



**FULLY EXECUTED - CHANGE 4 - REPRINT**

Purchase Order No: 4300166682

Original PO Effective Date: 05/12/2009

PO Change Date: 06/30/2009

PO Issue Date: 06/30/2009

Your SAP Vendor #: 164344

Please Deliver To:

**ASSESSMENT**

333 MARKET St 9TH FLOOR

HARRISBURG PA 17126-0333 US

Supplier Name/Address:

**DATA RECOGNITION CORP**

13490 BASS LAKE RD

MAPLE GROVE MN 55311-3634 US

Please Bill To:

Commonwealth of Pennsylvania - PO Invoice

PO Box 69180

Harrisburg, Pennsylvania 17106

Supplier Phone Number: 7632682000

**Purchasing Agent**

Name: Cathy Anderson

Phone: 717-783-9792

Fax: 717-705-2917

Purchase Order Description:

**16 DRC Contract Keystone Exams FY08**

This Purchase Order is issued pursuant to the referenced Contract and constitutes the Suppliers authority to deliver the item(s) referenced below at the prices stated below to the location(s) identified above in accordance with the Contract terms and conditions.

Suppliers must provide four mandatory elements on PO invoices: PO Number, Invoice Date, Invoice Number, and Invoice Gross Amount. Failure to comply will result in the return of the invoice. Additional optional information such as supplier name, address, remit to information and PO Line Item information will improve invoice processing.

Item	Material/Service Desc	Qty	UOM	Delivery Date	Net Price	Price Unit	Total
1	GCA - Item Development	1,854,511.000	Each	05/15/2009	1.00	1	1,854,511.00
	>>> Rel. ord. against contract 4400004674 Item 1						
	Valid from: 04/22/2009 to 06/30/2015						

Information:

Total Amount:

SEE LAST PAGE FOR TOTAL OF ALL ITEMS

Currency: USD

Supplier's Signature

Printed Name Susan S. Engeleiter

Title

Chief Executive Officer/President

Date

July 9, 2009

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Item	Material/Service Desc	Qty	UOM	Delivery Date	Net Price	Price Unit	Total
<b>Item Text</b> This line item reflects costs attributed to Item Development for FY08, including: --Item Development-Algebra I - \$415,455.00 --Item Development-Algebra II - \$415,455.00 --Item Development-Geometry - \$415,455.00 --Item Development-English Composition - \$115,637.00 --Item Review Committee Meetings - \$161,236.00 --Field Test Item Review with Date Committee Meetings - \$36,788.00 --Bias/Sensitivity/Fairness Committee Meetings - \$39,284.00 --Data Query System - \$255,201.00  Payment is based on invoices submitted for actual services rendered. All FY08 work must be completed on or before June 30, 2009.							
2	GCA - General Costs	305,012.000	Each	05/15/2009	1.00	1	305,012.00
>>> Rel. ord. against contract 4400004674 Item 8 Valid from: 04/22/2009 to 06/30/2015  <b>Item Text</b> This line item reflects all costs attributed to GCA General Costs for FY08, including:  --Preparation and Documentation of Ongoing Project Management Meetings - \$305,012.00  Payment is based on invoices submitted for actual services rendered. All FY08 work must be completed on or before June 30, 2009.							
3	Model Curriculum - Development	525,378.000	Each	05/15/2009	1.00	1	525,378.00
>>> Rel. ord. against contract 4400004674 Item 12 Valid from: 04/22/2009 to 06/30/2015  <b>Item Text</b> This line item reflects all costs attributed to Model Curriculum Development for FY08, including: --Reading, Writing, Speaking & Listening Materials - \$119,068.00 --Mathematics Materials - \$406,310.00  Payment is based on invoices submitted for actual services rendered. All FY08 work must be completed on or before June 30, 2009.							

