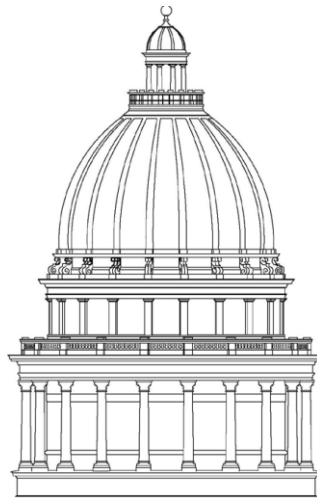


REPORT TO THE
UTAH LEGISLATURE

ILR 2019-C



**A Limited Review of
RISE Testing Issues**

September 2019

Office of the
LEGISLATIVE AUDITOR GENERAL
State of Utah



STATE OF UTAH

Office of the Legislative Auditor General

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KADE R. MINCHEY, CIA, CFE
AUDITOR GENERAL

September 18, 2019

TO: THE UTAH STATE LEGISLATURE

Transmitted herewith is our report, **A Limited Review of RISE Testing Issues** (ILR 2019-C). We will be happy to meet with appropriate legislative committees, individual legislators, and other state officials to discuss any item contained in the report in order to facilitate the implementation of the recommendations.

Sincerely,

A handwritten signature in black ink that reads "Kade minchey". The signature is written in a cursive, slightly slanted style.

Kade R. Minchey, CIA, CFE
Auditor General

REPORT TO THE UTAH LEGISLATURE

ILR 2019-C

A Limited Review of RISE Testing Issues

September 2019

Audit Performed By:

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Office of
LEGISLATIVE AUDITOR GENERAL
State of Utah

**Report Number ILR 2019-C
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A Limited Review of RISE Testing Issues

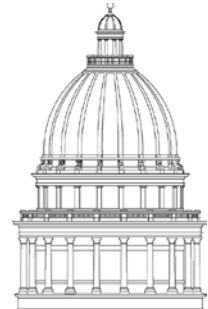
Our office was asked to review the reliability of statewide public education assessment data; the audit of this information is still forthcoming. As part of that review, we conducted a limited review of RISE testing issues which is contained in this report.

In June 2019, Utah's State Board of Education (USB E) voted to cancel its ten-year, \$44.8 million contract with Questar¹, which provided RISE² testing in the 2018–2019 school year. In August, USB E signed a three-year emergency procurement contract to deliver the standards assessment with AIR³, which provided the SAGE standards assessment from 2014 to 2018. Failures by Questar's testing system caused disruptions that negatively impacted schools across the state and raised questions about the accuracy and reliability of the assessment data. The impacts of these disruptions on data reliability and accuracy are still unknown. Moving forward, USB E should use data on the costs of switching from AIR to Questar to inform future procurements for assessment delivery services.

¹ Questar Assessment Inc. provides K-12 assessment services. The company became a wholly owned, independently operated subsidiary of Educational Testing Service (ETS) in 2017.

² RISE (Readiness, Improvement, Success, Empowerment) replaced SAGE as Utah's computer adaptive standards assessment for students in grades 3-8 for the 2018-2019 school year.

³ American Institutes for Research (AIR) is a nonprofit behavioral and social science research and evaluation organization based in Washington D.C. Among its services, AIR offers development, online testing, and reporting for state assessments.



**An audit of public
education assessment
data reliability is still
forthcoming.**

**Significant testing
disruptions motivated
USBE to terminate its
contract with the
testing vendor**

Issues with Testing Vendor and Delivery System Resulted in Contract Termination for Cause

USBE terminated its contract with Questar after schools across the state were negatively impacted by testing disruptions resulting from failures by Questar's assessment delivery system. Prior to these disruptions, Questar had already failed to meet contractual obligations and received a Notice of Default and a Notice to Cure from USBE. Through an emergency procurement process, USBE contracted with AIR (the previous vendor that provided the SAGE standards assessment) to temporarily provide the standards assessment for the next three years.

Vendor Delivery System Failures Caused Negative Impacts Statewide

In March 2017, USBE released a request for proposals (RFP) to provide statewide assessments for grades 3-8. In October 2017, USBE selected Questar from among four vendors that submitted proposals, and approved a ten-year, \$44.8 million contract with the vendor. USBE voted to terminate this contract in June 2019 after schools experienced significant testing disruptions across the state in April and May 2019.

