



State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF CONTRACTUAL REVIEW

M. J. "MIKE" FOSTER, JR.
GOVERNOR

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

October 22, 2003

Ms. Patti J. Wallace
Procurement Director
Department of Education
Office of Management & Finance
Post Office Box 94064
Baton Rouge, LA 70804-9064

Dear Ms. Wallace:

Enclosed are approved copies of the following contract submitted to us and received in our office on September 19, 2003.

Department of Education

OCR# 678-400560 CFMS# 603573 **Data Recognition Corporation**

The OCR and CFMS numbers preceding the contract name have been assigned by this office and are used as identification for the approved contract. Please use these numbers when referring to the contract in any future correspondence or amendment(s).

The Internal Revenue Service (IRS) may find that this contract creates an employment relationship between your agency and the contract. We should advise you that your agency is responsible for all taxes and penalties if such a finding is forthcoming. It is incumbent upon your agency to determine if an employee/employer relationship exists because of this contract defined by the IRS. If such a relationship does exist, your agency must make the appropriate withholdings according to law and IRS regulations.

We appreciate your continued cooperation.

Sincerely,

Susan H. Smith
Director
Office of Contractual Review

SHS/cg

Enclosures

10/22/03
1

EXECUTIVE RECOMMENDATION FOR EXPENDITURE OF FUNDS

CFMS

TYPE OF EXPENDITURES: Professional Service Contract <input checked="" type="checkbox"/> Social Service Contract <input type="checkbox"/> Legal Service Contract <input type="checkbox"/> Interagency Agreement <input type="checkbox"/> Property Lease <input type="checkbox"/> Cooperative Endeavor <input type="checkbox"/>	ST.: New <input checked="" type="checkbox"/> Renewal <input type="checkbox"/> Amendment <input type="checkbox"/> CFMS	DATE OF REQUEST: <u>August 2003</u> Receive/Refer Special Consideration <input checked="" type="checkbox"/> Emergency	CONTRACTOR INFORMATION: Name: <u>Data Recognition Corporation</u> Tax I.D.: <u>41-1810970</u> Telephone: <u>(800) 826 2368</u> Address: <u>13490 Bass Lake Rd</u> <u>Maple Grove, MN 55311</u>
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603573

BILLING BASIS: Cost Reimbursement: _____ Other (Explain.): <u>quarterly</u>	LDE INFORMATION: Office: <u>Student and School Performance</u> Division/School: <u>Student Standards and Assessments</u> Contact Person: <u>Scott M. Norton</u> Telephone: <u>342-3406</u>	DATE SERVICE TO BE PROVIDED: Beginning Date: <u>9/01/03</u> Ending Date: <u>6/30/08</u> Duration: <u>5 years</u> Revised Ending Date: _____
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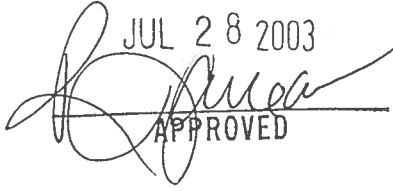
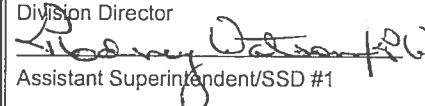
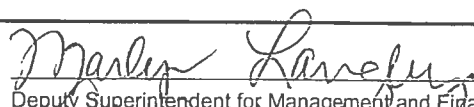
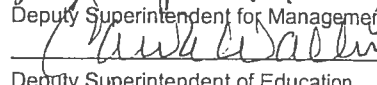
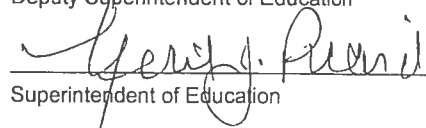
SELECTION/ALLOCATION PROCESS: Competitive: <u>RFP</u> Non-Competitive Formula: _____ Formula Citation: _____	FUND INFORMATION: *Source of Funds: <u>federal Title-State Assessment Admin.</u> CFDA if Federal: <u>84.369 A</u> Agency Code: <u>678</u> Expend. Org. Code: <u>2357</u> Object Code: <u>3460</u> Sub-Object Code: _____ Reporting Category: <u>* 4576</u> * For all IDEA Part B Funds Only Date Recommended for Approval by the Special Education Advisory Council Date: _____ (See attached for coding)	AMOUNT/BUDGET: Salaries _____ Other Compensation _____ Related Benefits _____ Travel _____ Operating Services _____ Supplies _____ Professional Services <u>27,486,816</u> Other Charges _____ Interagency Transfers _____ Acquisitions/Major _____ Repairs _____ Total <u>27,486,816</u>
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CONTRACT OFFICE USE ONLY: Class/Subclass # _____ Contracting Agcy # _____ Contracting User # _____ T-Number <u>YEAR 1 - 3,622,104</u> <u>YEAR 2 - 5,162,021</u> <u>YEAR 3 - 7,193,897</u> <u>YEAR 4 - 5,700,900</u> <u>YEAR 5 - 5,067,895</u>	* For all IDEA Part B Funds Only Date Recommended for Approval by the Special Education Advisory Council Date: _____ (See attached for coding)
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DESCRIPTION OF SERVICES TO BE PROVIDED:
 Contractor will develop and implement augmented norm-referenced tests in English Language Arts and Mathematics and criterion-referenced tests in Science and Social Studies for Grades 3, 5, 6, 7, and 9. These services will be provided during the time period September 1, 2003 through June 30, 2008.