**Information:****Total Amount:**

SEE LAST PAGE FOR TOTAL OF ALL ITEMS

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Item	Material/Service Desc	Qty	UOM	Delivery Date	Net Price	Price Unit	Total
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4	Diagnostic Test - Item Development	5,180,721.000	Each	05/15/2009	1.00	1	5,180,721.00
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>>> Rel. ord. against contract 4400004674 Item 18  
Valid from: 04/22/2009 to 06/30/2015

**Item Text**

This line item reflects all costs attributed to Item Development for the Diagnostic Test for FY08, including:

--Item Development-Algebra I - \$300,408.00

--Item Development-Algebra II - \$300,408.00

--Item Development-Geometry - \$300,408.00

--Online Diagnostic Assessment System Development - \$4,279,497.00

Payment is based on invoices submitted for actual services rendered. All FY08 work must be completed on or before June 30, 2009.

7	Diagnostic Test - Reports	110,639.000	Each	05/15/2009	1.00	1	110,639.00
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>>> Rel. ord. against contract 4400004674 Item 19  
Valid from: 04/22/2009 to 06/30/2015

**Item Text**

This line item reflects all costs attributed to Diagnostic Testing Reports and Data Files for FY08, including:

--Development of Online Reports (Templates) - \$110,639.00

Payment is based on invoices submitted for actual services rendered. All FY08 work must be completed on or before June 30, 2009.

**General Requirements for all Items:****Information:****Total Amount:**

SEE LAST PAGE FOR TOTAL OF ALL ITEMS

Currency: USD



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**Supplier Name:**  
DATA RECOGNITION CORP

**Header Text**

WHEREAS the Pennsylvania Department of General Services issued a Request for Proposal (RFP) on behalf of the Pennsylvania Department of Education, numbered PDE-08-02 on August 28, 2008; and,

WHEREAS Data Recognition Corporation was one of several suppliers who submitted proposals in response to RFP PDE-08-02 on October 16, 2008; and,

WHEREAS based upon evaluation of the Proposals, followed by Best and Final Offer submissions and subsequent negotiations, it was determined that Data Recognition Corporation should be awarded the contract for an initial term of up to six and one-half years, to commence immediately upon final approval and to continue until June 30, 2015; and,

WHEREAS Contract Number 4400004674 was created, binding Data Recognition Corporation and the Pennsylvania Department of Education to the requirements of the Data Recognition Corporation's Proposal as modified by its Best and Final Offer submission and negotiated budget, that is attached hereto.

NOW THEREFORE, the Pennsylvania Department of Education (PDE) further commits to this agreement with the encumbrance of funds for fiscal year 2008 in the form of a purchase order in the amount of \$7,976,261.00 against Contract Number 4400004674; and,

PDE further stipulates that an individual purchase order for the encumbrance of funds for each fiscal year of the remaining term through June 30, 2015 shall be created on or near the start of each successive fiscal year, in effect committing to the total purchase price for the first term of the contract of \$201,119,255.50; and,

Receipt of each fully executed purchase order is intended to serve as a Notice To Proceed against the contract for that fiscal year.

All standard Terms & Conditions in effect at the time of this contract will remain in effect throughout the term of the contract unless changed by amendment.

This purchase order is solely for FY08 work against agency contract #4400004674, Keystone Exams.

**Funding Adjustment (6/4/09):** The Department is reallocating funds in this purchase order based on the late award of the contract and its desire to have the Reading and Mathematics Model Curriculum and Diagnostic Assessment tool ready for use by schools in the Fall 2009.

**Amend 1 (6/29/09):** This purchase order is to authorize work during FY08. However, due to a late start on the project, the Department of Education has agreed to extend the term of this FY08 purchase order by five months or until November 30, 2009 so that FY08 designated work can be completed. There is to be no additional charge to the Commonwealth for this extension beyond the funds already encumbered. This extension does NOT permit work against FY09 tasks to begin, it only extends the period for work under FY08 to be completed.

**Vendor Memo (General)**

Please consider receipt of a fully approved purchase order as your Notice To Proceed or authorization for work to begin.

**No further information for this PO.**

**Information:****Total Amount:**

7,976,261.00

**Currency: USD**