

GAO Highlights

Highlights of [GAO-15-295](#), a report to the Ranking Member, Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Committee on Appropriations, House of Representatives

Why GAO Did This Study

Education created RTT under the American Recovery and Reinvestment Act of 2009. From 2010 through 2011, Education awarded \$4 billion in competitive grant funds to 19 states to reform core areas of K-12 education. RTT states also committed to building capacity to implement and sustain reforms. GAO and others previously reported that capacity challenges had adversely affected RTT implementation and could hinder efforts to sustain the reforms. GAO was asked to further examine these challenges.

This report examines: (1) the effect of RTT on reform and capacity challenges states and districts faced, (2) how helpful Education's assistance was to states in building and sustaining capacity, and (3) lessons learned that could inform future reform efforts.

GAO surveyed all 19 RTT states and a generalizable sample of RTT districts; held an expert panel; reviewed RTT applications, progress reports, relevant federal laws and regulations, and literature; and interviewed officials from seven selected states and districts, chosen based on survey responses. GAO selected expert panelists based on research or experience with RTT, capacity issues, and federal grants.

What GAO Recommends

GAO recommends that Education incorporate into its coordinated policies technical assistance grantees found most useful, target assistance to rural districts, and issue guidance to help states and auditors with funding flexibilities. Education did not explicitly agree or disagree with GAO's recommendations, but outlined steps to address many aspects of them.

To view the e-supplements online, click: <http://www.gao.gov/products/gao-15-316sp>
<http://www.gao.gov/products/gao-15-317sp>
View [GAO-15-295](#). For more information, contact Jacqueline M. Nowicki at (617) 788-0580 or nowickij@gao.gov.

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RACE TO THE TOP

Education Could Better Support Grantees and Help Them Address Capacity Challenges

What GAO Found

The Department of Education's (Education) Race to the Top (RTT) program encouraged states to reform their K-12 educational systems, but states and districts faced various capacity challenges in implementing the reforms. RTT accelerated education reforms underway and spurred new reforms in all 19 RTT states and in an estimated 81 percent of districts, according to GAO's surveys of RTT grantees and districts that received RTT funds. At the same time, states and districts noted various challenges to their capacity to successfully support, oversee, and implement these reform efforts. For example, about one-quarter to one-third of RTT states reported that their greatest challenges involved obtaining support from stakeholders such as teacher organizations. In contrast, districts primarily reported that their greatest challenges involved financial and human capital capacity, especially with competitive compensation and standards and assessments. Additionally, rural districts reported facing greater challenges than urban and suburban districts. Education is to assist grantees in achieving successful project outcomes according to its grants handbook, while holding them accountable for their RTT reform plans. Yet, GAO found no specific activities tailored to rural needs in areas grantees identified as most challenging. A better understanding of the capacity challenges rural districts face could help Education better target its technical assistance to districts that need it the most.

In response to GAO's survey, many RTT states reported that technical assistance from Education officials and its contractor was more helpful than other RTT resources, such as web-based materials. Ten states also reported they would benefit from additional support in areas such as training and professional development. Education created a new office to oversee and provide coordinated support to RTT and other programs, and intends to develop office-wide coordinated technical assistance policies. Federal internal control standards note that adequate policies help ensure that actions are taken to address risks to achieving an agency's objectives. However, Education has not determined the type or amount of technical assistance to be provided and its policies are still being developed. RTT's \$43 million technical assistance contract ends in June 2015, which may create a gap in assistance to states. Unless Education focuses on technical assistance activities that states found most useful, it risks providing ineffective assistance to programs supporting these education reforms.

GAO's panel of RTT and grant experts identified key lessons learned, such as leveraging existing funding flexibilities under federal formula grants, to help address capacity needs and sustain reforms when RTT ends in September 2015. Districts and schools may not, however, be using these flexibilities to their fullest extent, in part because of uncertainty about what is allowed under federal requirements. Federal internal control standards state that information should be communicated in a form that enables an agency to achieve its objectives. Education lacks time frames for finalizing and disseminating new guidance for states to clarify federal formula grant flexibilities; and recognizes the need for, but has not developed guidance to help auditors better understand these flexibilities. Such guidance, when finalized, may help states and districts sustain education reforms, thereby raising student achievement – a primary objective of reform.