number of participants to be served
- Number and location of proposed sites

Note: Grants.gov may include a note that indicates that the project abstract may not exceed one page; however, an abstract of more than one page may be uploaded.

Part 4: Project Narrative Attachment Form

*This section should be attached as a **single** document to the Project Narrative Attachment Form in accordance with the instructions found on Grants.gov and should be organized in the following manner and include the following parts in order to expedite the review process.*

Ensure that you only attach the Education approved file types detailed in the Federal Register application notice (.pdf). Also, do not upload any password-protected files to your application.

When attaching files, applicants should limit the size of their file names. Lengthy file names could result in difficulties with opening and processing your application. We recommend your file names be less than 50 characters.

❑ Table of Contents
The Table of Contents shows where and how the important sections of your proposal are organized and should not exceed **one** double spaced page.

❑ Application Narrative
The application narrative responds to the selection criteria found in this application package and should follow the order of the selection criteria.

We encourage applicants to limit this section of the application to the equivalent of no more than **60** pages and adhere to the following guidelines:

Important note about the project evaluation: A strong evaluation plan should be included in the application narrative and should be used, as appropriate, to shape the development of the project from the beginning of the grant period. The plan should include benchmarks to monitor progress toward specific project objectives and also outcome measures to assess the impact on teaching and learning or other important outcomes for project participants. More specifically, the plan should identify the individual and/or organization that have agreed to serve as evaluator for the project and describe the qualifications of that evaluator.

The plan should describe the evaluation design, indicating: (1) what types of data will be collected; (2) when various types of data will be collected; (3) what methods will be used; (4) what instruments will be developed and when; (5) how the data will be analyzed; (6) when reports of results and outcomes will be available; and (7) how the applicant will use the information collected through the evaluation to monitor progress of the funded project and to provide accountability information both about success at the initial site and effective strategies for replication in other settings. Applicants are encouraged to devote an appropriate level of resources to project evaluation.

Part 5: Budget Narrative

*This section should be attached as a **single** document to the Budget Narrative Attachment Form in accordance with the instructions found on Grants.gov. It should be organized in the following manner and include the following parts in order to expedite the review process.*

Ensure that you only attach the Education approved file types detailed in the Federal Register application notice (.pdf). Also, do not upload any password-protected files to your application.

When attaching files, applicants should limit the size of their file names. Lengthy file names could result in difficulties with opening and processing your application. We recommend your file names be less than 50 characters.

Each application must also provide a Budget Narrative (which serves to meet the requirements of ED Form 524, Section C) for requested Federal funds. The Budget Narrative for requested Federal funds should provide a justification of how the money requested for each budget item will be spent.

This section requires an **itemized budget breakdown** for each project year and the **basis for estimating the costs** of personnel salaries, benefits, project staff travel, materials and supplies, consultants and subcontracts, indirect costs and any other projected expenditures. Be sure to complete an itemized budget breakdown and narrative for each year of the proposed project (up to 60 months).

The Budget Narrative provides an opportunity for the applicant to identify the nature and amount of the proposed expenditures. The applicant should provide sufficient detail to enable reviewers and project staff to understand how requested funds will be used, how much will be expended, and the relationship between the requested funds and project activities and outcomes.

Important Notes
- Applicants are encouraged to review OMB Circular A-21, *Cost Principles for Educational Institutions* [OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* or OMB Circular A-122, *Cost Principles for Nonprofit Organizations*] in preparing their budget and budget narrative.
- OMB Circular A-21 may be found at the following link: http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html
- OMB Circular A-87 may be found at the following link: http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html
- OMB Circular A-122 may be found at the following link: http://www.whitehouse.gov/omb/circulars/a122/a122_2004.html

Suggested Guidelines for the Budget Narrative
In accordance with 34 CFR 75.232, Department of Education staff perform a cost analysis of the each recommended project to ensure that costs relate to the activities and objectives of the project, are reasonable, allowable and allocable. We may delete or reduce costs from the budget during this review.

To facilitate the review of your Budget Narrative, we encourage each applicant to include the following information for each year of the project:

Note about how to document the differentiated compensation in your budget narrative: As noted in the Budget Narrative (Part 2) section there are two options for how an applicant treats the compensation provided to teachers, principals, and other personnel. If a fringe benefits rate will be applied to the added compensation or incentives for teachers, principals, and other personnel, an applicant should include the differentiated compensation in the "personnel" line item, and the costs generated by applying the fringe benefit rate included in the "fringe benefits" line item.

If you do not plan to apply a fringe rate to the added compensation or incentives you would provide to teachers, principals, and other personnel (in those sites that wish to expand its PBCS to additional staff in its schools) you should include the differentiated compensation in the "other" line item.

Differentiated compensation should not be listed in the "training stipends" line item.   An applicant must clearly explain in the budget narrative why it has chosen to list differentiated compensation in the "personnel" and "fringe benefits" line items, or the "other" line item. See section below for more information.

How to document expenses related to a proposed planning year, in those cases where an applicant has not completed all five core elements required: For those applicants that have not completed all five core elements required before first year of implementation, an applicant must propose a planning period of up to one year. This planning period may be one to twelve months, depending on the amount of time an applicant believes it needs to complete the core element(s) it lacks. For the purposes of documenting the expenses related to the planning period, it is important to provide specific information as to the amount of time needed for the planning period and for those related expenses to complete the core element(s).

The documentation examples shown above and below provide the proper guidance you need to know about how much information to provide in your budget narrative. The most important information to include is the amount of time needed, per expense, and tied to which core element(s) of which you are working.

How to document all other expenses related to the development, implementation and ongoing payment of incentives to teachers and principals of the proposed PBCS. This should be documented for each year of the grant and separately from those expenses related to other personnel.

1. Personnel
- Provide the title and duties of each position to be compensated under this project.
- Provide the salary for each position under this project.

- Provide the amounts of time, such as hours or percentage of time to be expended by each position under this project.
- Explain the importance of each position to the success of the project.
- Provide the basis for cost estimates or computations.
- If applicable, provide a detailed explanation of the differentiated compensation to be paid to teachers, principals, and other personnel (in those sites that wish to expand its PBCS to additional staff in its schools). The incentive amounts must be clearly broken out by teachers, principals, and other personnel.
- An example includes:

Personnel: The following requested personnel will all be hired as employees of the project.	% FTE	Base Salary	Total
Project Director (1): John Doe will be responsible for the overall leadership and management of the Performance-Based Teacher and Principal Compensation Program. His qualifications are described in detail in the project on page 24 of the application.	80%	$65,000	$52,000

2. Fringe Benefits
- Give the fringe benefit percentages of all personnel included under <u>Personnel</u>.
- Provide the rate and base on which fringe benefits are calculated.

3. Travel
- Explain the purpose of the travel, how it relates to project success, how it aligns with the project goals and objectives and which program participants or staff will participate.
- Submit an estimate for the number of trips, points of origin and destination, and purpose of travel.
- Submit an itemized estimate of transportation and/or subsistence costs for each trip.
- Provide the basis for cost estimates or computations.

- Applicants must budget for attendance at two required annual meetings. There are no registration fees for these meetings. For planning purposes, applicants should include funds for transportation, lodging, and per diem costs for the following meetings:
  Required Meeting: *Teacher Incentive Fund Grantee Meeting*
  This 1.5 day meeting will provide participants with key information needed to manage and implement a discretionary grant awarded by ED and technical assistance from experts. Grantee meetings will be held annually.

  Required Participants: Please budget for up to three participants including the project director.

  Expenses for this meeting include:
  - Round-trip airfare for three participants to a major U.S. city
  - Lodging expenses for three participants for up to four nights in a major U.S. city
  - Per diem expenses for three participants for up to five days in a major U.S. city

- Funds for local ground transportation

Required Meeting: *Teacher Incentive Fund Topical Meeting*
This 1.5 day meeting will provide participants with in depth information on a topic related to implementing PBCSs. Topical meetings will be held annually.

Required Participants: Please budget for up to two participants including the project director.

