



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

THE ASSISTANT SECRETARY

AUG 12 2009

Dr. June Atkinson
Superintendent of Public Instruction
North Carolina Department of Public Instruction
Education Building
301 North Wilmington Street
Raleigh, North Carolina 27601-2825

RECEIVED

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ACCOUNTABILITY
SERVICES

Dear Superintendent Atkinson:

Thank you for submitting additional assessment materials for peer review under the standards and assessment requirements of the *Elementary and Secondary Education Act of 1965 (ESEA)*, as amended. We appreciate the efforts that were required to prepare for the latest peer review that occurred in March 2009.

In a letter to you on January 15, 2009, we enumerated the evidence required for North Carolina's standards and assessment system to be fully approved. Outside peer reviewers and Department staff have evaluated North Carolina's additional submission, which was provided in response to that letter. On the basis of that peer review, I have determined that multiple components of North Carolina's standards and assessment system, including the general assessments, alternate assessments based on grade-level academic achievement standards (NCCLAS), alternate assessments based on alternate academic achievement standards (NCEXTEND1), and end-of-grade (EOG) alternate assessments based on modified academic achievement standards in grades 3 through 8 (NCEXTEND2 EOG) in reading, mathematics and science, still do not meet all the statutory and regulatory requirements of section 1111(b)(1) and (3) of the ESEA. Specifically, I cannot approve North Carolina's standards and assessment system due to the unresolved need for additional evidence related to academic achievement standards, technical quality, alignment, inclusion and reports for the general assessments in reading mathematics and science, the NCEXTEND1, and the NCEXTEND2 EOG.

In addition, North Carolina has failed to provide evidence that the NCCLAS is comparable in content and achievement expectations to the general assessments. Additional evidence regarding the NCCLAS is also required in the areas of academic achievement standards, technical quality, alignment, inclusion and reports. Unless North Carolina is able to demonstrate, prior to the 2009-2010 test administration, that the NCCLAS meets all applicable statutory and regulatory requirements as stated in the *Standards and Assessments Peer Review Guidance (Revised December 21, 2007)*, North Carolina will not be able to use this assessment to meet the requirements of section 1111(b)(3) of the ESEA and will not be able to include results from the NCCLAS in adequate yearly progress (AYP) calculations for the 2009-2010 school year. In that event, North Carolina will also need to demonstrate that the students who take the NCCLAS are also included in an assessment that meets the requirements of section 1111(b)(3) of the ESEA.

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The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

The enclosed list provides greater detail about the evidence North Carolina must submit to the Department to demonstrate full compliance of its standards and assessment system. I have also enclosed detailed comments from the peer review team that evaluated North Carolina's submission, which I hope will help you in gathering the additional required evidence.

Please note that, notwithstanding these concerns, North Carolina may include the results of the NCEXTEND2 EOG assessments in AYP determinations for the 2008-2009 school year, so long as the percentage of proficient and advanced scores on the NCEXTEND1 EOG and NCEXTEND2 EOG assessments combined does not exceed 3.0 percent of all students in the grades assessed at the district or state level.

Because North Carolina was not able to demonstrate that its general standards and assessments, alternate assessments based on grade-level academic achievement standards, and alternate assessments based on alternate academic achievement standards are fully compliant, North Carolina's standards and assessment system remains designated *Approval Pending* and a condition will be placed on North Carolina's Title I, Part A grant award. In addition, North Carolina remains under Mandatory Oversight, as authorized under 34 C.F.R. § 80.12.

In light of North Carolina's continuing Mandatory Oversight status, the fact that the State's standards and assessment system was not in full compliance for the 2007-2008 and 2008-2009 school years, and the significance of North Carolina's non-compliance with the Title I statutory and regulatory requirements, North Carolina must enter into a Memorandum of Agreement (MOA) with the Department demonstrating its commitment and investment of resources necessary to address all outstanding issues in order to administer a fully compliant standards and assessment system during the 2009-2010 school year. The MOA must include a mutually acceptable timeline for how, when and by whom the remaining work will be completed and submitted for peer review, including the submission of quarterly reports of North Carolina's progress. I am asking Sue Rigney of my staff to work closely with your staff to develop this timeline to ensure that it includes all necessary activities and evidence.

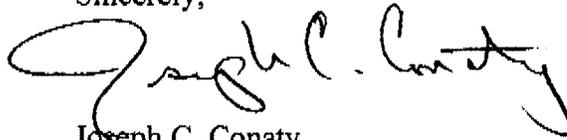
In addition to the issues addressed above, I am unclear how high school students enrolled in the Occupational Course of Studies (OCS) are included in North Carolina's standards, assessment and accountability system. Those students previously took end-of-course (EOC) alternate assessments based on modified academic achievement standards (NCEXTEND2 EOC). North Carolina did not use the results of those assessments in AYP determinations for the 2008-2009 school year. Students enrolled in the OCS, however, must be assessed with assessments that meet the requirements in section 1111(b)(3). Accordingly, North Carolina must indicate in the MOA how those students will be included in its assessment and accountability system for the purpose of determining AYP.