JUSTIFICATION FOR CONTRACT: No Child Left Behind Legislation and BESE policy.

APPROVALS

BUDGET APPROVAL STATE ACTIVITIES BUDGET DIVISION OF EDUCATION FINANCE JUL 28 2003  APPROVED	Scott M. Norton Division Director  Assistant Superintendent/SSD #1	 Deputy Superintendent for Management and Finance  Deputy Superintendent of Education  Superintendent of Education
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STATE OF LOUISIANA

CONTRACT

On this 22 day of July, 2003, the Louisiana Department of Education, hereinafter sometimes referred to as the "State", and **Data Recognition Corporation, 13490 Bass Lake Road, Maple Grove, MN 55311**, hereinafter sometimes referred to as the "Contractor," do hereby enter into a contract under the following terms and conditions.

1.0 SCOPE OF SERVICES

Contractor hereby agrees to furnish services to State as specified in Section 3.0 through 3.2.

1.1 CONCISE DESCRIPTION OF SERVICES

Contractor will develop and implement augmented norm-referenced tests in English Language Arts and Mathematics and criterion-referenced tests in Science and Social Studies for Grades 3, 5, 6, 7, and 9. These services will be provided during the time period September 1, 2003 through June 30, 2008.

1.2 COMPLETE DESCRIPTION OF SERVICES

A full description of the scope of services is contained in the following Attachments which are made a part of this contract:

Attachment I - Statement of Work (Sections 3.0 through 4.13 from the DRC Proposal)
Attachment II - Management Support (Section 7.0 from the DRC Proposal)
Attachment III - Negotiated Agreement between DRC and the Louisiana Department of Education

2.0 ADMINISTRATIVE REQUIREMENTS

2.1 TERM OF CONTRACT

This contract shall begin on September 1, 2003 and shall end on June 30, 2008, contingent on the availability of funds and a favorable evaluation of Contractor's performance at the end of each fiscal year. This contract can be extended through June 30, 2015.

2.2 WARRANTIES

The Contractor agrees to indemnify, defend and hold harmless the LDE, the State, and the SBESE and its and their respective employees, officers, and elected officials from and against any and all damages, claims, liabilities, judgments, awards, losses, costs, expenses, fines, penalties, including punitive or exemplary damages, and all costs of defense, directly and exclusively caused by the misconduct or violation of any law or regulatory requirement by Contractor or any of its officers, directors or employees relating to the services provided under this Contract.

2.3 TAXES

Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract. Contractor's federal tax identification number is **41-1810970**.

2.4 CONFIDENTIALITY

All financial, statistical, personal, technical and other data and information relating to the State's operations which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which becomes available to the Contractor in carrying out this contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. Contractor shall not be required to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties.