Expenses for this meeting include:
- Round-trip airfare for two participants to a major U.S. city
- Lodging expenses for two participants for up to four nights in a major U.S. city
- Per diem expenses for two participants for up to five days in a major U.S. city
- Funds for local ground transportation

- One example includes:

Travel: Travel expenses include the average airfare of $400 each, in addition to a hotel room at $150/night for two nights, local transportation of $50, and per diem of $40	# Trips	$ per Trip	Total
TIF Annual Grantee Meeting: This meeting, which is hosted in Washington, DC will provide technical assistance for our grant site and provide collaboration among all TIF grantees. The total trip will last 1.5 full days. A more detailed justification for this trip is explained in the project proposal on page 14.	3 (1 Project Dir. & 2 other key personnel)	$790	$2,370

4. **Equipment**
- Indicate the estimated unit cost for each item to be purchased.
- Identify each type of equipment.
- Provide adequate justification of the need for items of equipment to be purchased.
- Explain the purpose of the equipment, and how it relates to project success.
- Provide the basis for cost estimates or computations.
- One example includes:

Equipment: Consistent with our organization's policy, equipment is defined as tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of $1,000 or more per unit.	Cost of Item	Item Description	Total
Desktop Computers (3): Three desktop computers will be needed to expand our current office and supply the needs of 3 new employees.	$1,500	Desktop computer including monitor & printer	$4,500

5. **Supplies**
   - Provide an itemized estimate of materials and supplies by nature of expense or general category (e.g., instructional materials, office supplies, etc.).
   - Explain the purpose of the supplies and how they relate to project success.
   - Provide the basis for cost estimates or computations.

6. **Contractual**
   - Provide the purpose and relation to project success.
   - Describe the products to be acquired, and/or the professional services to be provided.
   - Provide a brief justification for the use of the contractors selected.
   - Identify the name(s) of the contracting party, including consultants, if available.
   - Provide the cost per contractor.
   - Provide the amount of time that the project will be working with the contractor(s).
   - For professional services contracts, provide the amounts of time to be devoted to the project, including the costs to be charged to this proposed grant award.
   - Provide a brief statement that you have followed the procedures for procurement under 34 CFR Parts 74.40 - 74.48 and Part 80.36.
   - Provide the basis for cost estimates or computations.
   - One example includes:

Contractual:	Timing of Costs	Total
ABC District plans to contract with an external evaluator to conduct the local evaluation, using both qualitative and quantitative data analysis. ABC expects to receive bi-annual evaluation reports and surveys from the new contractor. Please see page 37 of the project proposal for more information on the evaluation design.	Bi-Annual	$XXXX

   -

7. **Construction**
   - Not applicable.

8. **Other**
   - List and identify items by major type or category (e.g., communications, printing, postage, equipment rental, etc.).
   - Provide the cost per item (printing = $500, postage = $750).
   - Provide the purpose for the expenditures and relation to project success.
   - Provide the basis for cost estimates or computations.

9. **Total Direct Costs**
   - The amount that is the sum of expenditures, per budget category, of lines 1-8.

10. **Indirect Costs**

- Identify indirect cost rate (if the applicant will charge indirect costs to the grant)
- *Note*: remember to provide a copy of the most recent approved indirect cost agreement in the Other Attachments form section of the application.

11. Training Stipends
- Not applicable.

12. Total Costs
- Sum total of direct costs, indirect costs, and stipends.
- Please provide total costs for each year of the project as well as grand total cost for the entire project period (up to 60 months)

Important Information Regarding Indirect Cost Rates

The Department of Education (ED) reimburses grantees for its portion of indirect costs that a grantee incurs on projects funded by the Teacher Incentive Fund program (CFDA 84.374A). In order to charge indirect costs to this program, a grantee must have a currently approved Indirect Cost Rate (ICR) agreement. The ICR must be negotiated with and approved by the grantee's cognizant agency, i.e., either (1) the federal agency from which it has received the most direct funding, subject to indirect cost support; (2) the federal agency specifically assigned cognizance by the Office of Management and Budget; or (3) the State agency that provides the most subgrant funds to the grantee (if no direct federal awards are received).

Note: Applicants should pay special attention to specific questions on the application budget form (ED 524) about their cognizant agency and the ICR being used in the budget. Applicants should be aware that ED is very often not the cognizant agency for its grantees. Rather, ED accepts the currently approved ICR established by the appropriate cognizant agency.

Applicants are encouraged to have an accountant calculate a proposed ICR using current information in the audited financial statements, actual cost data or the Internal Revenue Service Form 990. Applicants should use this proposed rate in the application materials and indicate the documentation used to calculate the rate. Guidance related to calculating an ICR can be found on ED's website at http://www.ed.gov/about/offices/list/ocfo/fipao/icgindex.html

An applicant selected for funding, that does not have a currently approved ICR, must review and follow the final regulations published at 34 CFR 75.560 in the Federal Register on December 7, 2007 (72 FR 69145). The rules allow for a temporary ICR of 10% of budgeted salaries and wages and require the grantee to submit an ICR proposal within 90 days after issuance of the grant award notification.

Applicants with questions about charging indirect costs on this program should contact the program contact person noted elsewhere in this application package.

Part 6: Other Attachment Form

Attach one or more documents to the Other Attachments Form in accordance with the instructions found on Grants.gov. You may provide all of the required information in a single document, or in multiple documents.

Ensure that you only attach the Education approved file types detailed in the Federal Register application notice (.pdf). Also, do not upload any password-protected files to your application.

Please note that Grants.gov cannot process an application that includes two or more files that have the same name within a grant submission.

When attaching files, applicants should limit the size of their file names. Lengthy file names could result in difficulties with opening and processing your application. We recommend your file names be less than 50 characters.

❑ **Individual Resumes for Project Directors and Key Personnel**: Provide brief resumes or job descriptions that describe their qualifications for the responsibilities they will carry out under the project.

Part 7: Assurances and Certifications

Be certain to complete all required assurances and certifications in Grants.gov, and include all required information in the appropriate place on each form. The assurances and certifications required for this application are:

❑ Assurances for Non-Construction Programs (SF 424B Form)
❑ Disclosure of Lobbying Activities (SF LLL Form)
❑ Certification Regarding Lobbying (ED 80-0013 Form)
❑ General Education Provisions Act (GEPA) Requirements – Section 427
❑ Survey on Ensuring Equal Opportunity for Applicants (form 1890-0014)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

    (b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Instructions for Meeting the General Education Provisions Act (GEPA) Section 427 Requirements

All applicants for new awards **must** include information in their applications to address this new provision in order to receive funding under this program.

Section 427 **requires** each applicant for funds (other than an individual person) to include in its application a description of the steps the applicant proposes to take to ensure equitable access to, and participation in, its Federally-assisted program for students, teachers, and other program beneficiaries with special needs.

This provision allows applicants discretion in developing the required description. The statute highlights six types of barriers that can impede equitable access or participation: gender, race, national origin, color, disability, or age.

A general statement of an applicant's nondiscriminatory hiring policy is **not** sufficient to meet this requirement. Applicants must identify potential barriers and explain steps they will take to overcome these barriers.

Please review the Notice to all Applicants (included in the electronic application package in Grants.gov) for further information on meeting the provisions in the Department of Education's General Education Provisions Act (GEPA).

Applicants are **required** to address this provision by attaching a statement (not to exceed three pages) to the **ED GEPA427 form** that is included in the electronic application package in Grants.gov.

Survey Instructions on Ensuring Equal Opportunity for Applicants

Provide the applicant's (organization) name and DUNS number and the grant name and CFDA number.

1. Self-explanatory.

2. Self-identify.

3. Self-identify.

4. 501(c)(3) status is a legal designation provided on application to the Internal Revenue Service by eligible organizations. Some grant programs may require nonprofit applicants to have 501(c)(3) status. Other grant programs do not.

5. Self-explanatory.

6. For example, two part-time employees who each work half-time equal one full-time equivalent employee. If the applicant is a local affiliate of a national organization, the responses to survey questions 2 and 3 should reflect the staff and budget size of the local affiliate.

