



UTAH STATE OFFICE OF EDUCATION

SAGE QUESTIONS LEASING REVENUE

PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

SUMMARY

The State Board of Education, with consultation from the Attorney General's Office, has completed and signed license agreements for Utah's SAGE (Student Assessment of Growth and Excellence) test items with three states: Florida, Arizona and Tennessee.

The American Institutes for Research (AIR) is the contractor that supports Utah in developing and administering Utah's SAGE system. The agreements with AIR, Utah, and the three states assert that Utah retains ownership of all test items. The agreements include test item security with a \$5,000 per item cost if the security is compromised. The agreed upon costs are as follows:

State	Cost per Student	Approximate Annual Cost	Agreement Timeline
Florida	\$1.50/student	\$5.4 million	1 - 3 years, 2015 - 2017
Arizona	\$1.50/student	\$2.2 million	1 - 3 years, 2015 - 2017
Tennessee	\$1.50/student	\$2.3 million	1 - 2 years, 2016 - 2017

AIR will provide the revenue to USOE through the reduction of the AIR contract payments and direct payment to USOE. It is unknown if the agreements will continue past the first year for any state.

In the December 2014 State Board of Education meeting, the Board approved the following:

1. The use of the June 30, 2015 revenue from the Florida SAGE item license agreement to develop additional SAGE test items. If there is additional revenue in the second and third year of the Florida agreement, the additional revenue will be used for the same purpose.
2. The use of the June 30, 2015 revenue from the Arizona SAGE item license agreement and the June 30, 2016 revenue from the Tennessee SAGE item license agreement to provide professional learning for Utah educators to effectively use assessment data to improve student achievement. If there is additional revenue in the second and third year of the Arizona agreement and in the second year of the Tennessee agreement, the additional revenue will be used for the same purpose.

BACKGROUND

Beginning in 2014, SAGE tests are required for all Utah students. SAGE tests are computer-adaptive, meaning that if a student selects the wrong answer, their question will be easier. And if a student answers correctly, their next question will be more difficult until a student reaches their cognitive ability. Every student that takes a SAGE test will have different questions based on their strengths and weaknesses. SAGE meets Utah's new core standards.

Prior to 2014, the State Office of Education used criterion-referenced test (CRT) scores as indicators of student success. CRTs were multiple choice, fixed assessments that are taken on a computer. A fixed assessment means that every student in the same grade has the same questions. CRTs measure old core standards and are mostly recall for students.

DISCUSSION AND ANALYSIS

The Legislature may wish to approve or change the Board's recommendation on the usage of leasing revenue; and direct the Analyst to work with the Office of Legislative Research and General Counsel to draft intent language stating the intended use of leasing revenue.