3.0 TECHNICAL REQUIREMENTS

3.1 STATEMENT OF WORK

Contractor will perform services according to the terms of this Contract and according to the Statement of Work (SOW) in Attachment I. The contractor agrees to deliver all items required by this RFP in accordance with the dates indicated in the project schedule, section 2.5, of this RFP.

3.2 PROJECT MANAGEMENT

Contractor shall provide, at a minimum, the following project management functions:

- A. Contractor will provide day-to-day project management using best management practices for all tasks and activities necessary to complete the Statement of Work.
- B. *Provide Project Work Plan* - Contractor shall develop and maintain a Project Work Plan which breaks down the work to be performed into manageable phases, activities and tasks as appropriate. The work plan will identify: activities/tasks to be performed, project personnel requirements (both State and Contractor), estimated workdays/personnel hours to complete, expected start and completion dates. Scheduled completion dates for each deliverable shall specifically be included. Written concurrence of both parties will be required to amend the Work Plan. The Project Work Plan shall be approved by the State before project payments are made.
- C. *Provide Project Progress Reports* - Contractor shall submit monthly progress reports signed by the Contractor's Project Manager to the State, no later than 10 days after the close of each calendar month. Each progress report shall describe the status of the Contractor's performance since the preceding report, including the products delivered, descriptions of problems encountered with a plan for resolving them, the work to be accomplished in the coming reporting period, and identifying issues requiring management attention, particularly those which may affect the scope of services, the project budget, or the deliverables to be provided by the Contractor. Each report shall identify activities by reference to the Project Work plan.
- D. *Provide Time Reports* - Accompanying each Progress Report, the Contractor shall submit time reports to the State Project Director indicating effort expended and work performed by key personnel and departments of its, or its subcontractors' staff, participating in this contract. Time reports shall, at a minimum, identify the name of the individual performing the work and the number of hours worked during the period by Work Plan task.
- E. *Provide Issue Control*. Contractor will develop and implement with State approval,

procedures and forms to monitor the identification and resolution of key project issues and problems.

3.3 QUALITY ASSURANCE REVIEWS

State reserves the right to conduct Quality Assurance Reviews at appropriate checkpoints throughout the project. Contractor will facilitate the review process by making staff and information available as requested by the reviewers at no additional cost to the State.

3.4 CONTRACTOR RESOURCES

Contractor agrees to provide the following Contract related resources:

Key Personnel -

- The Project Director will oversee and monitor the planning, scheduling, progress, and quality of the work.
- The Scoring Project Leader will oversee and monitor scheduling, coordination, and quality control of all field test and operational hand-scoring activities.
- The Lead Psychometrician will oversee the technical tasks and issues that relate to item development, sample selection, field test form design, and field test data analysis. He will also oversee the technical tasks and issues that relate to item selection, test form equating, sample selection, calibration, scaling, reporting, and other analysis.

These designated individuals are sometimes referred to hereafter as "Key Personnel."

No Key Personnel shall be removed or reassigned from duties under the State contract(s) by the contractor without the prior, written approval of the State Project Director. In the event that the contractor removes or reassigns any Key Personnel from duties under the State contracts without the prior written approval of the State Project Director, then the LDE shall have the right, in its sole discretion, to assess a penalty of \$10,000 to be set off and deducted from the LDE's next scheduled payment to the contractor. This penalty is in addition to any other rights or claims that the State may assert for such breach. The LDE shall have the right to assess this penalty each time the contractor fails to obtain the required approval.

Further, in the event that any Key Personnel become unavailable to provide services under the State contract(s) due to resignation, illness or other factors outside of the contractor's reasonable control, then the contractor shall be responsible for proposing an equally qualified replacement acceptable to the State Project Director in time to avoid delays to the work plan. The contractor shall give the State Project Director prior written notice of the individual or individuals proposed to replace designated Key Personnel and shall obtain the State Project Director's prior written approval, which approval shall not be unreasonably withheld. Failure to notify the State Project Director and obtain the State Project Director's prior written approval of replacement personnel shall give the LDE, in its sole discretion, the right to assess a penalty of \$10,000 to be set off and deducted from the LDE's next scheduled payment to the Contractor. This penalty is in addition to any other rights or claims that the State may assert for such breach. The LDE shall have the right to assess this penalty each time Contractor fails to obtain the required approval.