7. Annual budget means the amount of money your organization spends each year on all of its activities.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1890-0014. The time required to complete this information collection is estimated to average five (5) minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** The Agency Contact listed in this grant application package.

Part 8: Intergovernmental Review of Federal Programs (Executive Order 12372)

This program falls under the rubric of Executive Order 12372 (Intergovernmental Review of Federal Programs) and the regulations in 34 CFR Part 79. One of the objectives of the Executive order is to strengthen federalism--or the distribution of responsibility between localities, States, and the Federal government--by fostering intergovernmental partnerships. This idea includes supporting processes that State or local governments have devised for coordinating and reviewing proposed Federal financial grant applications.

The process for doing this requires grant applicants to contact State Single Points of Contact for information on how this works. Multi-state applicants should follow procedures specific to each state.

Further information about the State Single Point of Contact (SPOC) process and a list of names by State can be found at:

http://www.whitehouse.gov/omb/grants/spoc.pdf

Absent specific State review programs, applicants may submit comments directly to the Department. All recommendations and comments must be mailed or hand-delivered by the date indicated in the actual application notice to the following address: The Secretary, EO 12372-- CFDA# 84.374A, U.S. Department of Education, room 7E200. 400 Maryland Avenue, SW., Washington, DC 20202.

Proof of mailing will be determined on the same basis as applications (see 34 CFR §75.102). Recommendations or comments may be hand-delivered until 4:30 p.m. (eastern time) on the closing date indicated in this notice.

Important note: The above address is not the same address as the one to which the applicant submits its completed applications. ***Do not send applications to the above address.***

Not all states have chosen to participate in the intergovernmental review process, and therefore do not have a SPOC. If you are located in a State that does not have a SPOC, you may send application materials directly to the Department as described in the *Federal Register* notice.

Reporting and Accountability

Successful applicants with multi-year grants must submit an **annual performance report** demonstrating their progress in meeting approved project objectives. Grantees must also provide the most current financial and performance measure data for each year of the project.

At the end of the project period, applicants will also be required to submit a **final performance report**.

Under the Government Performance and Results Act (GPRA), the following performance indicators have been established to evaluate the overall effectiveness of the Teacher Incentive Fund Program:

Measure #1: The percentage of teachers and principals in high need schools who have a record of effectiveness.

Measure #2: The percentage of a district's personnel budget that is used for performance-related payments to effective teachers and principals (as measured by student achievement gains)

For specific requirements on grantee reporting, please go to the ED Performance Report Form 524B at http://www.ed.gov/fund/grant/apply/appforms/appforms.html.

GOALS

The goals of the TIF program include:

- Improving student achievement by increasing effectiveness of teachers, principals, and other personnel;
- Reforming teacher and principal compensation systems so that teachers, principals, and other school staff are rewarded for increases in student achievement;
- Increasing the number of effective teachers teaching low-income, minority, and disadvantaged students in hard-to-staff specialty areas and subjects; and
- Creating PBCSs that are aligned with a coherent strategy for strengthening the educator workforce and are fiscally sustainable.

A. ELIGIBILITY

A-1. Who is eligible to apply for a TIF grant?

Eligible applicants for a TIF grant are: (a) State educational agencies (SEAs); (b) local educational agencies (LEAs), including charter schools that are considered LEAs in their States;[3] and (c) partnerships of (1) one or more SEAs, LEAs, or both, and (2) at least one nonprofit organization. SEAs and LEAs may apply individually or as a group when there are more than two SEAs or LEAs. Note: For-profit charter schools are not eligible to apply individually or as part of a partnership.

Applicants that are comprised of multiple LEAs or SEAs, or are partnerships that include one or more nonprofit organizations, should review the group application requirements in 34 C.F.R. §75.127 through §75.129 of the Education Department General Administrative Regulations (EDGAR).

A-2. When may an SEA and an LEA apply as a "partnership"?

While SEAs and LEAs may apply individually or as a group when there are more than two SEAs or LEAs (see question A-1), SEAs and LEAs may apply as a "partnership" only if the partnership includes at least one nonprofit organization. The fiscal agent for a partnership may be an SEA, an LEA, or a nonprofit organization. Note that an SEA may apply to establish a State-level project in identified LEAs in the State provided that its application identifies the high-need schools whose staff would be included in the PBCS(s) and contains all other required information.

A-3. May a nonprofit organization apply for a grant on its own?

---

[3] For the purposes of this program, "LEAs" may also include consortia of LEAs, as well as intermediary units that are considered an LEA under State law. State-established educational service agencies are also considered LEAs by virtue of the definition of "local educational agency" in section 9101(26) of the Elementary and Secondary Education Act of 1965, as amended.

No. A nonprofit organization may apply only as part of a partnership with one or more SEAs or LEAs.

A-4. Is a nonprofit college or university considered to be a nonprofit organization that is eligible to apply for a TIF grant as part of a partnership?

Yes, so long as the nonprofit college or university meets the definition of nonprofit in 34 C.F.R. §77.1, which states: "*Nonprofit,* as applied to an agency, organization, or institution, means that it is owned and operated by one or more corporations or associations whose net earnings do not benefit, and cannot lawfully benefit, any private shareholder or entity."

A-5. May a partnership between one nonprofit organization and several SEAs and/or several LEAs apply for a TIF grant?

Yes. There are no limits on the number of SEAs, LEAs, or nonprofit organizations that may be in a partnership that applies for a TIF grant.

A-6. May a partnership include members from different States, or must the partnership include only LEAs within one State?

Partnerships may include SEAs and LEAs that are located within different States. However, see section D of this guidance regarding the scope of schools that must be included in a proposal under the TIF Evaluation competition.

A-7. Applicants must propose to design and implement PBCSs for teachers, principals, and, at their discretion, other school personnel in high-need schools. What is a "high-need school"?

For purposes of the TIF program, a high-need school is a school with 50 percent or more of its enrollment from low-income families, based on eligibility for free or reduced-price lunch subsidies under the Richard B. Russell National School Lunch Act, or other poverty measures that LEAs use (see section 1113(a)(5) of the Elementary and Secondary Education Act, as amended (ESEA) (20 U.S.C. 6313(a)(5)). For middle and high schools, eligibility may be calculated on the basis of comparable data from feeder schools. Eligibility as a high-need school under this definition is determined on the basis of the most currently available data.

Applicants must include with their applications an attachment that provides the poverty data for each school in which staff would participate in the PBCS, and, if a school's level of poverty is based on the poverty status of its feeder schools, data that confirm its eligibility based on the levels of poverty of students enrolled in all of its feeder schools. Please see the discussion of the High-Need Schools Documentation requirement in the NFP, the NIA, and the application package.

A-8. May a project include a school that recently opened and does not know whether 50 percent or more of its student enrollment is eligible for free or reduced-price lunch subsidies?

A proposed project may not include a recently opened school that does not yet have data on student eligibility for free or reduced-price lunch subsidies unless the school is a middle or high school that meets the 50 percent poverty test on the basis of the most current data available from its feeder schools. In this case, clear documentation, including a list of the feeder schools and their free or reduced-price lunch eligibility rates, must be included in the application.

A-9. Are private schools, or teachers, principals, and other personnel who work in private schools, eligible to benefit from TIF grants?

No.

A-10. May an LEA within a State whose SEA is applying for a TIF grant apply independently of its SEA? If so, will the SEA's application be given priority over the LEA's application?

Both SEAs and LEAs in a State are eligible to apply for a TIF grant separately. The Secretary gives priority to eligible entities based only on the priorities described in the NFP and NIA as described in Section F. One eligible entity (e.g., an SEA) is not given precedence over another (e.g., an LEA) during the application review process. Before making awards, the Department will ensure that an LEA or high-need school participates in only one TIF grant.

A-11. May an SEA or LEA that already has a PBCS operating in some LEAs or high-need schools apply for TIF funds under this competition?

