

Minutes of the Special Meeting of the
STATE BOARD OF EDUCATION
OLIVER HODGE EDUCATION BUILDING:
2500 NORTH LINCOLN BOULEVARD, ROOM 1-20
OKLAHOMA CITY, OKLAHOMA

December 6, 2012

The State Board of Education met in special session at 1:30 p.m. on Thursday, December 6, 2012, in the Board Room of the Oliver Hodge Education Building at 2500 North Lincoln Boulevard, Oklahoma City, Oklahoma. The final agenda was posted at 1:30 p.m. on Wednesday, December 5, 2012.

The following were present:

Ms. Connie Holland, Chief Executive Secretary
Ms. Terrie Cheadle, Administrative Assistant

Members of the State Board of Education present:

State Superintendent Janet Barresi, Chairperson of the Board
MG (R) Lee Baxter, Lawton
Ms. Amy Ford, Durant
Ms. Joy Hofmeister, Tulsa
Mr. William "Bill" Price, Oklahoma City
Mr. William "Bill" Shdeed, Oklahoma City

Members of the State Board of Education not present:

Mr. Brian Hayden, Enid

Others in attendance are shown as an attachment.

**CALL TO ORDER
AND
ROLL CALL**

Superintendent Barresi called the State Board of Education special meeting to order at 1:30 p.m. and welcomed everyone to the meeting. Ms. Holland called the roll and ascertained there was a quorum.

**PLEDGE OF ALLEGIANCE, OKLAHOMA
FLAG SALUTE, AND MOMENT OF SILENCE**

Superintendent Barresi led Board members and all present in the Pledge of Allegiance to the American Flag and a salute to the Oklahoma Flag, and a moment of silence.

STATE SUPERINTENDENT

Information from the State Superintendent

Superintendent Barresi – Thank you, Board Members, for attending the special meeting. It will greatly facilitate us as we move forward in developing our test for this spring for grades 3 through 8. I appreciate it.

We have been very busy. You may have seen reports that the A through F Report Cards have been sent out and posted. Ms. Maridyth McBee, Assistant State Superintendent, Office of Accountability and Assessments, will present an expanded report at the December 19, 2012, regular State Board meeting. The state received a report card as well, and we will be having our Raise the Grade Together talks within the SDE.

We have been working intently with Douglass High School and Oklahoma City Public Schools officials around the issue at Douglass. We have been working with them first on auditing all senior transcripts. The audit for the juniors is beginning now. The school district is working on developing master schedules for the second semester and strategies for best success.

Ms. Melissa White, Executive Director, Counseling/ACE – I have been working with Douglass High School, and we are looking at the plan they have in place. Within the plan, there will be a request for the State Board of Education through deregulation and statutory waiver to look at seat time requirements. That procedure takes place with the schools that offer alternative education programs. We think one of the best ways to meet the needs of the students is to look at implementing an alternative education program within their high school and offering the needed classes without the requirements of seat time. We have reviewed the paperwork and procedures and determined that we are on track to present at the next regular State Board meeting.

Board Member Ford – I know that a number of people in the community have stepped up to provide food and time. On behalf of the Board, please extend our gratitude and appreciation to those who are stepping up and to the instructors who clearly have a challenge.

Superintendent Barresi – I want to present a very important citation from the Governor to Mr. Marty Fulk, Media Services, for 35 years of service. He works many hours above and beyond, and we all love him. This citation is not just for his service to the SDE or the state but

most importantly to the children of this state through his work. We want you to know how much we appreciate and value you.

ACADEMIC AFFAIRS

Office of Accountability and Assessments

Recommendation to the Oklahoma Department of Central Services to Award the Contract for the Oklahoma Testing Program Grades 3 through 8 Assessments Approved

Ms. Maridyth McBee, Assistant State Superintendent, Office of Accountability and Assessments – I urge you to approve the award of the contract for grades 3 through 8 assessment to CTB McGraw Hill. We have had a very interesting process in selecting this vendor. The Department of Central Services (DCS) was kind to work with us when we needed to do a rebid. They came up with a process that was extremely fair and unbiased and in a timelier manner than in the past. Because I have personal and professional relationships with people from every contractor that has been in the last round, I recused myself just to make sure that there would be no favoritism or the appearance of favoritism.

