

And ATE OF TEXAS §  
COUNTY OF TRAVIS §

Org. Code:	212	Program Name:	Student Assessment
Speed Chart:	multiple	Legal/Funding Authority:	
Payee Name:	Educational Testing Service	Payee ID:	1210634479
ISAS Contract #:	3317	PO #:	

Amendment No. 2

**AMENDMENT TO  
STANDARD CONTRACT  
BETWEEN  
TEXAS EDUCATION AGENCY  
AND**

**EDUCATIONAL TESTING SERVICE ("ETS"),**

a nonprofit, non-stock corporation organized and existing under the Education Law of the State of New York, with principal offices located at Carter and Rosedale Roads, Princeton, New Jersey, 08541.

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**CONTRACTOR**

It is mutually understood and agreed by and between the undersigned contracting parties of the above numbered contract to amend said Contract effective January 20, 2017 as follows:

**ARTICLE III. PURPOSE OF CONTRACT**

Contractor shall continue to perform all of the functions and duties in the Contract and changes to work functions described in the Narrative for ETS Contract Amendment 2, dated January 13, 2017, labeled Exhibit 1, attached herein and incorporated by reference. Contractor shall administer the STAAR® assessments from September 1, 2016 through August 31, 2019. The Contract may be extended for one (1) additional fiscal year under the same or different terms subject to appropriation of funds by the Texas Legislature for this project. The renewal period shall be from September 1, 2019 through August 3, 2020.

**ARTICLE IV. PAYMENT UNDER CONTRACT**

Contract Amount FY17	\$68,662,198.00
Amendment 2	\$ 2,171,173.00
Total	\$70,833,371.00

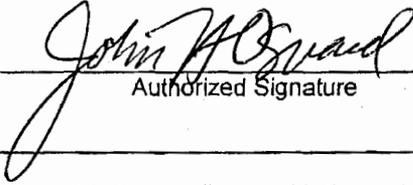
Subject to the availability to TEA of funds for the purposes of this contract, TEA shall pay to Contractor by State of Texas warrant(s) for performance, satisfactory to the TEA, of Contractor's functions and duties under this Contract.

Total contract amount is increased and estimated at \$280,344,023.00 based on the revised deliverables identified in this Amendment. The revised deliverables and associated Texas Financial Summary, labeled Exhibit 2, is attached and hereby incorporated by reference in the Amendment.

Effective 01/01/17, the mileage reimbursement rate is 53.5¢. The Comptroller's website for travel rules and regulations – textravel: <https://fmx.cpa.state.tx.us/fmx/travel/textravel/index.php>. Receipts must be made available for programmatic or financial audit, by TEA and by others authorized by law or regulation to make such an audit, for a period of not less than seven (7) years.

It is agreed and accepted by a person authorized to bind Contractor that all Terms and Conditions of this Amendment are effective commencing on the above date.

Typed Name: John H. Oswald  
Typed Title: VP and COO K12 Student  
Assessment Programs

  
Authorized Signature

<b>This section reserved for Agency use:</b> I, an authorized official of Agency, hereby certify that this contract is in compliance with the authorizing program statute and applicable regulations and authorize the services to be performed as written above. AGREED and accepted on behalf of Agency this <u>14</u> day of <u>February</u> <u>2017</u> (month/year) by a person authorized to bind Agency.	
<p>Please submit electronic copy to: <a href="mailto:TEAContracts@tea.texas.gov">TEAContracts@tea.texas.gov</a> Or by mail to: Norma Barrera, Purchasing and Contracts Texas Education Agency 1701 North Congress Avenue, Room 2-125 Austin, Texas 78701-1494</p>	<p> Mike Morath Commissioner</p>

Narrative for ETS Contract Amendment 2

1/13/2017 FINAL

- Additional 360 forms for HB 743: The current contract accounts for eight item field-test sets. If TEA would like to test all eligible field-test items based on the new six item field-test sets in spring 2017, ETS would need to develop an additional 360 forms. ETS worked with TEA to review the rules for developing test matrices so that all the items could be used at least once. The result of that work yielded the 360 form number used in Table 1. TEA Content Directors provided approval of the final numbers before ETS created the table. The price for developing, publishing, printing, scoring, and reporting these additional forms would be \$2,171,173. Table 1 provides a breakdown by grade and subject as well as those costs not specifically identifiable to grade or subject. Those include activities like system updates to include the additional forms in our ETS systems.