Yes. An eligible entity with a PBCS already in place may apply for, or be part of, a TIF grant to expand its programs to include categories of teachers, principals, or other personnel in high-need schools who are not currently served through the PBCS or in additional high-need schools that are not participating in its current system. Please note that applications for programs where systems are already in place must clearly describe, in the project narrative, the sites, or categories of personnel that will be the focus of the proposed FY 2011 TIF grant. Please also see question A-13 for additional information.

A-12. May a current TIF grantee apply in this competition for a new TIF grant award?

Yes. A current TIF grantee may apply for FY 2011 TIF funds provided that its application proposes to expand its current PBCS to categories of teachers, principals, or other personnel not already covered under its current TIF grant and the schools in which the PBCS would be implemented meet the definition of high-need schools that has been established for this competition. The applicant may choose to either expand its PBCS to schools not currently funded by a TIF grant or expand its PBCS to new categories of school staff within schools that are currently being funded by a TIF grant. All school sites in which the proposed project would operate must meet the definition of high-need school established for this TIF competition; definitions that have been used in prior TIF competitions are not applicable to the FY 2011 competition. Moreover, any expansion of the PBCS to new schools or new school personnel must ensure that the expanded PBCS meets the requirements of this competition – not the prior competition. (Also see A-11.)

A-13. May an applicant focus only on particular groups of teachers (for example, novice or science teachers) or school types (for example, elementary schools)?

Yes. An applicant may propose to implement a PBCS within high-need schools (as defined in the NFP) only for a particular population of teachers. Similarly, an applicant may propose to implement its PBCS only in certain school types. An applicant may also propose to limit its PBCS to certain teaching positions in high-need schools, or to certain grade spans in those schools.

However, it is important to note that, in order to meet absolute priority 1 and the core elements of the PBCS, applicants must propose to implement a PBCS that will reward *both* teachers and principals. In this regard, if an applicant already has a PBCS that rewards only effective principals, it may seek TIF funding to support expansion of the existing PBCS to teachers (or to a particular set of teachers) so long as the PBCS as a whole extends to principals and teachers working in high-need schools. Likewise, if its existing PBCS already rewards effective teachers (or a particular set of teachers), an applicant may seek TIF funding to expand its existing PBCS to principals so long as the PBCS as a whole extends to principals and teachers working in high-need schools.

A-14. Is there a minimum number of schools that an applicant must include in its proposed PBCS?

No. An applicant may propose to implement its PBCS in any number of eligible high-need schools.

A-15. May an SEA apply for TIF funding to implement a PBCS in high-need schools throughout the State without those schools' LEAs being a part of the application?

Yes. An SEA may apply for a TIF grant on its own, without including LEAs in a group application. However, given the administrative control and oversight that LEAs typically exercise over their schools, the SEA should recognize the significant challenges in planning and implementing a PBCS, with all its required elements, without the active cooperation and support of the LEAs. For example, without the support and involvement of the LEA in the development of an SEA's proposal, it would be difficult to coordinate professional development with the LEA's overall human capital system. In addition, an SEA's PBCS could be incompatible with other initiatives of the school board and local superintendent. Finally, lack of direct participation by an LEA may make it logistically difficult to provide evidence of the involvement and support of teachers, principals, and other personnel (including union representatives, where applicable).

B. SCOPE OF THE PBCS AND ALLOWABLE USES OF FUNDS

B-1. How may TIF funds be used?

TIF funds may be used to pay costs that are reasonable and necessary to develop and implement a PBCS in high-need schools (as defined in the NFP) for teachers, principals, and other personnel included in the PBCS.

In addition to performance-based incentive payments to staff in high-need schools, project costs also may include costs relating to implementing the PBCS required for this program including: professional development activities for teachers and principals in high-need schools that are directly linked to the specific measures of teacher and principal effectiveness included in the PBCS (see requirement for professional development in the application package, NIA, and NFP); evaluation and data analysis tools related to implementing the PBCS; design costs associated with value-added data management systems; salaries of project staff needed to implement the PBCS; and reasonable travel necessary for the success of the project.

Moreover, while TIF funds may be used for incentive payments and professional development provided only to staff in high-need schools, TIF grantees may, if they choose, use funds to develop or improve systems and tools, such as high-quality teacher evaluations and tools to measure growth in student achievement, that would enhance the quality and success of the PBCS for the entire LEA and not just for its high-need schools.

B-2. How are "teacher" and "principal" defined for the purposes of the TIF program?

For purposes of the TIF program, the term "teacher" may include not only classroom teachers but also resource teachers and other staff, such as paraprofessionals and classroom aides, who provide direct instruction. The term "teacher" is not defined in Federal statute or regulation and, therefore, the term encompasses those individuals who are considered teachers under applicable State and local law or policy.

Similarly, the term "principal" refers to those individuals who are considered principals under applicable State and local law or policy.

B-3. The NFP, the NIA, and the application package provide that an applicant may propose a PBCS that includes "other personnel" in participating high-need schools (as defined in the NFP). Who are "other personnel"?

"Other personnel" include all school-level staff who are not included in the definition of teacher or principal. Examples of these other staff who could be included in a PBCS are counselors, librarians, media specialists, social workers, janitors, cafeteria workers, bus drivers, and clerical staff.

Under Selection Criterion (b)(1) applicants must address how the proposed PBCS is part of an LEA or statewide strategy for rewarding teachers, principals, and other personnel. Applicants that choose to include other school personnel in their proposed PBCSs are encouraged to identify the positions of the other personnel they propose to include in the PBCS.

B-4. May TIF funds be used to pay performance-based incentives to librarians, counselors, media specialists, or social workers?

Yes. As noted in question B-2, State and local laws determine which staff are considered teachers. Moreover, whether or not certain staff members are considered teachers under State or local law or policy, an applicant could propose to include these and other school staff in its PBCS as "other school personnel" (see question B-3).

B-5. Must an applicant include "other school personnel" in its PBCS?

No. The inclusion of other school personnel is optional.

B-6. May an applicant propose to include in its PBCS school staff who work part-time at the applicant's high-need school(s)?

Yes.

B-7. Is there a maximum or minimum amount of performance-incentive pay that a grantee must provide as part of its PBCS?

While the Department has not specified any particular amount of funds that must be used for incentives for teachers, principals, and other personnel who work either full time or part time, under absolute priority 1, each applicant must (1) demonstrate that it "will provide incentive amounts that are substantial," and (2) provide justification for the level of incentive amounts chosen. In this regard, the priority specifically "encourages applicants to be thorough in their explanation of why the selected incentive amounts are likely high enough to create change in the behavior of current and prospective teachers and principals in order to ultimately improve student outcomes." An applicant might consider factors such as cost of living, labor statistics, and relevant research studies, among others, when providing a rationale for the chosen incentive amounts. (Also see question F-3.)

B-8. If performance-based compensation must be based in significant part on student growth (as defined in the NFP), how can teachers of subjects such as art, science, music, and physical education benefit from a TIF-funded PBCS?

Under absolute priority 1, a TIF applicant must propose to develop and implement a PBCS that rewards, at differentiated levels, teachers and principals who demonstrate their effectiveness by improving student achievement, and, in determining teacher and principal effectiveness, the grantee must give significant weight to student growth. For non-tested grades and subjects, such as science, music, art, and physical education, the TIF program defines student achievement generally as alternative measures of student learning and performance that are rigorous and comparable across schools. Applicants may propose to reward teachers of non-tested grades and subjects for the achievement of their own students based on such measures as student scores on pre- and end-of-course tests, or, for English learners, performance on English language proficiency assessments, among others.

Alternatively, teachers of non-tested grades and subjects may also qualify for compensation benefits if the grantee's PBCS offers compensation to teaching staff of an entire school, grade, or teaching team based on overall school achievement gains and multiple classroom evaluations.

In either case, the PBCS must provide teachers of non-tested grades and subjects, like teachers of grades and subjects that are assessed, opportunities for additional responsibilities and leadership roles (as defined in the NFP).

