***The following is the transcript of the interview with U.S. Secretary of Education Arne Duncan during a stop in Sunnyvale on Wednesday, May 1. Reporters John Fensterwald and Kathryn Baron asked the questions.***

**EDSOURCE TODAY:**  Are you still open to a district waiver

**Duncan:** They’ve applied, I think our team is looking at it; it hasn’t come to me yet. But, we’re interested in talking to CORE, my sense is the state of California is also potentially interested in coming back in, and just to be very consistent, we remain open for business, and when and if it gets to my desk I’ll look at it very seriously, but whether it’s CORE, whether it’s the state of California, we’re open and happy to have those conversations.

**EDSOURCE TODAY**: You only have one before you right now, which is CORE; you have not invited another round of state applications, if the state submitted one…

**DUNCAN:** Oh absolutely, we’ve been very clear on that from day one, so yeah.

**EDSOURCE TODAY**: and if it submitted it in May would that be too late for next fall?

Um, (pauses). It’s late in the game, and again there are different parts to the waiver, but for me it’s less about the speed of it, it’s getting something that everyone feels comfortable with, again, it’s less about the submission, it’s ultimately about us approving stuff.

So we approved 35, 36 we have another 8 or 10 in the hopper now that we’re working through and getting closer to answers to those states, but, again, if California’s interested, absolutely encourage them to come in and talk.

I’ve met with the governor and have a lot of respect for him, and have a lot of respect for the superintendents and leaders in the CORE districts, and want to continue to have conversations about how we help give children in those districts or across the state a chance to get a world class education, that’s my only interest.

**EDSOURCE TODAY**: So timing is really important, because you said you don’t really want to give a district waiver to a state that has an approval, correct?

**DUNCAN**: That’s absolutely correct. So if the state came in with an application we approved, we’d be working with the state not with a small set of districts.

**EDSOURCE TODAY**: is it possible perhaps that the districts, the only one before you now, gets an approval for a year and then the state comes in if it’s late in the game for this fall, the following fall?

**DUNCAN:** I think anything’s possible, we haven’t worked through sort of all the permutations and ramifications there, but right now, again, folks are going back and forth with the CORE districts, we’ll see where that nets out and we remain ready to talk and open for business if the state wants to come in itself.

**EDSOURCE TODAY**: So you’re not saying formally you must wait for a formal round, the next round of…

**DUNCAN:** Oh, no, no, no.

**EDSOURCE TODAY:** As long as it’s along the lines of the criteria that you set out, as opposed to what it did last year?

They can submit whatever they want, the goal obviously is not to submit, the goal is to try and get something that’s approvable.

**EDSOURCE TODAY**: If for some reason CORE doesn’t get a waiver, or not for a while, what happens when California doesn’t meet AYP?

**DUNCAN**: The consequences are real, they’re not, this is what we’re trying to give people some room to move so you don’t have all these schools labeled as failures. And so we have a lot of problems with No Child Left Behind and that’s why we’ve tried to be very encouraging for states to come in around a new accountability system.

But if the old accountability system is in existence, we are obligated to enforce it.

**EDSOURCE TODAY**: CORE is modeling its application along Ontario in a very different approach to accountability; is there room within NCLB for a waiver for something like that?

**DUNCAN**: Again, I don’t know any of the details of the application, I actually haven’t seen it, but again, we’ve approved 34, 35 states that have many very different interesting ideas, so anyone who’s looking for us to approve a waiver can look at the range of options that we’ve found very, very interesting. Again, tremendous innovation and creativity and frankly, courage coming from states, so lots of models that fit there, but again, we’re open to looking at anything.