Table 1. Price Breakdown for Additional 360 Forms

Test	2015 Items to be FTed	# 2017 Forms with 8 FT slots*	# 2017 Forms with 6 FT slots*	Change in # of Forms	Price per Grade/Content
Grade 3 Math	304	38	57	19	\$ 97,608
Grade 3 Reading	300	38	57	19	\$ 97,608
Grade 4 Math	303	38	58	20	\$ 102,746
Grade 4 Reading	337	43	60	17	\$ 87,334
Grade 4 Writing	220	28	45	17	\$ 87,334
Grade 5 Math	503	63	94	31	\$ 159,256
Grade 5 Reading	522	66	94	28	\$ 143,844
Grade 5 Science	293	37	45	8	\$ 41,098
Grade 6 Math	305	39	57	18	\$ 92,471
Grade 6 Reading	322	41	57	16	\$ 82,197
Grade 7 Math	305	39	57	18	\$ 92,471
Grade 7 Reading	312	39	57	18	\$ 92,471
Grade 7 Writing	265	34	47	13	\$ 66,785
Grade 8 Math	488	61	91	30	\$ 154,119
Grade 8 Reading	522	66	91	25	\$ 128,432
Grade 8 Social Studies	284	36	51	15	\$ 77,059
Grade 8 Science	289	37	47	10	\$ 51,373
Spanish Grade 3 Reading	300	38	48	10	\$ 51,373
Spanish Grade 4 Reading	227	29	39	10	\$ 51,373
Spanish Grade 4 Writing	143	18	23	5	\$ 25,686
Spanish Grade 5 Reading	256	32	45	13	\$ 66,785
<b>TOTALS</b>	<b>6800</b>	<b>860</b>	<b>1220</b>	<b>360</b>	<b>\$ 1,849,423</b>
Costs not specifically identifiable to Grade/Content					\$ 321,750
					\$ 2,171,173
Average Cost per Form				\$5,137.29	

## Texas STAAR Program Summary

	2016	2017	2018	2019	4 yr total	2020	5 yr total
<b>Grand Total Components 1</b>	\$ 70,087,864	\$ 69,994,855	\$ 68,451,783	\$ 69,203,229	\$ 277,737,681	\$ 71,384,948	\$ 349,122,629

### HB 743 ADJUSTMENTS

Writing, Grade 4	\$ -	\$ (435,834)	\$ (435,834)	\$ (435,834)	\$ (1,307,502)	\$ (435,834)	\$ (1,743,336)
Writing, Grade 7	\$ -	\$ (508,149)	\$ (508,149)	\$ (508,149)	\$ (1,524,447)	\$ (508,149)	\$ (2,032,596)

<b>Grand Total Components 1</b>	\$ 70,087,864	\$ 69,050,872	\$ 67,507,750	\$ 68,259,246	\$ 274,905,732	\$ 70,440,965	\$ 345,346,697
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### 2. Lexiles and Quantiles

#### STAAR 3-8

Reading, Grade 3	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000	\$ 100,000	\$ 500,000
Reading, Grade 4	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000	\$ 100,000	\$ 500,000
Reading, Grade 5	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000	\$ 100,000	\$ 500,000

<b>Grand Total Components 1</b>	\$ 70,387,864	\$ 69,350,872	\$ 67,807,750	\$ 68,559,246	\$ 276,105,732	\$ 70,740,965	\$ 346,846,697
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#### Amendment 1

#### Grades 3-8 STAAR

1 Lexile Reporting(SP)	\$ 138,717	\$ 127,068	\$ 130,885	\$ 134,811	\$ 531,482	\$ 531,482
2 HB 743 Reduction in Testing time	\$ (3,599,847)	\$ (1,371,293)	\$ -	\$ -	\$ (4,971,140)	\$ (4,971,140)
3 HB 1164 Writing Assessment Pilot program	\$ 124,421	\$ 435,502	\$ 616,561	\$ -	\$ 1,176,484	\$ 1,176,484
4 Score Report Redesign	\$ 134,002	\$ -	\$ -	\$ -	\$ 134,002	\$ 134,002
5 External Committee Meetings	\$ (597,600)	\$ 597,600	\$ -	\$ -	\$ 0	\$ 0

**6 Annual Release of Test**

Forms	\$ 1,218,320	\$ 944,588	\$ 778,709	\$ 787,224	\$ 3,728,841	\$ 3,728,841
7 June Admin.CR	\$ (302,996)	\$ -	\$ -	\$ -	\$ (302,996)	\$ (302,996)
8 APIP	\$ (40,983)	\$ 40,983	\$ -	\$ -	\$ -	\$ -
9 LD - CR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 Stand Alone Prompt Study	\$ -	\$ (1,036,124)	\$ 1,036,124	\$ -	\$ 0	\$ 0
EOC					\$ -	\$ -

**3 HB 1164 Writing**

Assessment Pilot program	\$ 41,474	\$ 145,168	\$ 205,520	\$ -	\$ 392,162	\$ 392,162
4 Score Report Redesign	\$ 134,002	\$ -	\$ -	\$ -	\$ 134,002	\$ 134,002
6 Annual Release of Test Forms	\$ 407,440	\$ 314,863	\$ 259,570	\$ 262,408	\$ 1,244,280	\$ 1,244,280
8 APIP	\$ (26,599)	\$ 26,599	\$ -	\$ -	\$ -	\$ -
10 Stand Alone Prompt Study	\$ -	\$ (913,628)	\$ 913,628	\$ -	\$ -	\$ -

<b>Grand Total Components</b>						
1-3 Combined	\$ 68,018,215	\$ 68,662,198	\$ 71,748,747	\$ 69,743,690	\$ 278,172,850	\$ 70,740,965

**\$ 348,913,815**

**Amendment 2**

**Grades 3-8 STAAR**

1 HB 743 360 Items	\$ 2,171,173	\$ -	\$ 2,171,173	\$ -	\$ 2,171,173
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<b>Grand Total Components</b>						
1-3 Combined	\$ 68,018,215	\$ 70,833,371	\$ 71,748,747	\$ 69,743,690	\$ 280,344,023	\$ 70,740,965

**\$ 351,084,988**