The Department also encourages applicants to offer their own strategies by which all teachers can appropriately qualify for teacher incentive payments through their contributions to student achievement. If applicable, applicants should provide thorough details regarding the way in which teachers of non-tested grades and subjects may qualify for the proposed PBCS and how the applicant plans to use alternate measures of student achievement.

B-9. May an applicant propose to use TIF funds to develop new, or refine existing, growth or value-added systems for measuring student achievement (as defined in the NFP)?

Yes.

B-10. May TIF funds be used to pay the costs associated with teachers for release time? For example, if teachers are released from their classrooms to participate in professional development activities that relate to the PBCS, may TIF funds be used to pay for the additional teachers needed to cover their classes?

The cost of salaries or compensation of additional staff members or substitute teachers to cover the classes of teachers who are released for TIF-approved activities (e.g., professional development) would be an allowable use of TIF funds. However, it is important for an applicant to adequately justify the need for this cost in the budget narrative and to ensure that all activities that would be paid for with grant funds are reasonable, allocable, and allowable under the TIF notice of final priorities. Further, providing paid release time during the school day takes a teacher out of his or her classroom and leaves students to be instructed by a substitute teacher. Therefore, applicants should explain the importance of and rationale for proposing to provide release time during the school day.

C. GENERAL PROGRAM QUESTIONS

C-1. What is a Performance-Based Compensation System (PBCS)?

A PBCS recognizes different levels of effectiveness, skill, and performance by providing different levels of compensation. A PBCS under the TIF program refers to a system of pay that is not exclusively defined by degrees earned or longevity in a job but rather by quality and effectiveness of performance.

Under the absolute priorities described in the NFP and NIA, a PBCS funded under the TIF program must have a differentiated effectiveness incentive component under which incentives are provided to principals, teachers, and other personnel (the latter at the discretion of the

applicant) based on a measure of their effectiveness. While under the TIF program applicants may propose specific effectiveness criteria, they must give significant weight to student growth (as defined in the NFP) and consider observation-based assessments of teacher and principal performance at multiple points in the year. Applicants also must provide evidence that a PBCS funded under the TIF program is fiscally sustainable beyond the end of the TIF funding period, and that the PBCS is aligned with a coherent and integrated strategy for strengthening the educator workforce.

As indicated in the Requirements section of the NFP, an applicant's PBCS must also contain the following five core elements. First, there must be a plan for effectively communicating to teachers, administrators, other school personnel, and the community-at-large the components of its PBCS. Second, the PBCS must provide for the involvement and support of teachers, principals, and other personnel (including union representatives, where applicable). Third, the PBCS must have rigorous, transparent, and fair evaluation systems for teachers and principals that differentiate effectiveness using multiple rating categories that take into account student growth as a significant factor, as well as classroom observations conducted at least twice during the school year. Fourth, there must be a data-management system that can link student achievement data to teacher and principal payroll and human resources systems. And, fifth, there must be a plan for ensuring that teachers and principals understand the specific measures of teacher and principal effectiveness included in the PBCS and receive professional development that enables them to use the data generated by these measures to improve their practice.

Additionally, the PBCS must provide educators with incentives to voluntarily assume additional responsibilities and leadership roles (as defined in the NFP) and offer professional development that is directly linked to the specific measures of teacher and principal effectiveness included in the PBCS. The NFP and NIA provide further details on what this professional development component must include.

The PBCS may also include consideration of other factors such as assignments in hard-to-staff subjects and specialty areas in high-need schools—a factor for which the TIF competition offers competitive preference points.

All of the requirements for this program are discussed in the program application package (see Competition Priorities and Application Requirements) and in the NFP.

C-2. May an applicant propose to implement more than one PBCS model in its application?

Yes. Applicants may propose to implement different PBCS models with the intent of comparing how each works before selecting a model to bring to scale. In such cases, the applicant must demonstrate in its application that each model satisfies absolute priority 1 and the other requirements governing a PBCS, and that all schools with staff participating in any PBCS model meet the definition of a "high-need school."

C-3. May a grantee use the tools, processes, or systems developed with TIF funds to implement differentiated compensation in schools that are not designated as "high-need"?

Yes. Consistent with the purposes of the TIF program, grantees must use TIF funds to develop and implement differentiated compensation systems only in high-need schools (as defined in the NFP). Therefore, TIF program funds may only be used to pay for the differentiated compensation for teachers, principals, and other personnel in high-need schools. However, the developments or improvements a grantee makes in the tools, processes, and systems it uses to enhance the quality and success of its PBCS, such as those used for high-quality teacher evaluations and better systems to measure growth in student achievement, may be used, at the grantee's discretion, for all staff in the LEA who are under the PBCS.

C-4. Must the incentives proposed for the PBCS be monetary, or may an applicant propose other incentives such as tangible items, career opportunities, or tenure?

The Department recognizes that some tangible items and opportunities for career advancement can motivate teachers and provide good incentive opportunities. However, the purpose of the TIF program is to provide funding to support the design and implementation of "performance-based <u>compensation</u> systems" (emphasis added). As such, in addition to opportunities for teachers, principals and other personnel to take on additional responsibilities and leadership roles, a significant component of the PBCS must be the availability of monetary compensation based on effectiveness. In this regard, absolute priority 1 includes the following statement:

> *"[T]he applicant must demonstrate that the differentiated effectiveness incentive payments will provide incentive amounts that are substantial and provide justification for the level of incentive amounts chosen. While the Department does not propose a minimum incentive amount, the Department encourages applicants to be thorough in their explanation of why the selected incentive amounts are likely high enough to create change in the behavior of current and prospective teachers and principals."*

C-5. What resources are available for developing and implementing PBCSs?

Vanderbilt University's National Center on Performance Incentives Research is funded by the Department to provide research on performance-based pay. Information and resources may be found at www.performanceincentives.org.

Additionally, information, tools, and resources to support TIF grantees are available at the Center for Educator Compensation Reform Web site (http://cecr.ed.gov), which is also funded by the Department. Note that previously awarded TIF programs are governed by different regulations and statutes than those that apply to the FY 2011 competition. Furthermore, information on the National Center on Performance Incentives Research and the CECR Web site content does not necessarily reflect the position or policy of Vanderbilt University, CECR, or the Department. Mention or visual representation of trade names, commercial products, or organizations on these Web sites

does not imply endorsement by Vanderbilt University, CECR, or the Federal Government.

C-6. May a TIF grantee permit a teacher who is included in a PBCS to opt out of the differentiated effectiveness incentive payment component of the PBCS during the TIF project period?

Yes. There is nothing in the requirements that specifically precludes a TIF grantee from permitting a teacher to opt out of the differentiated effectiveness incentive payment component of the PBCS; presumably a teacher who wants to do so would communicate his or her decision before the school year begins.

However, under Selection Criterion (b), Project Design, reviewers will examine the design of the proposed PBCS, including the involvement of teachers in all components of the PBCS. Therefore, if an applicant proposes to permit teachers to opt out of the differentiated effectiveness incentive payment component, the applicant should fully explain and justify in the project narrative how the opt out component would contribute to the overall strength and comprehensiveness of the proposed PBCS. Moreover, the Department urges applicants to consider whether permitting teachers to opt out of the differentiated effectiveness incentive payment component would effectively promote comprehensive performance-based compensation reform and innovation.

D. SELECTION CRITERIA

D-1. Selection Criterion (a), "Need for the Project," includes an element regarding the extent to which an applicant proposes to recruit highly qualified or effective teachers, particularly in hard-to-staff subject areas or specialty areas "such as mathematics, sciences, English language acquisition, and special education." Are these the only subjects that may be addressed in response to this element of the criterion?

No. This selection criterion clarifies that the identified subject areas are simply illustrative of those that may be hard-to-staff subject areas or specialty areas. An applicant should identify those hard-to-staff subjects or specialty areas in the affected high-need schools (as defined in the NFP) whose staff would be under the PBCS. In responding to Selection Criterion (a)(1), applicants also should explain the basis for determining that these subject and specialty areas are, in fact, hard-to-staff.