Because North Carolina's standards and assessment system does not meet all the requirements of section 1111(b)(1) and (3) of the ESEA, I am authorized, pursuant to section 1111(g)(2) of the ESEA, to withhold all or a portion of North Carolina's Title I, Part A administrative funds. I will refrain from exercising my authority under that provision as long as North Carolina complies with all material terms of the MOA (which will be specifically identified by the parties prior to signing the MOA), and as long as North Carolina makes a good faith effort to finalize and sign

the MOA on or before September 28, 2009. If, however, North Carolina fails to make a good faith effort to finalize and sign the MOA or, once signed, fails to comply with any material term of the MOA, the Department may initiate proceedings pursuant to the withholding authority. North Carolina may request reconsideration of the decision to require it to enter into an MOA by submitting in writing to me, within 10 days of receipt of this letter, the reasons North Carolina believes an MOA is not justified.

I appreciate the steps North Carolina has taken toward meeting the requirements of the ESEA, and I know you are eager to receive full approval of your standards and assessment system. We are committed to helping you accomplish that goal and remain available to provide technical assistance. If you have any questions or would like to discuss this further, please do not hesitate to contact Sue Rigney (sue.rigney@ed.gov) of my staff.

Sincerely,



Joseph C. Conaty
Delegated Authority to Perform the Functions and
Duties of the Assistant Secretary for Elementary
and Secondary Education

Enclosures

cc: Governor Beverly Perdue
Lou Fabrizio
Tammy Howard

SUMMARY OF ADDITIONAL EVIDENCE THAT NORTH CAROLINA MUST SUBMIT TO MEET ESEA REQUIREMENTS FOR NORTH CAROLINA'S STANDARDS AND ASSESSMENT SYSTEM

2.0 ACADEMIC ACHIEVEMENT STANDARDS

For the NCEXTEND1 (reading, math and science):

- A final report with a detailed description of standard-setting (summer 2009) procedures and characteristics of the standard-setting panel(s). (2.1, 2.2, 2.6)
- Final Achievement Level Descriptors that are subject- and grade-specific. (2.3)

For the NCEXTEND2 (EOG)

- Final revised achievement level descriptors that clearly differentiate performance on the EXTEND2 from the EOG tests (2.3)

For the NCCLAS

- A full description of the standard setting method, panelists, and resulting recommendations used to establish the new NCCLAS achievement standards (2.1, 2.2, 2.6)
- Evidence that the Board has approved new EOG and EOC achievement standards and achievement level descriptors (if needed) so that NCCLAS reflects the same expectations for achievement as the general EOG and EOC assessments (2.1, 2.2, 2.6)

3.0 FULL ASSESSMENT SYSTEM

For the NCCLAS

- Data confirming that NCCLAS datafolios yield comparable results for subgroups, especially LEP students (3.3c)
- Audit results or other data that shows these datafolios are equivalent on content coverage, difficulty and quality (3.3b)
- Confirmation that the achievement standards on NCCLAS represent the same knowledge and skills as achievement standards on the NC EOG & EOC tests (3.5)
- Data confirming that results from the NCCLAS and the general assessments are comparable on the basis of the criteria defined by the State: 1) they measure the same constructs; 2) they are of similar technical quality; 3) the knowledge and skills required to obtain each achievement level are the same on the tests and 4) they have the same predictive validity coefficient. (3.5)

4.0 TECHNICAL QUALITY

Reading and science:

- Data regarding the assessment system's intended and unintended consequences, or a plan and timeline for such data collection (4.1g)
- A clear description of how the results from the different standard setting methods contributed to the final academic achievement standards in reading adopted by the SBE (4.1a-g)

- Evidence of a *system* for monitoring and improving the on-going quality of the assessment (4.5)
- Evidence of a *system* for monitoring the implementation and effectiveness of the accommodations (4.6)

NCEXTEND1

- Evidence that decisions based on the results of this assessment are consistent with the purposes for which the assessment was designed (4.1f)
- Evidence that audits have taken place in the past and that the results have been used to evaluate the administration and scoring procedures (4.5)
- Evidence of how the state assures that the rater scoring processes allow for independent judgments and/or rater reliability at the item/task level (4.2)

NCEXTEND2 (EOG)

- Evidence unintended and intended consequences specific to NCEXTEND2 (4.1g)
- Plan and timeline for quality control procedures for consistency of documents. (4.1, 4.2, 4.5)

