

February 1, 2017



Memorandum

To: Rebecca Garland, Deputy State Superintendent

From: Tammy Howard, Director *TH*
Division of Accountability Services

Subject: Intent to Contract with Caveon Test Security
RQ 20185093

1. Please complete the following information (If you will use competitive bidding, please insert a short name for the RFP or other bid instrument in the place for Contractor Name; for example: RFP for Parking Services, and do not complete the contract amount or contract dates.)

Contractor Name: Caveon Test Security
Contract Amount \$20,000.00
Contract Dates: February 20, 2017 – June 30, 2017
DPI Project Coordinator and Telephone Number:
Nancy Carolan, 919-807-4160

2. Is this a contract amendment? If so, please explain fully why you are amending it. (Note: If the amendment is for a date extension only, do not answer questions #3 through #12)

No

3. Why are you initiating a contract? What services will you require?

The contract is being initiated for the development of a security handbook that cites security protocols for all aspects of the delivery of the North Carolina Testing Program. Development of this handbook requires knowledge of test administrations, data collections, security planning, legal precautions and agreements, test and item development and maintenance, physical security, information security, internet and media monitoring, security awareness and training, security incident response planning, and security investigations. These specifications are unique to standardized testing and require a vendor that has the scope and breadth to develop a thorough security handbook that addresses North Carolina's test security goals, priorities, processes, policies, and needs.

4. How does the contract add value to the teaching/learning process?

The security handbook strengthens the state's procedures to prevent testing irregularities and compromises of the state assessment program, including test form security, data security, and student privacy. It will provide guidance and recommendations on how to maintain test security at the state, district, and school levels. It will provide input on improving current protocols, practices, and processes which will ensure data generated from test administrations are valid and accurate, particularly with respect to making instructional program decisions. Also, the input will identify ways the assessment delivery may be streamlined or more accessible for all students.

5. Is the service unique and not repetitive with agency activity or other contracts? Please state why this service cannot be performed within the resources of the agency.

The service is unique and not repetitive with any other agency activity or other contracts. The agency cannot perform the services given the current staffing and organizational structure, and the agency does not have extensive knowledge of industry security standards.

6. What is the impact if you do not contract for these services?

There is risk of having a security breach which would impact the validity of potentially one million test scores as well as the loss of test forms, which cost approximately \$500,000 to develop. Also, security breaches negatively reflect on the integrity of the North Carolina Department of Public Instruction and the North Carolina Testing Program.

7. If this contract is being paid with grant money, does the grant require the contracted services? Please describe the grant references to these contracted services, and give a synopsis of the grant.

The contract is not being paid with a grant.

8. Will you use competitive bidding (e.g., RFP?) If yes, skip the remaining questions # 9 through # 12.

No

9. Are you using an IT Supplemental Staffing Convenience Contract or other type of convenience contract? If yes, please skip question # 10 and complete questions # 11 and # 12.

No

10. Do you plan to request sole sourcing for this contract? If yes, please complete and attach the required sole source justification memorandum. Sole sourcing is warranted whenever only one acceptable source can be found; sole sourcing should never be the first consideration. (**Important:** The approval of the DPI Section

Chief for Purchasing and Contracts, and approval by the Division of Purchasing and Contracts or ITS Procurement Services is required for sole sourced contracts.)

Yes

11. Have you contracted with this vendor previously for related services? If yes, please list all contracts with this vendor during the last twelve months.

Yes, Caveon conducted security audits in 2006 and in 2014.

12. How did you calculate the cost (e.g., what is the cost per hour and number of hours?) If the cost per hour is above the DPI maximum for that type of service per the New Service Contract Policies, please attach the required written permission granted by the Deputy Superintendent.

The estimated cost of this contract is for services to conduct the security handbook.

13. Is this contract for information technology services? Has this IT Project been entered into the Project Portfolio Management system (PPM Tool)? If so, has this IT Project been approved by the Enterprise Project Management office (EPMO)?

No

14. If this is a personal service contract request, is the vendor/contractor a retiree?

_____ Yes No

If answer is yes, is individual a member of:

_____ TSERS (Teachers & State Employees Retirement System)

_____ Other (Please Explain) _____

Requisition No. **RQ20185093**

Budget Code: 0801-532199 - 180010511000

Signed: Margaret Wall Date: 2/1/17
Budget Representative

Requisition No. **RQ20185093**

Approved: Yes No

Signed: Rebecca Garland Date: 2/1/17
Supt./Deputy Supt./Appropriate CFO/CAO/CIO

For Technology Contracts Only:

Approved: Yes No

Signed: _____ Date: _____
Chief Information Officer