The companies that chose to bid went through a multi round steps. The companies in the first step submitted a six-page document that gave claims about their company and why they were good. They also gave a list of the risks, and we have many because we are late in the year awarding this contract. The risks were in delivering the contract, and lastly they talked about the value add and what they would add in addition to what has been requested in the past for this particular contract. The evaluation committee did not know which company was which, so it was a blind evaluation, and they looked at their comments and rated them. If the companies looked the same and met the requirements then they moved on to round two, which was an interview. Interviews were conducted differently than in the past. Instead of having numerous representatives from the company, we interviewed the program manager and project director that oversees the program and works closely with the Department. The project director is that person that assists the program manager. Each came and had a 20-minute interview, and all were asked the same questions. The DCS oversaw and chaired the interviews. Our group was present but did not instigate the questions and responses. From that round, based on ratings, the highest rated company moved to the third round, which they call the clarification process. The company receiving the most points from the first and second round was asked to come to the table and respond to our scope of work put forth, which is complex for the Grades 3 through 8 contract. We then were able to negotiate with the companies about what we liked and needed to tweak as we go forward. If we had not been able to come to an agreement, we would have gone to the company with the next highest rating. We came to an agreement, which is why I urge you to approve our recommendation to the DCS to award the grades 3 through 8 contracts to CTB McGraw Hill.

Board Member Hofmeister – Who was the evaluation committee?

Ms. McBee – The evaluation committee was composed of the Student Assessment staff and chaired by Ms. Joyce DeFehr, Executive Director, State Testing.

Board Member Hofmeister – These are SDE personnel, not DCS personnel, right.

Ms. McBee – Right. They facilitated the meeting. They set it up, and came up with the questions. Ms. DeFehr had an opportunity to tweak the questions, but DCS put them together.

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Ms. DeFehr along with Ms. Sonja Fitzgerald, Math Specialist; Ms. Gayle Loving, Finance/Monitoring; and Ms. Judy Godwin, Reading, were present as well as Mr. Kevin Sesock, OMES.

Board Member Hofmeister –My concern, when trying to piece all this together, was how the DCS was qualified to be able to choose which assessment provider was qualified to be giving or servicing the students of Oklahoma.

Ms. McBee – During the clarification process, we see their whole proposal just as we would have in the beginning. Once the company was selected, I rejoined the process to help negotiate the contract.

Board Member Baxter –Was there just one company included in the clarification process?

Ms. McBee – There was only one. That is the process. If we had not been able to come to an agreement, then we would have gone to the second highest rated company.

Board Member Price – Looks like there is a huge variance between the highest rating of 96 points and the second highest rating of 71. It is a 25-point difference. Give us a little bit of a feel of what differentiated the top rated one from. . .

Ms. McBee – As I mentioned the program manager and project director conducted the interviews. In one company the program manager did not know anything about the online system, which is very important as we move to more online assessments and want to make sure we are solid and our districts have a good company. The fact that the program manager did not know about that was a major challenge. In addition, that person did not know about the benchmark assessment. While that is a site assessment, we think it so important students are ready for the common core state standards. Having no information about that was a major limitation in the ratings of that particular company. The benchmark another company proposed was a wonderful norm reference test built 80 years ago. However, because it measured with only multiple-choice items developed for this particular version even a decade ago and not any computer enhanced or writing was a limitation on their side.

Board Member Baxter – The assumption was that because... I mean we directed who came to the interview, right. The company did not have the discretion to send their expert in online learning. They had to send the person designated project manager, so we could not have limited them because that particular project manager was not the subject matter expert in that one area of several that they had responsibility for and the winning company apparently did.

Ms. McBee – That is a true, but I also have to qualify that we need a program manager that we work with day to day that is knowledgeable in all aspects of the company. Not knowing about the online system, while it may have been fairer to have someone from their online department, if we have a program manager that would have to defer at all times, that would be a limitation for us in managing the contract.

Board Member Baxter – I understand and appreciate the fact that every potential contractor was asked the same series of questions and in my experience, the subject matter experts can then follow up the series of questions. In other words had the SDE been interviewing someone, asking the standard questions, the person answering based on the knowledge that our SDE experts would have, then we could follow up with a question. It sounds like that did not happen here in this process.