The Board's contract with Questar provided USBE the abilities to: (a) terminate for cause or convenience, (b) assess liquidated damages, and (c) seek other remedies. USBE has determined to assess liquidated damages for service interruptions for students and administrative services, and data delivery delays.

We surveyed school district superintendents and charter school administrators statewide to gain insight on how schools were impacted by Questar's testing issues. Eighty-two of ninety respondents (91 percent) reported that their LEA was impacted or might have been negatively impacted. When asked about the significance of those negative impacts, 44 of the 82 respondents (54 percent) reported that the impacts were extremely significant, and another 30 respondents (37 percent) reported the impacts were moderately significant. Seven respondents indicated the negative impacts were slightly significant, and only 1 respondent indicated the negative impacts were insignificant.

We asked the 82 survey participants, who indicated negative impacts, to describe the issues experienced and the impacts for their LEAs. Their responses focused on concerns about negative impacts for students, teachers, data, and time. They reported that the delivery system failures created significant additional work for LEA employees and negatively impacted staff and student morale.

One survey participant reported having to cancel classes because of the need to quarantine computers. Respondents also reported loss of confidence in the data for this testing period, citing incomplete tests, lost data, discrepancies between scores on different reports, and underperformance by students due to interruptions and strained testing environments.

Although Questar reported service interruptions totaling seven hours over the course of five days, USBE reports the impacts on teachers and students were much more significant due to a lack of contingency planning by Questar. USBE reported that Questar customer service and technical support were unprepared for the extent of the interruptions. USBE reported that during and immediately following the interruptions of service, Questar directed educators to quarantine computers and was unable to complete test resets and unlock affected tests in a timely manner. Moreover, Questar was unclear about the availability of the tests during the interruptions. USBE reported that these variables, and others, contributed to the significance of the impacts.

USBE Was Concerned with Questar's Performance Prior to Testing Disruptions

USBE reported problems with the vendor spanning from April 2018 into August 2019. Specifically, USBE reports that staff began meeting with Questar in September 2018 about concerns with the software. The following list is a timeline of relevant implementation events reported by USBE:

- **April 2018:** USBE requested response from Questar regarding testing problems in Tennessee
- **September 2018:** USBE began meeting with Questar regarding "various concerns"
- **October 2018:** Questar failed to deliver formative tools

Some administrators reported significant impacts from testing issues

- **November 2018:** Questar failed to deliver winter summative tests, and USBE provided Questar “a list of identified concerns”
- **December 2018:** USBE gave Questar an assessment readiness checklist
- **January 2019:** USBE met with Questar leadership regarding ongoing issues
- **March 2019:** USBE issued a Notice of Default and a Notice to Cure to Questar
- **April 2019:** Questar gave USBE an incident report for system failures in New York, Utah schools began experiencing testing system interruptions of service, and USBE identified discrepancies between reported student scores
- **May 2019:** Utah experienced further disruptions, Questar reported accidentally resetting an unknown number of student tests, USBE had to extend LEAs’ assessment windows, and USBE met with Questar leadership to consider termination of the contract
- **June 2019:** USBE voted to terminate its contract with Questar

Following ongoing concerns, implementation problems, and testing disruptions, USBE approved in its August, 2019 meeting an early-termination amendment for its contract with Questar and a three-year emergency contract with AIR to temporarily provide assessment services.

Emergency Procurement Resulted in a Three-Year Contract with a Prior Vendor

The Board voted on August 1, 2019 to sign a three-year contract with AIR, which provided the SAGE standards assessment from 2014 to 2018, as a temporary solution to the problems with Questar. USBE reported that the Board did not consider the second-place contender from the procurement process because of the limited time to prepare the tests for the next school year, and because AIR already has the infrastructure in place to provide testing. Furthermore, AIR can prepare operations without interfacing with Questar.

USBE voted to approve a three-year contract with USBE’s prior assessment vendor.

Impacts on Assessment Data Accuracy and Reliability Are Still Unknown

Testing issues may have negatively impacted the accuracy and reliability of RISE assessment data, but USBE may not fully understand these impacts for months to come. Questar missed the July 15, 2019 deadline to give the assessment data to USBE. Consequently, USBE could not begin analyzing the integrity of the data until after it was delivered on August 2, 2019. USBE has already found that approximately 3,546 tests are missing scores and required participation codes.

USBE staff plan to work with their Technical Advisory Committee and their Assessment and Accountability Policy Advisory Committee to prepare recommendations for the Board's October 3, 2019 meeting. However, USBE is also waiting the results of a comprehensive analysis of Questar data, which must be validated by an independent third-party and is due no later than August 30, 2019.