3.5 STATE PROJECT DIRECTOR

State shall appoint a Project Director for this Contract who will provide oversight of the activities conducted hereunder. The Project Director shall be the State Director of Division of Student Standards and Assessments. The assigned State Project Director shall be the principal point of contact on behalf of the State and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

3.6 ELECTRONICALLY FORMATTED INFORMATION

Where applicable, State shall be provided all documents in electronic format, as well as hard-copy. Electronic media prepared by the Contractor for use by the State will be compatible with the State's comparable desktop application (e.g., spreadsheets, word processing documents). Conversion of files, if necessary, will be Contractor's responsibility. Conversely, as required, Contractor must accept and be able to process electronic documents and files created by the State's current desktop applications.

3.7 ACCEPTANCE OF DELIVERABLES

Contract deliverables will be submitted, reviewed, and accepted according to a schedule developed by the LDE and Contractor.

3.8 Printing of Public Documents

Contractor hereby agrees that prior to final publication of reports, documents, or publications of any nature, that the final versions will be proofread by the contractor's professional editors and reviewed by the LDE personnel, and that no final printing will occur until the contractor has advised the LDE in writing that the material has been proofread, and the Department's approval to print has been received.

4.0 COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a maximum fee of **\$27,486,816** . Contractor will comply with the Division of Administration State General Travel Regulations, as set forth in Division of Administration Policy and Procedure Memorandum No. 49. Payment will be made only on approval of Project Director as per the following schedule which excludes the travel reimbursements:

December 31, 2003	\$1,086,630.00	
March 31, 2004	\$1,086,630.00	
June 30, 2004	\$1,448,844.23	3,622,104.23
September 30, 2004	\$1,290,505.00	701,663 - amendment for - 747,181
December 31, 2004	\$1,290,505.00	
March 31, 2005	\$1,032,404.00	5,162,020.50
June 30, 2005	\$1,548,606.50	1,989,040.00
September 30, 2005	\$1,586,780.00	
December 31, 2005	\$1,586,780.00	7,933,189.50
March 31, 2006	\$2,380,170.00	
June 30, 2006	\$2,380,167.05	1,958,636.05 Reduce 42,531.00 Amend
September 30, 2006	\$1,425,225.00	
December 31, 2006	\$1,425,225.00	5,700,900.27
March 31, 2007	\$1,425,225.00	
June 30, 2007	\$1,425,225.27	
September 30, 2007	\$1,266,973.00	
December 31, 2007	\$1,266,973.00	5,067,891.73

March 31, 2008	\$1,266,973.00
June 30, 2008	\$1,266,975.73

5.0 TERMINATION

5.1(a) TERMINATION FOR CAUSE

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract; provided that the Contractor shall give the State written notice specifying the State's failure and a reasonable opportunity for the state to cure the defect.

5.2(b) TERMINATION FOR CONVENIENCE

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor an effective date thereof. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

6.0 REMEDIES FOR DEFAULT

Any claim or controversy arising out of the contract shall be resolved pursuant to terms to be incorporated as set forth in the request for proposal (including liquidated damages), or, if not otherwise provided in the RFP, by the provisions of LSA - R.S. 39:1524 - 1526.

7.0 AVAILABILITY OF FUNDS

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated. Such termination shall be without penalty or expense to the State except for payments which have been earned prior to the termination.

8.0 OWNERSHIP OF PRODUCT

Upon completion of this contract, or if terminated earlier, all software, data files, documentation, records, worksheets, or any other materials related to this contract, which are developed exclusively by Contractor for LDE with funds provided pursuant to this Contract, shall become property of the State. **Such software, data files, documentation, records, worksheets, or other materials shall be considered the result of work-for-hire, and Contractor hereby transfers and assigns to the State any intellectual property rights, including but not limited to the copyright, in and to any such software, data files, documentation, records,**

worksheets, or other materials. Copies of such software, records worksheets, or materials shall be delivered to the State within thirty days of the completion or termination of this contract. Any release of information or documents without the written permission of the LDE shall be considered a breach of the terms of this contract and, at the sole option of LDE, shall be cause for immediate termination of the contractor imposition of liquidated damages of 5 percent of the total contract amount.

