

**ANNUAL PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION**

**General Information**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b> Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b> 05-43-B10591	<b>3. DUNS Number</b> 801866984
<b>4. Recipient Organization</b> Connect Arkansas, Inc. 200 S Commerce STE 400, Little Rock, AR 722011766		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b> 12-31-2011	<b>6. Is this the last Annual Report of the Award Period?</b> <p style="text-align: center;"> <input type="radio"/> Yes    <input checked="" type="radio"/> No                 </p>	
<b>7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Grace Morrissey	<b>7c. Telephone (area code, number and extension)</b>	
	<b>7d. Email Address</b>  gmorrissey@connect-arkansas.org	
<b>7b. Signature of Certifying Official</b> Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b> 02-22-2012	

PROJECT INDICATORS																																																
<p><b>1. Does your Sustainable Broadband Adoption (SBA) project foster a particular broadband technology or technologies? If so, please describe this technology (or technologies) (600 words or less).</b></p> <p>The Connect Arkansas mission does not favor one broadband technology over another. Our mission states that Connect is "technology neutral" and not concerned with how or what a person uses to access broadband as long as they are utilizing it in some way. Connect Arkansas pushes all broadband technologies regardless of brand, type, or speeds.</p>																																																
<p><b>2a. Please list all of the broadband equipment and/or supplies you have purchased during the most recent calendar year using BTOP grant funds or other (matching) funds, including any customer premises equipment or end-user devices. If additional space is needed, please attach a list of equipment and/or supplies. Please also describe how the equipment and supplies have been deployed (100 words or less).</b></p> <table border="1" style="width:100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 15%;">Manufacturer</th> <th style="width: 10%;">Item</th> <th style="width: 10%;">Unit Cost per Item</th> <th style="width: 10%;">Number of Units</th> <th style="width: 55%;">Narrative description of how the equipment and supplies were deployed</th> </tr> </thead> <tbody> <tr> <td>LRS D</td> <td>1</td> <td>88</td> <td>356</td> <td>Equipment was deployed to students who have completed the Technology Training course and are on free/reduced lunch at their school.</td> </tr> <tr> <td colspan="2" style="text-align: right;"><b>Totals</b></td> <td>88</td> <td>356</td> <td></td> </tr> </tbody> </table> <div style="margin-top: 10px; text-align: center;"> <span style="border: 1px solid black; padding: 2px 10px; margin: 0 10px;">Add Equipment</span> <span style="border: 1px solid black; padding: 2px 10px; margin: 0 10px;">Remove Equipment</span> </div>					Manufacturer	Item	Unit Cost per Item	Number of Units	Narrative description of how the equipment and supplies were deployed	LRS D	1	88	356	Equipment was deployed to students who have completed the Technology Training course and are on free/reduced lunch at their school.	<b>Totals</b>		88	356																														
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<p><b>2b. To the extent you distribute equipment/supplies to beneficiaries of your project, please describe the equipment/supplies you distribute, the quantities distributed, and the specific populations to whom the equipment/supplies are distributed (600 words or less).</b></p> <p>Connect Arkansas purchases equipment for students in our Computers for Kids program. Connect received funds to purchase up to 1,710 refurbished computers from the Little Rock School District for distribution to scholarship recipients. Each student who receives a computer is required to be on free/reduced lunch status at their school and complete the Technology Training program.</p> <p>Each computer is refurbished by the Little Rock School district refurbishing facility which utilizes students in IT classes for after hours work.</p> <p>Minimum specification for each computer is as follows:                      Monitor, Mouse &amp; Keyboard                      Pentium 4 Processor                      256 MB of Memory                      10GB Hard Drive                      Windows XP Operating System                      Office Software Suite</p>																																																
<p><b>3. For SBA access and training provided with BTOP grant funds, please provide the information below. Unless otherwise indicated in the instructions, figures should be reported <u>cumulatively</u> from award inception to the end of the most recent calendar year. For each type of training (other than open access), please count only the participants who <u>completed</u> the course.</b></p> <table border="1" style="width:100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 35%;">Types of Access or Training</th> <th style="width: 20%;">Number of People Targeted</th> <th style="width: 20%;">Number of People Participating</th> <th style="width: 25%;">Total Training Hours Offered</th> </tr> </thead> <tbody> <tr> <td>Open Lab Access</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Multimedia</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Office Skills</td> <td style="text-align: center;">400</td> <td style="text-align: center;">434</td> <td style="text-align: center;">868</td> </tr> <tr> <td>ESL</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>GED</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>College Preparatory Training</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Basic Internet and Computer Use</td> <td style="text-align: center;">400</td> <td style="text-align: center;">356</td> <td style="text-align: center;">2,136</td> </tr> <tr> <td>Certified Training Programs</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Other (please specify): Entrepreneurship Training</td> <td style="text-align: center;">420</td> <td style="text-align: center;">442</td> <td style="text-align: center;">1,768</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;">1,220</td> <td style="text-align: center;">1,232</td> <td style="text-align: center;">4,772</td> </tr> </tbody> </table>					Types of Access or Training	Number of People Targeted	Number of People Participating	Total Training Hours Offered	Open Lab Access	0	0	0	Multimedia	0	0	0	Office Skills	400	434	868	ESL	0	0	0	GED	0	0	0	College Preparatory Training	0	0	0	Basic Internet and Computer Use	400	356	2,136	Certified Training Programs	0	0	0	Other (please specify): Entrepreneurship Training	420	442	1,768	<b>Total</b>	1,220	1,232	4,772
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<p><b>4. Please describe key economic and social successes of your project during the past year, and why you believe the project is successful thus far (600 words or less).</b></p> <p>Connect Arkansas believes that all of our programs have had some kind of social successes through out 2011. Through our programs,</p>																																																