USBE plans to provide LEA and school administrators with data by the end of August 2019. The delays in delivering the data may impact decision-making for key stakeholders, particularly with regards to schools in turnaround. USBE told us they are working with the U.S. Department of Education to address ESSA⁴ reporting requirements, and with the board to address school accountability grading and interruptions to turnaround.

USBE Should Consider Costs of Switching Vendors in Future Procurements

USBE should identify the costs of changing from AIR to Questar for delivery of statewide standards assessments and use the data to inform future procurements for multi-year, multimillion-dollar assessment services. Considering the impacts of the testing issues discussed previously in this chapter, we reviewed the process that resulted in USBE's contract with Questar. During our review, it became apparent that the costs of changing vendors may have been considerable.

Delayed data may impact stakeholder decisions.

⁴ Every Student Succeeds Act (ESSA)

Although analyzing the costs of changing vendors prior to starting a procurement process is not a statutory requirement, we believe it is a strategic best practice that could serve the best interests of USBE and the public. PEHP, which conducts an RFP for Pharmacy Benefit Management (PBM) services every three years, used this practice during its last RFP for PBM services. PEHP identified a cost to change providers in its 2014 RFP and used this cost during its 2017 RFP. When the RFP analysis of two vendors was close, PEHP determined the need for a more detailed review of costs and conditions. In this case, the cost analysis helped them discover that the cost of changing would likely exceed the savings of a contract with a different vendor.

USBE staff told us the costs of changing from AIR to Questar affected both USBE and LEAs. We were told USBE staff spent substantial time implementing the change. This time included meetings, calls, trainings, platform testing, publishing new manuals, customer service tickets and associated troubleshooting, and IT services. For example, USBE's Assistant Superintendent of Student Learning reported staff spent at least 480 hours in meetings related to implementing the change. USBE's Assessment Development Coordinator estimated that staff spent around 720-800 hours testing the platform for weaknesses and issues, and working with Questar to resolve those issues.

USBE trained LEA assessment directors, who in turn trained LEA staff down to the classroom level to access and use the new platform. USBE also encouraged teachers to access, use, and familiarize their students with the new platform, which may have cost schools instructional time.

We met with school administrators who questioned the need for the time and expense of changing from AIR to Questar if the delivery system was reportedly going to be virtually identical to SAGE. As we met with various stakeholders, some questioned why USBE needed to switch from an established platform into an untested one.

Based on our discussions, we believe the costs of changing from AIR to Questar appear to have been considerable. USBE should identify the costs of switching vendors for assessment services and take those costs into consideration when conducting future large, complex, multiyear contract procurements. In light of the circumstances for the

contracts discussed in this chapter, and the change from AIR to Questar and back to AIR, USBE could review the costs of changing from AIR to Questar and consider these at the end of AIR's three-year interim contract.

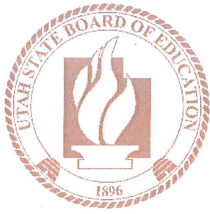
Recommendations

1. We recommend that Utah's State Board of Education analyze the costs to change vendors for high-cost, multiyear contracts and take those costs into consideration for future procurements.

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Agency Response

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September 10, 2019

Kade Minchey, CIA, CFE
Auditor General,
Office of the Legislative Auditor General
W315 State Capitol Complex
Salt Lake City, UT 84114

Dear Mr. Minchey:

Thank you for the opportunity to respond to Informal Letter Report 2019-C "A Limited Review of RISE Testing Issues." The Utah State Board of Education (USB) appreciates your review of these issues and looks forward to the completion of the related audit of the reliability of statewide public education assessment data.

The USB concurs that the impact of the standards assessment is significant to stakeholders of public education; particularly our students. It is for this reason the Utah State Board of Education (Board) and USB staff have been, and will continue to be, engaged and proactive in pursuing assessment contracts in compliance with all relevant procurement regulations, and then closely monitoring the vendor providing the assessment platform (see report pages 3-4).

A detailed report of the procurement process and contract monitoring was provided to the Education Interim Committee on August 21, 2019, and is available at:
<https://le.utah.gov/av/committeeArchive.jsp?mtgID=16499>.

Thank you again for the opportunity to respond to this informal letter report.

Sincerely,

Patty Norman
Utah State Board of Education
Deputy Superintendent of Student Achievement