D-2. How should applicants describe how they will determine the effectiveness of the teachers, principals, and other personnel who are included in the proposed PBCS, as required under selection criterion (b)(1), "Project Design"?

As described in absolute priority 1, in determining effectiveness, student growth must be given significant weight, based on objective data on student performance. Measures of effectiveness must also include observation-based assessments of teacher and principal performance, and may include other measures, such as evidence of leadership roles that increase the effectiveness of other teachers in the school or LEA.

Furthermore, to address Selection Criterion (b)(1), applicants should clearly describe (1) the methodology used to determine effectiveness of teachers, principals, and other personnel (if applicable), and whether it includes the use of valid and reliable measures of student growth (as defined in the NFP); (2) how the participating LEA proposes to use the PBCS to provide performance awards to affected school staff and whether the awards are of sufficient size to affect staff behaviors and their decisions as to whether to go to, or remain working in, the high-need school; and (3) how affected school staff will be determined to be "effective" for the purposes of the proposed PBCS.

D-3. What documentation might an applicant include in its application to address Selection Criterion (b)(2), which concerns the extent to which the PBCS has the involvement and support of teachers, principals, and other personnel (if applicable), including input from teachers, principals, and other personnel in the schools and LEAs to be served by the grant, and the involvement and support of unions in participating LEAs where they are the designated exclusive representatives for the purpose of collective bargaining that is needed to carry out the grant?

An applicant might consider ways to clearly demonstrate ongoing stakeholder and public support for and commitment to the proposed PBCS, both during the project period and after the TIF project period ends. For instance, an applicant might include letters of support from teachers and principals, and, if applicable, the teachers' union demonstrating their support for the proposed PBCS and the TIF application.

D-4. Under Selection Criterion (c), "Adequacy of Support for the Proposed Project," the Department reviews applications for, among other things, "the extent to which the project director and other key personnel are qualified to carry out their responsibilities." Who are considered key personnel?

The applicant determines the key personnel for the project based on its project design and plan of operations. In general, the Department considers the term "key personnel" to include the project director, deputy director (if applicable), and other personnel with decision-making roles. These key roles may be limited to a small number of people.

E. PRIORITIES

E-1. What is the difference between absolute and competitive preference priorities?

Absolute priorities are requirements of the competition and the program. Only applications that meet all of the absolute priorities will be considered for funding under the two TIF competitions. Points are not awarded for absolute priorities; rather, applications that do not meet one or more of the absolute priorities will not be considered for funding.

Competitive preference priorities are not requirements. For both the Main TIF and TIF Evaluation competitions, applications that meet one or more competitive preference priorities

will be awarded additional points, with the amount dependent upon the extent to which the application meets the competitive priorities.

E-2. For absolute priority 1, must incentive payments be tied to the results of the observation-based assessments of teacher and principal performance?

Yes. Incentive payments must be tied to the results of both observation-based assessments of teacher and principal performance and to student growth.

E-3. For absolute priority 1, how would an applicant know if its proposed performance-based incentives are "substantial" enough?

The Department has not proposed or established a minimum incentive amount or percentage. Each applicant will need to use its considered judgment, in consultation with stakeholders, to determine the appropriate amount for incentive payments under its PBCS.

In determining what level of performance-based incentive is sufficiently substantial to achieve the desired results, applicants should bear in mind that the statement of the priority (1) requires applicants to "demonstrate that the differentiated effectiveness incentive payments will provide incentive amounts that are substantial and provide justification for the level of incentive amounts chosen," and (2) encourages applicants to provide a thorough explanation of why the selected incentive amounts are likely high enough to create change in the behavior of current and prospective teachers and principals in order to ultimately improve student outcomes.

An applicant might consider factors such as cost of living, labor statistics, and relevant research studies, among others, when providing a rationale for the chosen incentive amounts.

E-4. For absolute priority 2, how far past the end of the grant period must an applicant demonstrate that it will financially sustain the PBCS?

The Department has not established a set amount of time for how long after the end of the TIF project period an LEA or SEA must be able to financially sustain the PBCS. As a practical matter, we understand that the difficulty of making long-term predictions of economic conditions, considerations affecting levels of State and local funding, and political factors may limit the required plan for fiscal sustainability to no more than three to five years. However, the Department hopes that if the PBCS proves to be successful in helping to recruit and retain effective teachers and principals in high-need schools and to increase student growth and student achievement, SEAs and LEAs would work to make the PBCS a permanent part of the schools' compensation structure.

E-5. For absolute priority 3, what does the Department mean by the requirement that the PBCS be "aligned with a coherent and integrated strategy for strengthening the educator workforce...in the LEA or LEAs participating in the project during and after the end of the TIF project period"?

Under the TIF program, the PBCS is not a stand-alone system of performance-based compensation. A PBCS must be built into the LEA's system of improving the overall quality of its educator workforce, as clarified in priority 3 and the separate TIF competition requirement that "professional development" be an integral part of the PBCS.

Thus, as applicants address priority 3, it is important that they consider how the proposed PBCS for staff in high-need schools aligns with other strategies the LEA and, where applicable, the SEA uses to support the educator workforce. Key elements of such strategies could include (1) the type of professional development offered to teachers and principals, (2) targeted efforts to recruit and retain effective teachers and principals, and (3) opportunities for educators to advance professionally. Aligning all of these strategies within an LEA or State, as applicable, increases the chances that the PBCS will be sustained programmatically beyond the life of the TIF grant.

E-6. Under competitive preference priority 4, may an applicant receive full credit if it proposes to use a value-added measurement of student achievement for the elementary and middle schools covered by its PBCS but, because of the lack of available data linkages or assessments in higher grades, not in the high schools covered by the PBCS?

No. Only applicants that use value-added measures of student achievement to calculate incentives for teachers and principals for all school levels covered by the proposed PBCS may receive the full amount of competitive preference points. However, an applicant that cannot implement value-added measurements of student achievement in all such schools may receive less than the full five competitive preference points. Moreover, applicants should consider that TIF funds may be used to assist a grantee in expanding its value-added data system to high schools (or other schools), if necessary, and that a planning period of up to one year is available to help any grantee that needs more time before it starts implementing its PBCS.

E-7. Does competitive preference priority 5, regarding design of the PBCS to promote increased recruitment and retention of effective teachers to serve high-need students (as defined in the NFP) and in hard-to-staff subjects and specialty areas, cover principals as well as teachers?

No. The statement of the priority does not apply to principals. However, an applicant might include in its proposed PBCS the recruitment and retention of effective principals in high-need schools, and might focus on the importance of effective school leadership in those schools for promoting an effective teaching force, in general, and in hard-to-staff subjects and specialty areas, in particular.

E-8. For competitive preference priority 6, may an LEA that is not the fiscal agent, but that is participating in a current TIF project led by a nonprofit organization, receive competitive preference points if it applies on its own to expand the PBCS to other high-need schools?

No. Competitive preference points are available only for eligible entities that have not previously been awarded a grant under the TIF program, and for nonprofit organizations that

previously received funding through the TIF program, as part of partnerships with one or more LEAs or SEAs, but that are applying to work with a different group of eligible LEAs or SEAs than they worked with under any previous TIF grant.

F. PROGRAM REQUIREMENTS

F-1. How should an applicant determine whether to include a planning period in its proposal?

Applicants that are unable to implement one or more of the five core elements of a PBCS must provide a plan for how they would implement the core element(s) they lack during the planning period, which may last up to one year from the initial grant award. The proposed planning period must be addressed in the application under the section entitled Core Elements of a PBCS and a Potential Planning Period.

F-2. What happens if an applicant proposes a planning year to implement one or more of the core elements but does not complete implementation of those core elements within the planning year?

The Department will assess a grantee's performance during the planning year to determine whether to continue funding. This assessment will consider whether the grantee has made sufficient progress in implementing the PBCS core elements. Determinations about continued funding are made on a case-by-case basis and are based primarily on the grantee's progress in achieving project goals. Continuation awards are also subject to the availability of funds, based on the appropriation for each fiscal year.