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Ms. McBee – I understand. The DCS managed and led the questions, but our evaluation team was able to ask a follow up. It was just a 20-minute interview, and there were five to six questions.

Board Member Baxter – You did have time to follow up after the DCS asked their questions.

Ms. McBee – Right. At least for some help.

Board Member Ford – Did all three of these come for the target interviews?

Ms. McBee – They did all meet the basic requirements and came for interviews.

Board Member Price – Did price play any role in this?

Ms. McBee – Price did play a role in the evaluation criteria, but it was not the deciding factor. In fact, CTB McGraw Hill was the highest priced of any of the other vendors. The one company with the norm referenced test benchmark had added a writing assessment, which they said they could add in the value add section, and because we think is important for students to practice along the way, would have put them at the highest price. For comparing apples to apples, this is probably the medium price, the middle price.

Board Member Hofmeister – Is there something written where we can appreciate the scope or how much the contract is that we are about to...

Ms. McBee – The CTB McGraw Hill contract we are asking the SBE to approve will be for five years at \$28,498,370. The first year of the contract is approximately \$8.9 million.

Board Member Baxter – Let me have a frame of reference for that. How does that compare with what we have paid for similar services over the last five years?

Ms. McBee – Now we pay approximately \$7.6 for Grades 3 through 8, and that is without a benchmark assessment. If you add the price of the benchmark assessment, it is very comparable and slightly less than what we pay right now for the Grades 3 through 8 contract.

Board Member Hofmeister – Do you anticipate the benchmark assessment being used this late in the year?

Ms. McBee – This is a major disadvantage of the late award of the contract, but yes. Some training has already occurred at the district level for high school assessments. Because we have the same contractor for high school and if you approve grades 3 through 8, they will be able to benefit from that. The company would then be ready to start benchmarks in late winter or early March. If we get started in March or late February, then next year we will be ready to start at the very beginning of the year, and districts will have access to the benchmark for the entire year.

Board Member Price – What all does the company do for this money? This is a lot of money in the past as well as the future. It is not just designing a system but implementing throughout the school district in every classroom.

Ms. McBee – The vendors start by looking at the state curriculum, which now is the C3 curriculum, formerly called *Priority Academic Student Skills* (PASS), moving towards common core. The vendor develops custom created items to measure each content area in Grades 3

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through 8, which include reading and math at all the grades, science, social studies and writing in Grades 5 and 8, and Geography. Tests are written to each item to create forms we can give to students and equivalent forms in case there is a breach. There are field test items in order not to reuse the same test the next year but to have a new test with only items that can be scored so we can equate them and make sure they are the same from year to year. Vendors will work with SDE staff to assure those items are good measures for our students and reflect state curriculum. Then we go to committees of educators and others to make sure each item is a good measure and represents their particular district and students in their district and are not biased against ethnic groups, regions, rural, and urban. It is more difficult than I originally imagined to write good, solid, in-depth items that do not have a measure of bias that require you to have in-depth thinking and are just as fair for the panhandle as they would be for inner city Oklahoma City or the suburbs.

Board Member Baxter – Where do the people that work this contract sit?

Ms. McBee – For this particular company, the base is in Monterrey, California. They also have staff in various places across the country.

Board Member Baxter - There will be no one here?

Ms. McBee – Yes, there will be someone here, which is a major benefit. Dr. Katy Dunlap will be our policy consultant and lives in Edmond. She is very accessible to us and is an expert on national education policy.

Board Member Baxter – What other states does the company have this same type of work at this scale?

Ms. McBee – Good question. The state of Indiana has an extensive contract such as this one. West Virginia has had long-term contracts for the whole assessment program, and Colorado has assessment programs. This company has a major contract for Smarter Balance Consortium, and they are a prime subcontractor for Partnership for Assessment of Readiness for College and Careers (PARCC). They are also working on the consortium for the Common Core State Standards assessments.

Board Member Price – I have always heard that the costs in Oklahoma were extra high because we were designing our testing and everything else just for Oklahoma. Maybe one of the benefits of PARCC and common core is not reinventing the wheel throughout the country. I would imagine a math test in Oklahoma, once in common core, will be the same in all the states that adopt it, which is 46 states. The price begins to drop when you have economies and scale.

Ms. McBee – We had hoped that as well. In Oklahoma, we spend \$11.00 per student per test, which is the lowest price for our custom designed tests. Part of the reason is because it relies for the most part on multiple-choice items. We do have a writing component that is a separate writing test and is part of the English II and III.