9.0 NONASSIGNABILITY

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

10.0 RIGHT TO AUDIT

Contractor grants to the Office of the Legislative Auditor, Inspector General's Office, the Federal Government, and any other duly authorized agencies of the State where appropriate the right to inspect and review all books and records pertaining to services rendered under this contract. Contractor shall comply with federal and/or state laws authorizing an audit of Contractor's operation as a whole, or of specific program activities.

11.0 RECORD RETENTION

Contractor agrees to retain all books, records, and other documents relevant to this contract and the funds expended hereunder for at least three years after project acceptance, or as required by applicable Federal law.

12.0 AMENDMENTS IN WRITING

Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when they have been reduced to writing, duly signed. No amendment shall be valid until it has been executed by all parties and approved by the Director of the Office of Contractual Review, Division of Administration.

13.0 NON-DISCRIMINATION

Contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities, or because of an individual's sexual orientation. Any act of discrimination committed by Contractor, or failure to comply with these obligations when applicable shall be grounds for termination of this contract.

14.0 HEADINGS

Descriptive headings in this contract are for convenience only and shall not affect the construction or meaning of contractual language.

15.0 ENTIRE AGREEMENT AND ORDER OF PRECEDENCE

This contract, (together with the Request for Proposals and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's Request for Proposals, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.

This contract shall, to the extent possible, be construed to give effect to all provisions contained therein: however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals and the Proposal; second priority shall be given to the provisions of the Request for Proposals and amendments thereto; and third priority shall be given to the provisions of the Proposal.

16.0 ENERGY POLICY AND CONSERVATION ACT

Contractor recognizes the mandatory standards and policies relating to energy efficiency with are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

17.0 CLEAN WATER ACT

Contractor agrees to adhere to all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under nonexempt Federal contracts, grants, or loans of facilities included on the EPA List of Violating Facilities.

THUS DONE AND SIGNED on 7/24/03

STATE AGENCY SIGNATURES:

Robyn Watson
Assistant Superintendent
Office of Student and School Performance

Marlyn Langley
Deputy Superintendent
Management and Finance

Cecilia Wallin
Deputy Superintendent of Education

Carol J. Beard
State Superintendent of Education

Paula Poston
President, State Board of Elementary and
Secondary Education

CONTRACTOR SIGNATURE:

Susan Singelstein

Tax I.D. # 41-1810970

Telephone: (763) 268-2000

APPROVED
Office of the Governor
Office of Contractual Review

OCT 22 2003
Susan Smith
Director

APPROVED
DEPARTMENT OF
STATE CIVIL SERVICE

SEP 19 2003
Allen H. Reynolds
DIRECTOR

1. The proposal indicates that no short, or “survey,” form is available from Riverside Publishing at grade 9. Instead, the proposal recommends the use of the Complete Battery of the ITED form at grade 9. The LDE has some concerns about the length of the proposed test at grade 9. Is there an alternate plan that would allow grade 9 students to receive NRT and CRT scores in ELA and Math, without taking the Complete Battery of the ITED form that is proposed? By Spring 2005, can Riverside Publishing construct a short form of the ITED, based on the Complete Battery?

While it is correct that there is not a “Survey” form of the *Iowa Tests of Educational Development (ITED)* at grade 9, Riverside would like to clarify that only the Core tests of the Complete Battery—Reading, Language, and Math—are included in the proposal. Each of these content areas is approximately 40 minutes in length, which is only 10 minutes longer than the separate content-area tests in the *ITBS* Survey Battery. The Core Battery of *ITED* that Riverside has proposed will give LDE more questions, yielding more comprehensive measurement that is developmentally appropriate for grade 9 students.

If the LDE wishes to pursue a customized option by spring 2005 that would produce a shorter form of *ITED*, Riverside would be willing to discuss the scope of work necessary and provide related costs.

2. The proposal states that two forms of the ITBS and ITED are available; however, the proposal only appears to identify Form B for this project. What is the other form that is proposed?

