



Dear Customer,

I am writing you today with urgent information about the future of the Idaho Education Network (IEN). Education Networks of America (ENA) is proud of the work that we have accomplished together with you in building the IEN. The IEN is a world-class education network that rivals any state's effort to provide students access to such learning opportunities. We are gratified that 80 percent of Idaho schools receive their broadband access through the IEN.

We understand that the legislature is intending to transfer money for service between some date in February 2015 and at least July 30, 2015 to school districts by way of the Superintendent of Education to continue service. ENA is willing to continue service in a direct relationship with school districts and is working as quickly as possible with CenturyLink to determine if that will be possible. If so, we will be asking each of you who desire the service to sign a contract for service until July 30, 2015 in accordance with Idaho Code 67-2803 and we encourage you to take actions to be ready to quickly review and sign such a contract when it becomes available. We hope that we can be successful in that endeavor and offer uninterrupted service as that would be our goal.

From its inception, ENA has been committed to the success of the IEN with the expressed goal of helping schools deliver a 21st century education.

- In 2008 ENA was one of numerous industry respondents to a State RFI seeking recommendations on how to best deploy and manage a statewide network to ensure equal access to all Idaho schools and students
- Then in response to an RFP in 2009 ENA proposed a solution which envisioned establishing a partnership of multiple telecommunications vendors to deliver such a network at the lowest possible cost and highest possible service levels, leveraging ENA's experience in delivering similar networks in other states
- ENA was the lowest-cost, highest-scoring respondent to the IEN RFP by a significant margin
- The State exercised its prerogative, clearly stated in the RFP, to award parts of the contract to multiple vendors, contracting with ENA for deployment and management of the network and Qwest (now CenturyLink) for provision of the underlying circuits
- We completed the initial implementation of the IEN one year ahead of schedule and 16 percent under budget
- We worked under the direction of the State with reassurances that the multi-contract award process was carried out as designed in the RFP in accordance with state law and this was reaffirmed through multiple court proceedings
- Throughout the contract duration, the State of Idaho has benefited from an additional 565 percent increase in service while simultaneously realizing a 77 percent decrease in rates even lower than were initially bid
- The expansion of learning and collaboration that has occurred as a result of schools embracing the tools and instructional opportunities made available by the IEN has forever changed education in Idaho for the better

ENA has continued to provide fully-functional IEN services despite not being paid by the State for services delivered since August 31, 2014. The State, acting through Governor C.L. "Butch" Otter, his staff and the Department of Administration has repeatedly acknowledged that we have delivered services for which we are due full payment. After five years of exemplary performance, we are now faced with a declaration that the State's actions in splitting the award caused the contract under which we have performed to be void. This is driving the need to create a simple contract between ENA and your district if we are to continue to provide services.

With your leadership, you and your teachers have demonstrated a great deal of creativity and innovation by embracing the possibilities that exist for students when leveraging the network technology, online instructional and administrative resources and tools the IEN enables. We believe in the IEN and its benefits, and look forward to the opportunity to continue to serve the students and staff in your district.

On behalf of ENA, I want to thank you for your understanding, business and support.

Sincerely,

A handwritten signature in blue ink that reads "David M. Pierce". The signature is fluid and cursive, with a prominent initial "D" and "P".

David M. Pierce
CEO
Education Networks of America, Inc.