
3A

Information/Action

Fiscal Policy and Planning Committee

Approval of Agreement Awards Over \$150,000 for Fiscal Year 2012-13

Executive Summary: Section 610 of the Commission on Teacher Credentialing Policy Manual (Contract Authority) requires that agreements or contracts of \$150,000 or more be approved by the Commission. This item presents an agreement that requires approval.

Policy Question: Does the Commission wish to approve the agreement as presented in this agenda item in order to align the applicable Commission examinations with the Common Core State Standards?

Recommended Action: Staff seeks approval for the Executive Director to execute the two (2) year contract extension in order to align the CSET examination with the Common Core State Standards.

Presenter: Crista Hill, Director, Administrative Services Division - Fiscal and Business Services Section

Strategic Plan Goal

IV. Operational Effectiveness

- ◆ Align human and financial resources with Commission priorities and offer staff opportunities for development to maximize professional engagement and performance.
- ◆ Demonstrate professionalism and accountability for high standards of practice in all Commission operations.

Approval of Agreement Awards Over \$150,000 for Fiscal Year 2012-13

Introduction

Section 610 of the Commission on Teacher Credential (Commission) Policy Manual (Contract Authority)^{1/} requires that agreements or contracts of \$150,000 or more be approved by the Commission. While the examination contract being considered has no dollar value, the Commission previously reserved the right to review and approve contracts relating to examinations. This agenda item seeks approval for the Executive Director to execute a two (2) year extension of the existing mega examination contract for the CBEST, CSET, CTEL and RICA with Evaluation Systems Group of Pearson, a business of NCS Pearson, Inc. (Pearson) in an effort to align the CSET examination with the adopted Common Core State Standards.

Background

In 2010, as a result of a competitive bid process, the Commission approved a revenue only^{2/} agreement with Pearson through 2015-16 for the administration for the CBEST, CSET, CTEL and RICA examination programs.

State statute requires that examinations used to meet California's subject matter requirements for teacher certification (currently the CSET examinations) be aligned to state-adopted K-12 academic content standards. CSET examinations are also used by candidates to meet subject matter requirements for federal NCLB compliance purposes. The CSET examinations are based on Subject Matter Requirements (SMRs) approved by the Commission, which describe the specific content eligible to be measured by examination items. The SMRs are aligned to the State Board-adopted California K-12 Student Academic Content Standards and curriculum frameworks.

Recently, the State Board of Education adopted the Common Core State Standards. There are some significant differences in the content addressed by Common Core standards as compared to the prior California state standards. In order to continue to meet statutory requirements, the CSET exams which are aligned with the prior Academic Content Standards that have now been replaced by the Common Core State Standards must be re-aligned with the Common Core standards. This process affects particularly the CSET: Multiple Subjects, CSET: English, and CSET: Mathematics examinations. In addition, a CSET Foundational Mathematics examination will be developed using the existing Mathematics item bank in order to provide an examination that meets the specific needs of candidates for the Foundational Mathematics credential, also in alignment with the Common Core State Standards.

The alignment process that will need to be implemented in order to revise and update the CSET examinations will follow the established Commission process that is aligned with testing industry standards for the development of valid, reliable, and legally defensible examinations. The current SMRs will be reviewed against the content of the Common Core standards to determine the degree of congruence, and the SMRs will be updated for Commission review and

approval; the existing item bank will be reviewed for alignment with the re-established content for the examinations, and additional new items will be developed and validated as needed for each examination. This process will be conducted in collaboration with the Commission's contractor for the CSET examinations, Pearson. The process will include development of new items to measure content not previously measured, revision of old existing items to more accurately measure content defined by the revised SMRs, and removal of old items which measure content no longer addressed by the revised SMRs. The items will be field tested, and ultimately a new passing score standard will be set for the revised/updated examinations.

If this work were to begin early in 2013, Commission staff could identify the expert panels of California subject matter experts to assist in the review and revision of the SMRs early in 2013. New items could be developed, reviewed, and field tested from the end of 2013 through the middle of 2014, with revised operational CSET forms ready for initial administration by Fall of 2014. Following initial operational administration, a standard setting study could be conducted in late 2014 with recommended passing standards being presented for adoption by the Commission in January 2015.

The current contractor for CSET development and administration is in a unique position to be able to do this work. Pearson maintains the Commission-owned CSET items within an item bank that reflects proprietary coding and related procedures along with item performance characteristics. New and revised items will need to be field-tested as non-scorable items on operational test forms. As the Commission's administration contractor, Pearson needs access to any new or revised items for placement in field-test positions on operational exam forms which they are currently under contract to assemble and administer on behalf of the Commission. Finally, Pearson is already doing some development work for these exams under our existing contract (developing new items to increase the size of the banks to accommodate the move to computer-based testing). In this capacity Pearson has already assembled content and bias review committees which could be reconstituted to complete the work necessary to align the CSET examinations to the Common Core State Standards in the most efficient manner.

Fiscal Impact

In an effort to conduct this essential work that involves access to proprietary materials and processes belonging to the Commission's current standardized examinations contractor, Commission staff proposes to extend the existing contract with Pearson for two (2) years. The contract would continue as a revenue only contract. The two (2) year extension period would allow Pearson the opportunity to recoup the costs associated with conducting this work, estimated to be approximately \$660,000. If the Commission elects to extend the contract, there would be no fiscal impact on the Commission's budget. However, if the Commission elects not to extend the contract, the Commission would need to seek a one-time increase in the Commission's budget for this work, which requires approval by the Administration and the Legislature through the traditional budget approval process. Assuming this proposal is approved by the Administration and the Legislature the earliest this work could begin is July 2013.

Recommendation

Commission staff seeks the approval for the Executive Director to execute the agreement as presented in the agenda item.

^{1/} CTC Policy Manual: <http://www.ctc.ca.gov/commission/pdf/CTCC-Policy-Manual.pdf>

^{2/} In operating the examination programs, the Commission bears costs in two major categories: contracted costs and non-contracted costs. In FY 2005-06 the contracted costs were transitioned to what is known as “revenue only” contracts and as a result of this transition the costs are retained by the vendor when the fee is paid by the candidate. Education Code sections 44252.5, 44253.8, and 44298 require that costs be covered through the fee examinees pay for administration of each examination. The fees include (a) a fee that registrants pay for each examination to cover the costs of administering the examination and that is retained by the contractor, and (b) a program management fee that registrants pay to cover the Commission’s costs for operating the California examination programs. This fee is paid to the Commission by the contractor on a monthly basis.