For the second form of The Iowa Tests, Riverside will provide a new test form parallel to Form B at no cost.

3. In Section 3.1 (Development of Assessment Frameworks), the proposal states that Riverside will develop two of the frameworks (ELA and Math) and DRC will develop the other two frameworks (Science and Social Studies). We have some concern that this is not the most convenient plan for the LDE. It may also result in some inconsistencies across subjects. DRC should present a plan that assures the LDE that assessment framework development is consistent and seamless across content areas.

DRC will work with Riverside to develop a plan that ensures a consistent and seamless process for the development of the assessment frameworks. The plan will be presented to the LDE for review at the kickoff meeting September 11-12, 2003. Our plan will include, but not be limited to, the following:

DRC will manage the process involving the development of the assessment frameworks for the NRT/A and the CRT. We will facilitate all external discussions to ensure that there is a consistent and seamless process in place.

Along with the DRC project management team, we propose to the LDE that DRC's lead content area test development specialist for reading and lead content area assessment specialist for mathematics attend all pertinent content-area test development meetings for the NRT/A. We believe that this will provide for a consistent and seamless process for conducting all test development meetings.

DRC will prepare a summary of all NRT/A and CRT meetings and will serve as the point of contact for the coordination of all assessment framework discussions and meetings.

4. DRC should be open to further alignment analysis of the tests to grade-level expectations. In the end, the LDE expects that the item development and augmentation will be somewhat less extensive than what is proposed. The LDE needs assurance that the two companies will continue the alignment analysis based on the LDE's refined criteria.

Under the direction of the DRC and Riverside lead content-area assessment specialists, development teams will continue the alignment analysis based upon the LDE's refined criteria. DRC and Riverside understand that as a result of the continued alignment analysis, changes to the proposed test design, outlined in our proposal, may be requested. DRC and Riverside will make all requested changes to the test design as directed by the LDE. DRC will manage the process to ensure the LDE that there will be a consistent and seamless approach to the alignment analysis across the two companies.

5. For Item Development, the LDE has concern about the work being spread across two companies (ELA and Math by Riverside, and Science and Social Studies by DRC). In the proposal, two different item development processes are explained. This is acceptable, but the LDE needs assurance that any differences in the item development procedures across the two companies will be invisible to the LDE. For example, item development meetings should be handled jointly, one overall point of contact is preferred, item development conference calls should be handled jointly, and so on. We also prefer one standardized format in regard to the item review, item cards, etc.

In our proposal two internal item development processes are described. One process involves Riverside's internal development process for the development of items for an augmented NRT and the other process describes DRC's internal development process for the development of items for a CRT. DRC will manage the overall process so that procedural differences between the two companies will be invisible to the LDE. For example, there will be a standardized format for all item reviews and for the presentation of all materials, including the agendas, review protocols, item cards, and name tags. All item development meetings will be handled jointly, with DRC's lead content-area test development specialists and Riverside's lead test development specialists in attendance. DRC's project management staff will oversee and manage the entire process. The overall point of contact for these meetings will be DRC, with Ann Payne, DRC Project Director, serving as the point of contact.

6. In Section 3.1, the proposal states that an Item Development Manager will be appointed. This person can keep the process organized between the two companies, but the LDE prefers that the primary contract on this part of the project be with the Project Director Ann Payne.

Ann Payne will serve as the Project Director responsible for managing the item development process between the two companies. She will serve as the primary contact on this part of the project.

7. (Section 3.1) A team or a pool of item writers should handle item-writing tasks, with one person serving as the overall contact for the LDE content specialist. This allows for a greater variety of items and does not focus undue pressure on one individual. The LDE needs assurance that this is an agreeable plan. The LDE can meet with the writers to review the item development chart and review the *Teachers' Guides to Statewide Assessment*. Also, please clarify the main item writing contact person for each content area. Several names are stated in the proposal, but a recap of the lead writers would be helpful.