Superintendent Barresi – There are states that have a writing component for each grade and each subject all the way through high school. The higher the rigor the tougher it is to write a test question. Many years ago, I was an item reviewer for the National Assessment of Educational Progress (NAEP) high school science exam. For two days, we reviewed 500 individual questions to come up with the 100 plus questions that ended up on the test. It was very difficult to write a good test question.

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Board Member Price – In our new tests, we are requiring writing and everything else under the new system. Has our cost per pupil gone up?

Ms. McBee – It will with the benchmark. Having the benchmark and being able to give districts feedback of where those students are performing throughout the year has an additional price.

Board Member Price – Where do we rate among the states in terms of our costs per test? You are saying it is very low but....

Superintendent Barresi – We are at the bottom of the lower third.

Board Member Price – This contract will not make us go up much.

Superintendent Barresi – We are creeping up a little bit by doing the benchmarks and adding writing and things like that.

Board Member Shdeed – Are we giving an adequate test that is primarily multiple?

Superintendent Barresi – We will be happy to have a test that will compare to the nation and not just to Oklahoma in the near future. Joining the consortium for the PARCC examination is very important.

Board Member – With this contract, we will be able to be comparable to the rest of the nation in terms of...

Superintendent Barresi – Not with this one but with the PARCC.

Ms. McBee – We are moving in that direction. The common core benchmark they provided for us will help our students be ready for that test when the time comes.

Board Member Price – With this five-year contract, they will be able to accommodate for PARCC when that happens.

Ms. McBee – Right. They will not be doing the reading and the math after we join the PARCC Consortium or after it becomes operationalized in our state. I only gave the Board ten percent of what they do for this contract, which is only the very beginning. There is much more.

Board Member Price – You are saying that when we join PARCC part of this, the latter part of this \$28 million may not click in because we will be a part of PARCC.

Ms. McBee – Actually for the first two years the price is \$8.9 and \$8.8 million. The third year, when we will be using PARCC, the price then lowers to \$3.7 and \$3.4 million. In this state contracts are awarded year to year, so it is a one-year contract. Next year the Board will be presented a contract renewal. We are not saying a five year.

Board Member Baxter – We are approving a \$28 million contract or an \$8 million contract.

Ms. McBee – The \$8 million contract because it will only be the one-year contract.

Board Member Baxter – So we are doing this one year at a time.

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Ms. McBee – It is kind of a combination where the company has agreed to do this at this price. If we choose to continue the second year then we know their price. We can pull out, but they have agreed to the price.

Board Member Baxter – That is fair. What are the performance measures associated with the first year, what are the government remedies for non-performance, and how will all that play out?

Ms. McBee – The performance measures are did they get the items at the appropriate time, were they approved by the committee, were they able to develop the form for each content area for each grade level on time, and were they able to deliver those forms both online as we require and paper. We have the modified assessment as well as the regular assessment, and the performance measures apply for regular and modified.

Board Member Baxter – Is there financial penalty for failure to perform?

Ms. McBee – There are penalties. There will be a weekly and monthly review, so we will not go long without knowing that we are on track. Please know that they are under the gun, as are we, to get this done quickly.

Board Member Price – There are major costs savings, obviously, if we are able to drop from \$8 to \$3.7 million from PARCC and, I guess, common core, too.

Ms. McBee – There will be a different test for every day of the week if we follow the plan we have right now. However, I do not want to mislead you because this is what we will pay then for social studies and science. We will also take on the price of operationally providing the PARCC test. There will be an additional price that comes with giving the PARCC test.

Board Member Hofmiester – Can you talk to me about the timeline from now until when you believe the testing window will be ready? Do I understand that once the contract is awarded they then go to work writing?

Ms. McBee – The committee has communicated to me that one of the areas we are most at risk is the writing assessment, which is typically given in February. Not having a contract and a writing assessment was a major challenge. CTB McGraw Hill was so gracious with their leadership, and they went ahead and began developing our writing assessment for use on spec. They did not know if they would receive a contract and still do, but they went ahead and started work on that. It was a wonderful thing they did because we still have to delay the writing until the week before the regular testing window. The testing window for writing assessment is April 3 and 4. When we did the clarification, we worked on the timeline because that was the most crucial issue and even though they do not have the contract, we worked that out. Our staff has agreed to review forms they are putting together in late December and early January and then put those forms into the paper and online format, allow districts to review, and have district trainings. We have worked it out to be possible to get the forms together, approve them, and have the test available by spring.