F-3. Does the "Additional Eligibility Requirement" permit applicants that have not received a prior TIF award to apply for TIF funding to expand an existing PBCS that applies only to teachers, or only to principals, so that the PBCS extends to other educators and school personnel?

Yes. If an applicant does not currently have a TIF grant but does have a PBCS only for a population of teachers, it may seek TIF funding to expand its PBCS to cover principals, other teachers, and other personnel in high-need schools. Similarly, if an applicant that does not currently have a TIF grant, but has a PBCS only for principals, it may seek TIF funding only to expand its PBCS to cover teachers and other personnel in high-need schools. Applicants that do not currently have a PBCS for teachers or principals must address how they will develop and implement a PBCS for both teachers and principals who work in high-need schools. (See absolute priority 1 in the NFP.)

F-4. May an applicant propose to "phase in" the participation of high-need schools in the PBCS during the first year the program is implemented? For example, would a grantee be allowed to implement the PBCS in a group of high-need schools at the start of the 2011-12 school year, and then implement the program in a second group of schools in January 2012, and the remaining schools in the spring of 2012?

Yes. An applicant may propose to phase in a group of high-need schools during the first year of program implementation. It is important to note, however, that before any high-need school can be phased into the PBCS, a grantee must meet the requirements of absolute priority 1 and all other requirements of its PBCS that apply to staff in that school, including having all the five core elements in place.

G. BUDGET QUESTIONS

G-1. What is the budget period for TIF grants?

For a 60-month performance period, each budget period is 12 months, unless the Department determines otherwise. Any continuation awards for future budget periods would be based on a review of the grantee's annual performance report and the availability of sufficient appropriated funds.

G-2. On the SF-424, under Estimated Funding, what amount should be entered -- the cost for the first 12 months of the project or for the entire 60-month period?

An applicant should enter the amount of its budget request for the first 12 months of its project under "Estimated Funding" on the SF 424.

G-3. For Sections A and B of ED Form 524, where should an applicant include the costs for differentiated performance-based compensation?

There are two options for listing differentiated performance-based compensation on ED Form 524, depending on how an applicant treats the compensation. If an applicant plans to apply a fringe benefit rate to the compensation, it is best to include this additional compensation in the "personnel" line item, and subsequently add the costs generated by applying the fringe benefit rate in the "fringe benefits" line item.

However, if an applicant does not plan to apply a fringe benefit rate to the added compensation or incentives, it should include the differentiated compensation in the "other" line item.

All other payments to staff, such as stipends or augmentations to mentor teacher salaries, should be included under the "Personnel" line item and justified with a clear explanation of the cost in the budget narrative.

G-4. What must a grantee do in order to claim indirect costs under its TIF grant?

Under 34 C.F.R §75.560(b), if a grantee has not already done so, it must obtain a current indirect cost rate from its cognizant Federal agency in order to charge those costs to its grant. The cognizant Federal agency is generally the Federal department or agency providing the grantee with the most Federal funding subject to indirect cost support, or an agency otherwise designated by OMB. However, Department regulations provide that it is the SEA, on the basis of a plan approved by the Secretary, that must approve an indirect cost rate for each LEA that requests it to do so. See 34 C.F.R §75.561.

For additional information about obtaining an approved indirect cost rate or applying for an indirect cost rate, contact the Department's Office of the Chief Financial Officer at (202) 377-3909 or (202) 377-3838.

G-5. If, at the time it receives its TIF grant award, a grantee does not have an indirect cost agreement with its cognizant Federal agency, must it submit its indirect cost proposal to its cognizant Federal agency within a certain timeframe?

A grantee that does not have an indirect cost agreement must submit an indirect cost proposal to its cognizant Federal agency within 90 days of receiving its TIF grant award notification. See 34 C.F.R §75.560(b).

G-6. May a grantee that does not yet have an approved indirect cost rate charge indirect costs to its grant?

A grantee that does not have a federally recognized indirect cost rate agreement may charge its grant for indirect costs at a temporary rate of ten percent of budgeted direct salaries and wages, per 34 C.F.R §75.560(c). However, a grantee that does not submit an indirect cost rate proposal to its cognizant Federal agency within 90 days of receiving its TIF grant award notification, will not be allowed to charge indirect costs, absent a determination by the Department that exceptional circumstances warrant continued authorization to charge indirect costs to the grant.

G-7. Do TIF grantees calculate indirect costs using a restricted or unrestricted indirect cost rate?

TIF grantees use an unrestricted indirect cost rate. Under 34 C.F.R §75.563, programs that are subject to a non-supplanting requirement must use a restricted indirect cost rate. Because the FY 2011 appropriation includes a non-supplanting requirement for the TIF program, TIF grantees do not need to use a restricted indirect cost rate.

As a general matter, restricted indirect cost rates are lower than unrestricted indirect cost rates because, in programs subject to a non-supplanting requirement, grantees cannot charge costs to the Federal grant that it would have incurred and charged to its non-Federal funds. Restricted indirect cost rates are calculated in a manner to reflect this requirement.

G-8. If a partnership includes a nonprofit organization and (a) one or more LEAs or (b) one or more SEAs, which entity's indirect cost rate should the eligible applicant use?

The entity that is applying on behalf of the partnership is the applicant. When completing ED Form 524, the applicant's indirect cost rate should be used.

G-9. May an applicant request an award that increases each succeeding year? For example, may an applicant request $1 million in Year 1, $5 million in Year 2, and $8 million in Years 3 through 5 as the project expands to include more schools and more teachers in the later years?

Applicants may submit requests for increasing awards in succeeding budget years based on their explanations for projecting increasing costs; if selected for an award, the Department will try to accommodate the request. However, the Department's ability to make continuation awards will depend, in large part, on the size of future Congressional appropriations for the TIF program. If the TIF program is level-funded over the next five years, additional funding to provide increases in grant awards may not be available; applicants should plan for this possible eventuality.

G-10. How should the budget reflect materials and services that an applicant proposes to be provided by a partner?

An applicant's budget should include full and detailed information on all aspects of the Federal (Section A) and non-Federal (Section B) costs of the project. If an applicant plans to use Federal TIF funds to pay a partner organization for services and materials, the nature and cost of those services and materials must be described in the budget narrative for Section A. Some examples of services that a partner organization might provide include: training and support, implementation workshops, program evaluation, community outreach, and help with collecting and analyzing data to support the payment of differentiated compensation. If a partner organization plans to contribute services or materials as part of the project's non-TIF match, the value of these services or materials (calculated according to EDGAR and cost principles in applicable Office of Management and Budget (OMB) circulars) should be indicated in Section B of ED Form 524, and a detailed description of the services or materials provided in the budget narrative for Section B.

G-11. If a State or LEA currently funds a differentiated compensation system, may the SEA or LEA use TIF funds to replace some of the State or local funds?

Unlike many Federal grant programs, the TIF program does not have a "supplement, not supplant" requirement. Therefore, TIF-funded expenditures under the PBCS technically do not need to supplement State or local funding. However, like any Department grantee, TIF grantees would need to ensure that all Federal costs are reasonable and necessary per established cost principles in OMB Circulars A-21 (for nonprofit organizations) and A-87 (for SEAs and LEAs). (See www.whitehouse.gov/omb/circulars.) An applicant with a comprehensive State-funded or local-funded PBCS already in place for certain staff may have difficulty addressing Selection Criterion (a), "Need for the Project," if TIF funds would be used for performance-based compensation for the same staff.

Furthermore, applicants should keep in mind that, with regard to payments of performance-based compensation, replacing local funds with TIF funds may make it difficult for the grantee to meet the requirements of absolute priority 2, which stipulates that an increasing share of the differentiated effectiveness incentive paid to teachers, principals, and other personnel must be provided from non-TIF funds over the course of the project period.

G-12. How much detail should be provided in the budget narrative?