DRC agrees that there will be one point of contact for each content area. This individual will serve as the overall contact for the LDE content specialist. The point of contact for each content area will be as follows:

Reading – Randi Forrest (resume attached)

Mathematics – Mark Schmit (resume attached)

Science – Robert Poppe

Social Studies – Don Hymel

8. In Section 3.1, the proposal states that Pacific Metrics will develop the *Teachers' Guides*; however, the diagram on page 3 shows that Riverside will develop the *Teachers' Guide* for two subjects. We prefer one developer for the *Teachers' Guides* and we suggest that the DRC Project Director remain the primary point of contact for this part of the project. We also may want to pursue the use of a consultant for the development of the guides.

Ann Payne, the DRC Project Director will remain the primary point of contact for the development of the *Teachers' Guides*. As in other collaborations in the proposal, Riverside and Pacific Metrics will work closely with the LDE and other contractors to ensure a seamless program. We will work together to set up templates and style sheets so that the overall quality and flow of the guides are similar for each content area. Alternately, DRC understands that the LDE may decide to have the *Teachers' Guides* developed all or in part by a consultant of LDE's choosing. If an outside consultant is desired, both DRC and Riverside will work closely with this individual to ensure consistency among the guides. Riverside would like to note that there are certain requirements for the *Teachers' Guides* that must be maintained for the integrity of the norm-referenced portion of the test. In order to keep the intent as close as possible to the standardization, Riverside would require final review of the guide should another contractor be responsible for the development. As needed, DRC will make necessary adjustments to our cost proposal. In all instances, DRC will be responsible for

coordinating the work, including reviewing, editing, and proofing and all pre-press and production work.

9. Section 3.4 proposes six days of item review for Science and Social Studies. During the school year, it will not be possible for teachers to attend item review for six consecutive days. Once the blueprint and development schedules are finalized, this may not be necessary, if the total number of items to be developed is reduced. However, if six days are necessary, alternate plans will need to be developed so that teachers are not asked to be out of their schools for this extended period.

DRC understands that the number of days for the science and social studies committee reviews may be revised based upon the final test development plan or test design blueprint, as well as the test development schedules. We will work with the LDE to develop a plan for efficiently maximizing committee review time, remaining cognizant of constraints on teachers' time.

10. We prefer to have one enrolment online system and one accountability cleanup system for both the LEAP 21/GEE 21 and the NRT/A and CRT programs.

DRC will have one online enrollment system and one accountability cleanup system that will be used for the LEAP 21/GEE 21, LAA and the NRT/A and CRT programs.

11. We suggest that all the developed items and item analysis data should be stored in the LDE's Item Management System.

All newly developed items and item analysis data will be stored in the LDE's Item Management System. The exception to this rule will be the NRT items from The Iowa Tests in that only the Louisiana-specific item statistics for the Iowa Test items, not the actual items, can be stored in the Item Management System.

12. In general, the proposed costs exceed the LDE's proposed budget. We suggest the following solutions and will need a revised budget before we begin contract preparation:

- a. The costs for NRT/A Support Services should be removed. This scope of work, while containing some good suggestions, goes beyond what the LDE was considering and the proposed costs are too high. This will eliminate the following costs from the cost proposal:

2005-2006:	\$1,025,792.66
2006-2007:	\$1,031,553.10
2007-2008:	\$1,037,041.01

A revised budget should be presented with these costs removed.

DRC agrees to reduce our proposed price for the NRT/A and CRT assessments by \$3,094,386.70. This price reduction includes the elimination of NRT/A Support

Services for years 3, 4, and 5 of the contract as well as LAA-B reports. Attached is a revised Cost Summary.

- b. All LAA-B testing has been eliminated by a state board policy change. The revised budget should be submitted with those costs removed. Also, a yearly “cost savings summary” should be provided, indicating the amount of cost reduction that is directly attributable to the removal of LAA-B testing (by year).

DRC agrees to reduce our proposed price for the NRT/A and CRT assessments by \$3,094,386.70. This price reduction includes the elimination of LAA-B reports as well as NRT/A Support Services for years 3, 4, and 5 of the contract. Attached is a revised Cost Summary.

