



# LEASING OF SAGE ONLINE ADAPTIVE TEST QUESTIONS

EXECUTIVE APPROPRIATIONS COMMITTEE  
STAFF: BEN LEISHMAN

ISSUE BRIEF

## **SUMMARY**

Earlier this spring, the State of Florida expressed interest in leasing Utah's SAGE (Student Assessment of Growth and Excellence) test questions. Florida has also contracted with the American Institutes for Research (AIR), the same contractor assisting in Utah's SAGE system, to develop a similar assessment system. Leasing test questions from Utah will act as a bridge until the Florida assessment system is fully developed.

## ***Questions***

After reviewing the details of this proposal, the Legislature may wish to consider the following:

- Does the sale or lease of this state asset fit within the Legislative intent governing the program?
- How does the sale or lease of this state asset impact the integrity of the SAGE system?
- What direction would the Legislature like to provide the State Board of Education on the use of the estimated \$5.4 to \$16.2 million in contract savings generated through this potential agreement?

## **BACKGROUND**

The SAGE system was developed over the past several years to replace the CRTs (Criterion-Referenced Tests). This assessment system differs from the CRTs in that it is an online computer-adaptive test, which means that "every time a student answers a question, his or her response helps determine the next question that the student must answer. The difficulty of the test will adjust to each student's skills, providing a better measure of what each student knows and can do."<sup>1</sup>

The SAGE system is aligned with the Utah Core Standards and includes three components: summative end-of-year tests; interim fall and winter tests; and, formative teacher tools and instructional supports.<sup>2</sup> The system includes subject area tests in English Language Arts (grades 3-11), Math (grades 3-8 and secondary Math I, II, III), and Science (grades 4-8 and Biology, Earth Science, Chemistry, and Physics).

## ***Budget Highlights***

During the 2012 General Session, the Legislature passed House Bill 15 "Statewide Adaptive Testing" which authorized the transition to online computer adaptive testing. The Legislature appropriated \$6.7 million ongoing, in addition to \$4.7 million ongoing used to support the CRTs, to pay for development of the SAGE system. The Utah State Board of Education contracted with AIR to assist in the development of the system. The five year contract with AIR, totals \$39.0 million and includes the design, creation, and delivery of all system components.<sup>3</sup>

## ***Contract Highlights***

The State Board of Education, assisted by the Attorney General's Office, is working out contract, pricing, and security details. In brief, Utah will provide AIR the rights to facilitate the use of Utah's assessment questions in Florida schools. Utah retains the ownership of all test questions. In return, AIR will reduce its contract costs to Utah by the amount it contracts with Florida.

<sup>1</sup> Utah State Office of Education. Information for Educators on Utah's SAGE Assessment System.

<sup>2</sup> Ibid.

<sup>3</sup> Utah State Office of Education. Utah Computer Adaptive Assessment System Frequently Asked Questions.

Florida has preliminarily agreed to a price-point of \$1.50 per student for the use of the test questions, for an estimated annual total of \$5.4 million. The State Board of Education anticipates a three-year contract, with a potential total payment amount of \$16.2 million. The actual amount will vary depending on the number of students tested.

***Budgetary Impact***

Lower contract costs to AIR will result in the accrual of nonlapsing balances in the Utah State Office of Education line-item over the next few years. The Legislature can review accrued balances annually and determine the final allocation of any contract savings through the budget process each general session.