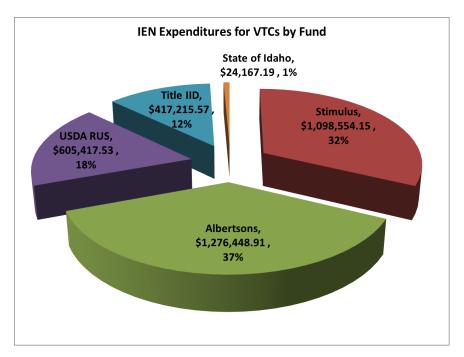
Dear JFAC Members,

Thank you for the presentation on the Legislative Services Office's Agreed-Upon Procedures Report of the Idaho Education Network. We appreciated working with Eide Bailly and the opportunity to review the program. There are a few points of clarification we believe are important after this morning's meeting.

First, the funding used to purchase videoconferencing equipment was not entirely state general funds, as stated. While the Legislature did grant spending authority for these funds, they were a combination of grants from the USDA Rural Utilities Service (RUS), J.A. and Kathryn Albertson Foundation, and U.S. Department of Education Title II-D program, as well as federal stimulus funds. Only \$24,167.19, or approximately 1% of the total expended funds for videoconferencing equipment, was state general fund. These funds are the initial cost of the assets and one-time expenditures to provide the "two-way interactive video," as required in Section 67-5745D, Idaho Code.



Second, the Idaho Education Network has already taken the initiative to follow up and locate the equipment reported as missing. In the last week, six (6) of the 8 assets deemed missing have already been located, including pictures and room locations as verification. We are continuing to work with the respective districts to locate the 2 remaining assets.

Next, there was some discussion about the usage of the videoconferencing for delivery of courses and comparisons made to Idaho Digital Learning Academy's enrollment. Videoconferencing is just one piece of the larger statewide area network that is the Idaho Education Network and one education strategy to serve students who do not have access to a full offering of courses.

We often use the analogy of a highway and vehicles. The Idaho Education Network is the highway that vehicles like Idaho Digital Learning Academy courses, streaming digital content, technology devices,

computerized testing, and more drive on. Many high school students utilize the bandwidth infrastructure provided the Idaho Education Network in their classroom every day.

Additionally, Idaho Digital Learning Academy has begun offering hybrid courses that incorporate synchronous (live) elements into their course content using Idaho Education Network videoconferencing equipment.

Finally, the Idaho Education Network saw student enrollment steadily increase from fall 2009 to fall 2012; however, enrollment dipped in 2012 following the repeal of the online course requirement associated with the Students Come First education reform laws.

Again, we appreciate the review and are pleased that 91.4% of survey respondents ranked their overall satisfaction with the Idaho Education Network as a 3 or higher, on a scale of 1 to 5. We know that the network is providing critical access to a range educational opportunities, especially for our rural schools. Thank you for the opportunity to respond. We hope these clarifications will help as you go about your work this legislative session.

Sincerely,

John Goedde

Consultant for the Idaho Education Network

Executive Office of the Governor