Additionally, once a contract is in place:

- c. We reserve the right to continue negotiations for the item development if the scope of work is reduced. Once the alignment studies, assessment frameworks, and blueprints are finalized, the result may be a smaller item development scope of work than what was proposed.
- d. We reserve the right to reduce the scope of work for handscoring services. For example, we may use one scorer, rather than two scorers, for certain items. This may be true for the field test, the operational test, or both.
- e. We reserve the right to negotiate the price for reports. In the RFP, we conservatively planned for a full complement of CRT reports along with a full complement of NRT reports. It is very likely that some of these reports will be dropped, combined, or reduced in scope.
- f. We reserve the right to continue the negotiations for the field test form design and the field test administration plan if the scope of item development work is reduced.
- g. We reserve the right to negotiate the scaling and equating design. DRC proposed a plan that spirals the first-year operational forms by student, within classroom. Although this may be a good plan, we suggest that the Louisiana Technical Advisory Committee (TAC) make recommendations prior to the actual operational test. A simpler plan may result in some cost savings to the LDE.
- h. We reserve the right to negotiate the proposed standard setting design (Section 4.11). The proposed design is very comprehensive but also quite expensive. We envision that a somewhat simpler procedure may be possible.

DRC acknowledges points 12 c. through h. If the LDE chooses to change the scope of any of this work during the period of this contract, DRC will adjust the cost proposal accordingly.

7/28/2003

FORM NO. BA-22-PS

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
REQUEST FOR PROFESSIONAL SERVICES

RECEIVED
LA DEPT OF EDUCATION

2003 JUL 28 PM 12:59

NAME OF AGENCY DEPARTMENT OF EDUCATION STATE ACTIVITIES
 ADDRESS OFFICE OF STUDENT AND SCHOOL PERFORMANCE
P.O. BOX 94095 BATON ROUGE, LA 70802
 DATE 28-Jul-03
 BUDGET UNIT NUMBER 19-678

Amendment

COMMISSIONER OF ADMINISTRATION
DIVISION OF ADMINISTRATION
CLAIBORNE BUILDING
BATON ROUGE, LOUISIANA

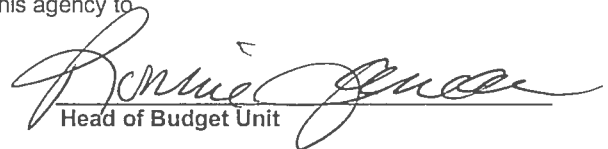
2003/2004

Dear Sir:

Attached hereto is our contract, dated September 1, 2003, in the amount of \$3,622,104 for the remaining of fiscal year, for Data Recognition Corporation.

Funding		Percentage	Amount
State	See Attached	0%	0
IAT		0%	0
Self-Generated Funds		0%	0
Federal Funds		100%	3,622,104
TOTAL	See Attached	100%	3,622,104
E/O			2357
			Total
Budgeted for Professional Services			8,799,418
Expenditure Code	<u>3460</u>		8,799,418
Current amount			3,622,104
Amount previously obligated			978,948
Balance		0 0	4,198,366
			0 4,198,366

The approval of the aforementioned Professional Services will not cause this agency to be placed in a line item deficit.


Head of Budget Unit

Data Recognition Corporation Contract
5 years

		Org. #/Rptg. Cat.#	
Year 1	FY03	1,664,924	2537 /3576
	FY04	1,957,180	2537 /4576
	Total	3,622,104	2357

		Org. #/Rptg. Cat.#	
Year 2	FY04	3,159,366	2537 /4576
	FY05	2,002,655	2537 /5576
	Total	5,162,021	2357

		Org. #/Rptg. Cat.#	
Year 3	FY05	3,261,698	2537 /5576
	FY06	4,672,199	2537 /6576
	Total	7,933,897	2357

1,000,000.00
ORS.# 1305/7137
4,700,900
ORS.# 2357/7576

		Org. #/Rptg. Cat.#	
← Year 4	FY06	592,154	2537/6576
	FY07	5,108,746	2537 /7576 -
	Total	5,700,900	2357

*All in Rpt Cat 7576
Hester*

		Org. #/Rptg. Cat.#	
Year 5	FY07	155,607	2537 /7576 -
	FY08	4,912,288	2537 /8576
	Total	5,067,895	2357

Total 5 yr. Contract	27,486,817	6
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