NCCLAS

- Audit information to verify that the SEA is tracking the quality and reliability of how teachers are implementing NCCLAS (4.1)
- Evidence that teacher training is provided to assist teachers in implementing NCCLAS in a consistent way (4.5)
- Evidence demonstrating that, for all subjects and grades assessed, the NCCLAS measures the same knowledge and skills across participating students and that the contents of student datafolios are consistent over time. (4.4)
- Evidence regarding intended and unintended consequences caused by the implementation of NCCLAS (4.1g)
- Evidence that the State has determined the reliability of scores it reports (4.2a)
- Evidence of generalizability for all relevant sources and conditional standard error measurement and student classification that are consistent at each cut score as specified in NC academic achievement standards (4.2b and c)
- Evidence that students taking the NCCLAS receive only accommodations (including linguistic accommodations) that do not compromise the validity of student scores (4.3 and 4.6)
- Evidence clarifying whether there are any restrictions on the use of accommodations and modifications for NCCLAS students (4.3 and 4.6)
- Evidence of bias reviews (4.1e)
- Evidence that the State has taken steps to ensure consistency of test forms over time in order to justify trend analyses (4.4)

5.0 ALIGNMENT

Reading, mathematics and science

- Final alignment reports for the EOG mathematics and EOC Algebra I and English I assessments, including a response by the agency for any alignment issues reported by the evaluators (5.2, 5.3, 5.4, 5.5)
- Evidence that the Grades 3 – 8 EOG reading assessments reflects both the content knowledge and procedural or process skills as represented in the State's academic content standards and whether the assessments reflect the same degree and pattern of emphasis that are in the State's content standards (5.3, 5.4)
- A plan that indicates how the State intends to use the results of the alignment studies to make ongoing improvements in the alignment of its Grades 3 – 8 EOG reading and HS EOC English 1 assessments to the English/Language Arts content standards (5.7)
- A plan and timeline for making revisions to the Grade 8 science EOG Form E that will result in depth of knowledge (DOK) consistent with the state content standards (5.7)
- A plan and timeline for making revisions to all four forms of the Biology EOC tests that will result in DOK consistent with the state content standards (5.7)

NCEXTEND1

- A final alignment report as well as a plan and timeline to address any shortcomings noted in the independent alignment study.

NCEXTEND2

- Results from the completed NC EXTEND2 reading alignment study (EOG and EOC) that shows the assessments reflect both the content knowledge and procedural or process skills as represented in the State's academic content standards and whether the assessments reflect the same degree and pattern of emphasis that are in the State's content standards (5.3, 5.4)
- Final NCEXTEND2 science and math alignment reports, accompanied by a plan and timeline, for how the State will address weaknesses found in alignment (5.2, 5.3, 5.4, 5.5, 5.7)

NCCLAS

- Evidence that audit reports have verified that the content of student folders are consistent with and aligned to the curricular expectations and content standards (5.1)
- Evidence from the final Edvantia reports about whether the NCCLAS and standards are aligned comprehensively, that NCCLAS is as cognitively challenging as the standards, whether NCCLAS and the standards are aligned to measure the depth of the standards, and whether NCCLAS reflects the degree of cognitively complexity and level of the difficulty of the concepts and processes described in the standards (5.2)
- Evidence that NCCLAS measures what the standards state students should both know and be able to do.(5.3)
- Evidence that the results are expressed in terms of the achievement standards not just scale scores or percentiles (5.6)
- Evidence that the state has a plan to maintain and improve alignment between the NCCLAS assessments and standards over time, including the state's official response to Edvantia recommendations. (5.7)

6.0 INCLUSION

Reading and science

Data confirming that all high school students have participated in the Algebra I EOC, Biology EOC and English I EOC assessments or the appropriate alternate assessment.

NCEXTEND2 (EOG)

A description of the procedures employed to ensure the annual IEP team review of assessment decisions (6.2.3)

NCCLAS

- The number of NCCLAS students receiving accommodations annually (6.1)
- Evidence that the state has ensured that general and special education teachers know how to administer NCCLAS, including making use of accommodations, for students with disabilities and students covered under Section 504. (6.2)
- Guidelines to determine how to select individual LEP students for participation in NCCLAS (6.3)

7.0 REPORTS

Reading and science

Interpretive guides to support appropriate understanding and use of assessment results as shown in the school and district level reports. (7.1)

NCEXTEND1

- Item analysis report (7.5)
- Interpretive guide for teachers and principals (7.1)

NCCLAS

- Evidence that the State's reporting system facilitates appropriate, credible, and defensible interpretation and use of its NCCLAS results (7.1)
- Evidence that the individual student reports for NCCLAS are valid given that the relationship between the descriptors used on the report and the actual content and scoring criteria is unclear (see section 4) (7.3)
- Evidence that the State has provided for the production of itemized score analyses so that parents, teachers and principals can interpret and address the specific academic needs of students (7.5)