Board Member Price – You are saying the benchmark testing which is the quantitative part of the Teacher and Leader Effectiveness Evaluation System, can be implemented by next year in all classrooms. Where you have a benchmark testing at either the end of the last year or the beginning of the new year, you are able to evaluate what improvement the student has gained or not during that year.

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Ms. McBee –The benchmarks will be available. However, I do not know how they are used in the TLE. Districts will be able to use them in a formative sense and have their students practice where they need to be and go forward.

Superintendent Barresi – Right now we are using year over year numbers. What we are using on TLE we are using year over year right now. Once we get the benchmarks up and running . . .

Ms. McBee – We will have the building block for whether it is the complete piece or a supplemental.

Superintendent Barresi - The benchmarks will not be a part of the accountability for districts. It is a tool for teachers to assess the progress of students and will not enter into any of our accountability measures.

Ms. McBee – In fact we will not have the data, so districts will not be required nor will we have the mechanism for them to say a student_scored this way on the math benchmark.

Board Member Price – That will be true throughout.

Superintendent Barresi – Districts have been spending a lot of their own money on this. We were able to negotiate this into the contract and provide it for districts.

Board Member Price – How much money will districts save?

Superintendent Barresi – I do not have the figures but will get them to the Board.

Board Member Price – It is good to have some things not be unfunded mandates but funded reductions.

Board Member Hofmeister – I want to try to have some clarity. There have been changes in the way this has been done in the past. Help me to understand that the reason we are here today is for a rebid. Why we are voting now when this contract was awarded previously in the summer, and we did not vote? Why are we voting now, and what has changed?

Ms. McBee – Very good question. As I understand from our purchasing office and DCS, the reason was the law changed. In the past, the SBE was the body that approved the recommendation to DCS. That was changed because DCS is the entity that awards our state contract(s) and advised not to make this public before awarding the contract. Unfortunately, the language in the RFP that went out was inserted or retained from past bids and said that the SBE would make the recommendation. One of the criteria for the protest is that we had not gone before the SBE. Therefore, to be as careful as possible, we are bringing this to the SBE in order not to have that be a reason for a company to protest.

Board Member Hofmeister – Now we are voting but in the future, we will not have anything to do with it, right?

Ms. McBee – We will work with DCS to make sure we are following the law.

Board Member Ford – You are covering all the bases and making sure we have all...

Board Member Hofmeister – So what you mean is in the past this was something the SBE did, like in 2011, and then in 2012 it was no longer part of the requirement, however, the language still existed?

Ms. McBee – Yes, that is where the error was made.

Board Member Hofmeister – In the future, the state of Oklahoma will be awarding \$8.928 million five-year potential contract without the SBE making any...

Mr. Steve Haga, Office of Management and Enterprise Services (OMES) – I do not think that it is necessarily true. The law might allow us to award this without SBE approval, but there can always be a requirement within the solicitation. The problem we ran into had to do with not doing what your solicitation said you are going to do. Because it was not followed to the letter, we had an issue, and rather than fighting that, we decided to cancel and rebid. As far as your approval or desire to be part of that process, that would not be a problem for future consideration. We would just have a little bit more flexibility in that.

Board Member Ford made a motion to approve the contract for Grades 3 through 8 assessments to CTB McGraw Hill. Board Member Price seconded the motion. The motion carried with the following votes: Ms. Ford, yes; Ms. Hofmeister, yes; Mr. Shdeed, yes; General Baxter, yes; and Mr. Price, yes.

ADJOURNMENT

There being no further business the meeting adjourned at 2:10 p.m. Board Member Ford made a motion to adjourn and Board Member Price seconded the motion. The motion carried unanimously.

The next regular meeting of the State Board of Education will be held on Thursday, December 19, 2012, at 9:30 a.m. The meeting will convene at the State Department of Education, 2500 North Lincoln Blvd., Oklahoma City, Oklahoma.

Janet Barresi, Chairperson of the Board

Connie Holland, Chief Executive Secretary