Applicants should use the budget narrative to provide a detailed description of how they plan to use their Federal grant funds, and how they plan to meet their non-Federal match responsibility under absolute priority 2 (Financial Sustainability). The budget narrative should be of sufficient scope and detail for the Department to determine if the costs are necessary, reasonable, and otherwise allowable. For further guidance on Federal cost principles, an applicant may wish to consult the applicable OMB Circulars referenced on page 29 of the application package. The Electronic Application Checklist in the application package also provides specific instructions and examples of how to document the expenses requested from TIF funding for the proposed PBCS.

G-13. If a grantee is informed that it has been awarded a grant, must it wait until the start of the budget period to begin work?

No. If an applicant is awarded a grant, it may incur pre-award costs that are reasonable, necessary, and otherwise allowable for up to 90 days prior to the beginning of the project period. For instance, a grantee with a start date of October 1 may begin carrying out project tasks as early as July, though it cannot draw down any payments until the grant has been awarded and the initial budget period has begun. However, if the applicant is not awarded a TIF grant, the Department will not reimburse the applicant for the pre-award costs.

G-14. What costs should an applicant include on the ED Form 524 as "training stipends"?
Where TIF grantees provide stipends, they typically do so as an incentive for teachers and principals to participate in professional development. If this is the kind of stipend an applicant proposes to provide, the applicant should include these costs in either the "personnel" or "other" line item on ED form 524. Stipends for professional development should not be included in the "training stipends" line item.

H. APPLICATION SUBMISSION

H-1. May an applicant that did not submit a notice of intent to apply by TBD still apply for a TIF grant?

Notices of intent to apply are optional—an applicant that does not submit a notice of intent to apply may still submit an application.

The Department requested that notices of intent to apply be submitted by DATE TBD. After that date, applicants are still encouraged to submit notices of intent to apply to the Department; such information is helpful in planning logistics for the competition. Applicants should send these notices via e-mail to TIF@ed.gov with "Intent to Apply" in the subject line. The notice of intent to apply should include the applicant organization's name and address.Please note that all notices of intent to apply received by the Department will be posted on the Department's Web site.

H-2. How does an applicant submit an application for the TIF grant program?

The Department currently posts all grant competitions on Grants.gov. Applicants should become familiar with the Grants.gov site and complete the registration process early. Please be aware

that Grants.gov registration involves several steps and possibly several different people and/or offices, such as the business office, within your organization. This one-time registration process can take five or more days to complete, and it must be completed before you can submit an application via Grants.gov.

H-3. Where can I go for help for electronically submitting my application?

Go to (http://www.grants.gov/ForApplicants) for help with Grants.gov and click on the links in the lower right corner of the screen under Applicant Tips and Tools. For additional tips related to submitting grant applications, please refer to the Grants.gov Submit Application Tips found on the Grants.gov homepage (http://www.grants.gov).

H-4. How should an applicant confirm that a charter school applying for a grant (on its own or as part of a partnership) is an LEA under State law?

Applications from or including charter schools should include a letter from their authorized chartering agency or SEA that confirms the schools' status in the State as an LEA.

Note: For-profit charter schools are not eligible to apply individually or as part of a partnership.

H-5. Which members of a partnership must provide the required assurances and certifications?

The assurances and certifications in the application must be completed by the lead applicant, which is also the proposed fiscal agent.

H-6. The application instructions suggest limiting the narrative to 60 pages. If an applicant submits a narrative of over 60 pages, will it be disqualified?

No, but we strongly encourage applicants to limit the narrative section to no more than 60 pages.

H-7. Where are letters of commitment and support included in an application submitted through Grants.gov?

Include all letters of commitment and support as attachments to the application in Grants.gov.

H-7. May an applicant select the specific organizations with which it would contract (for services such as a local project evaluation or data systems management), if an award is made, or must it engage in a competitive process to select vendors? In this regard, should an application include specific information about nonprofit organizations, evaluators, or other organizations that will be included in the project, if funded?

Applicants intending to use procurement transactions to implement proposed projects should be familiar with the requirements in EDGAR that establish minimum standards for procurement activities. Requirements governing procurements made by State and local governments are

contained in 34 C.F.R. §80.36; requirements that govern procurements made by nonprofit organizations are contained in 34 C.F.R. §74.44. Applicants should identify proposed or selected vendors in their application only if the appropriate procedures were followed, as per EDGAR requirements.

Procurement transactions must be designed to ensure that Federal grant funds used to procure goods and services are made in ways that provide for a fair competition. This means that an applicant may not select entities with which they would contract unless doing so is authorized by §74.44 and §80.36 through a process that is reflective of a full and open competition. In this regard, for example, §80.36(c)(4) expressly addresses LEAs' use of prequalified lists of vendors, while §80.36(d)(4) identifies the specific instances when noncompetitive procurement is permitted.

Please also note that in order to ensure objective contractor performance and eliminate unfair competitive advantages, §74.43 of EDGAR for non-profit organizations specifically excludes from competing for the procurement any contractor that has worked on the grant application or specifications that would form the basis of the later procurement. The Department views this same principle as critical to implementation of §80.36 for LEAs.

In addition, note that both §74.44 and §80.36 of EDGAR contain provisions for small–purchase procurements (with a threshold set at $100,000). However, §80.36(d)(1) permits use of these procedures only where the grantee has rate or price quotes from an adequate number of qualified suppliers, while §74.45 requires grantees to use some form of cost or price analysis. By implication, these small-purchase procedures may not fit arrangements with individual vendors to conduct evaluations or provide other professional services under the TIF program.

Further details regarding procurement procedures may be found in the application under Application Information.

H-8. If an applicant chooses to partner with and then name a particular organization with expertise in, for example, evaluation, data management systems, or professional development in planning and implementing the TIF project, would this violate the EDGAR procurement regulations?

No. As noted in question A-1, by law an eligible applicant for a TIF grant may include a partnership comprised of one or more nonprofit organizations and one or more LEAs and/or SEAs. Hence, the eligible partnership could include as one of its partners a nonprofit organization with expertise in areas such as evaluation, data management systems, or professional development. In this case, the EDGAR procurement regulations would not apply since the partnership would not be issuing the procurement to itself. Instead, the terms of payment for services that the nonprofit organization would provide would be in the partners' agreement.

In such cases, the partnership would then be governed by the group application requirements in 34 C.F.R. §§75.127 through 75.129 of EDGAR and, in particular, the requirement in §75.128(b), which provides that (1) the members of the partnership enter into an agreement that details the

activities that each member of the group plans to perform, and binds each member of the group to each statement and assurance made in the application, and (2) this agreement be submitted with the application. In addition, under §75.129, while the lead applicant is responsible for ensuring that the project is properly implemented, each member of the partnership is legally responsible for carrying out the activities it agrees to perform and to use the funds it received under the agreement in accordance with applicable Federal requirements.

NOTE: A nonprofit organization that would be responsible for conducting an independent project evaluation may not be included in a partnership since it cannot be both a partner implementing the project and, at the same time, an independent evaluator for the project.

H-9. The Standard Form (SF) 424, Application for Federal Assistance, asks an applicant to indicate whether or not it is a "novice applicant." Which entities are considered novice applicants under the TIF program?

This section of the SF-424 pertains only to programs that give special consideration to novice applicants. The TIF program does not do so; therefore, applicants should leave this section blank.

I. PEER REVIEW COMPETITION

I-1. Who serves as a peer reviewer?

Peer reviewers are solicited publicly in advance of the grant competition. The peer review solicitation is available online at www.ed.gov/programs/tif.

I-2. Will applications and reviewer feedback be made public?

To foster transparency and openness, the Department may post all applications and final scores – for both successful and unsuccessful applications – on its Web site at the conclusion of the competition. If the applications are posted, they will first be reviewed and redacted to ensure no personal information is published.

I-3. Will applicants that are not awarded grants receive feedback on their applications?

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

I-4. How many points can an application earn through the review process?

The maximum number of points that could be awarded for the FY 2011 TIF competition is 224. Up to 200 points will be awarded through the selection criteria and then an additional 24 points that will be awarded based on the competitive priorities.

Legal and Regulatory Information

Notice Inviting Applications

[INSERT NOTICE INVITING APPLICATIONS]