

BIZfact

13.2%

Percentage of the Long Island job market in the business and professional-services sector.

Source: New York State Labor Department

SMALL-BIZ OWNERS' OPTIMISM SURGES

Small-business owners' optimism about the economy has turned around dramatically since before the election, according to a survey released by Bank of America.

The number of owners expecting the national economy to improve over the next 12 months jumped to 52 percent in the survey released last week, from 31 percent in a survey taken from August to October. The number of owners expecting growth in their local economy also rose sharply, to 50 percent from 37 percent.

Hiring plans dipped from the fall; 18 percent of owners expect to add staffers during the next year, down from 25 percent. However, small businesses have stepped up their hiring in the past few months, which means many companies may not need to add more staffers for a while.

Both findings are in sync with several other recent surveys, but the Bank of America survey questioned a larger pool of owners, 1,000, than others have done.

Owners have been getting more confident since the election, but they're still cautious about making a commitment to new staffers until they see whether the Trump administration and Congress can deliver on promises like lower taxes and fewer regulations.

The survey was conducted in March and April.

— AP

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HOWARD SCHINAPP

OSC World president Michael H. Kerr, whose testing firm has grown despite Long Island being a center of the national opt-out movement.

They know the Score

Test grading has been a surprising answer for data firm eager to grow

BY KEN SCHACHTER
kenneth.schachter@newsday.com

A Long Island company that employs more than 300 active and former teachers to score standardized test essays is giving high grades to the business line that has roughly doubled its revenue since 2012.

OSC World president Michael H. Kerr said the period from early April, following the grade 3-8 English Language Arts test in New York, through

this week's state Math Assessment and until the June Regents tests, is like the holiday selling period for shop owners. Total headcount balloons to about 400, including the scorers, 30 full-timers, drivers and technical-support staff.

Active and retired teachers using laptops at OSC scoring centers in Hicksville, Central Islip and upstate Clifton Park are delivered "anonymized"

digital images of hand-written essays. Rather than deal with multiple questions, the teachers repeatedly grade answers to a single question. They use rubrics to determine how many points each student's essay should be awarded. OSC doesn't handle the "bubble" scoring of multiple-choice questions.

Until 2010, the Lynbrook company exclusively worked to process, scan and deliver raw data from market research surveys for clients including Gallup Inc. and Experian plc. That raw data, converted into digital form, fuels business decisions.

That year, the company rolled out software services to the Boards of Cooperative Educational Services for Nassau and Eastern Suffolk to streamline the grading of standardized tests. Under the initial version of the service, teachers would come to BOCES centers to score tests using OSC's software.

Since then, the test-scoring business has grown rapidly and the service has evolved to what Michel Richez, OSC's executive vice president of business development, calls "full-service scoring." That system, in which the company hires active and retired teachers to do the scoring on laptop computers in OSC's centers, accounts for the vast majority of OSC's test-scoring business.

At a glance

- **Company:** OSC World, Lynbrook
- **President:** Michael H. Kerr
- **Employees:** 30 full-time, plus as many as 370 part-time during busy season
- **2017 projected revenue:** \$7 million

By 2013, OSC World was processing about 150,000 ELA and mathematics exams and overall revenue was about \$1.5 million.

This year, test scoring — 300,000 grade 3-8 ELA and math exams and 35,000 fourth- and eighth-grade science exams — will account for a bout half of the company's projected \$7 million in revenue. "We're doing over 350 school districts and private schools statewide now," said Richez, including test scoring for 25 of 56 public school districts in Nassau and 55 of 69 in Suffolk.

"We've grown quickly in that business," Kerr said.

That growth has come despite being paid by the number of tests and operating on Long Island — an epicenter of the national opt-out movement in which parents have their chil-

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LI BUSINESS



Rachel Poppe, director of operations, checks in standardized test booklets as they are prepared to be scanned so they can be scored at Lynbrook's OSC World.

TEST-GRADING BUSINESS DOUBLES FIRM'S REVENUE

GRADING from A31

dren be excused from taking standardized Common Core tests.

More than 97,000 public school students — 51.2 percent of those eligible — in 116 Long Island districts refused to take the state ELA exam this spring, according to a Newsday survey.

Nassau and Eastern Suffolk BOCES and their Regional Information Centers, which provide technology services to the area's public, private and parochial schools, are major customers of OSC World. OSC's biggest customer is the Lower Hudson Regional Information Center, a nonprofit consortium providing educational and administrative technology services to 62 school districts in Westchester, Putnam, and Rockland counties.

That region also is an opt-out hotbed.

Other customers include upstate clients Central New York Regional Information Center, Mohawk Regional Information Center and Broome-Tioga BOCES.

Danielle Hudek, Eastern Suffolk BOCES' administrative coordinator for curriculum and assessment, said that even the pilot rollout of OSC's system — before the advent of full-service scoring — showed that it was far more efficient than having teachers move around boxes of tests, open each booklet and find a particular question.



Letisha Crider of OSC removes the binding from standardized test booklets.

"What we discovered as a result of the pilot was that scoring required half the amount of time or half the amount of teachers" using the OSC system, she said.

In the spartan offices of OSC World, the company's 30 full-time employees oversee part-time workers who use machines to cut off the spines of test booklets, vacuum pages to sweep up erasure debris and prevent jamming and scan those pages.

But perhaps the biggest trick is logistics: tracking each test booklet via a bar code and ensuring that the pages and attendant data are processed correctly.

"We don't want to put a student's paper in jeopardy," said Kerr, who

co-owns the business with his sister, vice president Carol Harrison, and cousin, executive vice president Jeffrey Schneider, who wrote the code for the scanning software.

New technology, however, is altering the test-taking process and lessening reliance on paper.

In 2015, New York's State Education Department awarded Minneapolis-based Questar Assessment Inc. a five-year, \$44 million contract to develop computerized versions of the standardized tests for grades 3-8 ELA and mathematics.

Kerr said that OSC has been certified for scoring Questar's computerized tests to keep abreast of a changing industry.