we have taught over 1,200 people how to utilize the internet to enhance their quality of life and their overall economic status. They have learned the importance of the internet in their everyday lives and how they can apply what they've learned by starting an online business, conducting research for their next report, how to utilize high speed internet for use in the medical field, etc.

Our marketing and outreach programs have only begun to scratch the surface of making contact with Arkansans to help them realize the full potential of the internet to their lives. Our surveys show that in 2011, we started the year with 56% of Arkansans believing that internet access at home is a luxury to their lives, as opposed to a necessity. We finished the year with a slight drop in this luxury number - it now stands at 55%. However, we all must keep in mind that we are changing a way of life for many of these people that we touch everyday with our programs, and that change is slow to come, but it is coming.

**5. Please estimate the level of broadband adoption in the community(ies) and/or area(s) your project serves, explain your methodology for estimating the level of broadband adoption, and explain changes in the broadband adoption level, if any, since the project began.**

5a. Adoption Level (%):	Narrative description of level, methodology, and change from the level at project inception (600 words or less).
0	<p>Connect Arkansas defines a broadband adopter as "someone who has changed the way they are utilizing the internet from the way they used it before". With this definition in mind, we began 2011 with a statewide survey of attitudes toward broadband in our state. We ended 2011 with a follow up to that survey. We found that claimed broadband adoption in the home was static over the year, with no change whatsoever in claimed home subscriber rates; however, we did see that where during our first survey, 1/3 of Arkansans said they owned a home computer. Now, that figure stands at 1/4 of Arkansans owning a home computer. We are still sifting through the wealth of cross tab data from this survey, but the survey confirmed for us that - even in incremental amounts so far - our projects are working. They are making impacts with people. We are helping to change the way the population of our high-need areas are thinking in terms of economic viability, economic sustainability, and how the internet can positively impact their lives.</p> <p>In our 2010 annual report, we erroneously reported 10% adoption level. The adoption level for 2010 should have been 0% as we had not yet developed a reliable method for measuring adoption and are still experiencing issues for quantifying adoption rates.</p>

**6. Please describe the two most common barriers to broadband adoption that you have experienced this year in connection with your project. What steps did you take to address them (600 words or less)?**

The most common barriers Connect Arkansas has identified several barriers to broadband adoption during the past year with the two most common being lack of access to computers and broadband internet at the household level. Connect has attempted to address the first issue through our Computers for Kids program. The Computers for Kids program is split in to two main sections: the scholarship portion and the discounted computers portion. Connect has received funds through the SBA program to supply 1710 refurbished computers to children in 57 counties who qualify for free or reduced lunch and do not have a computer in their home at this time. To date, we have distributed 347 computers to students. Through the discounted computer program, Connect has provided a resource for people to purchase high quality refurbished computers through suppliers in California and Ontario, Canada. These computers are in great, working condition and are priced very well at \$150 for purchase by disadvantaged families. The website is: [www.arkcomputers4kids.com](http://www.arkcomputers4kids.com).

The second barrier, access to affordable broadband, is being addressed through our discounted broadband program. This program, although not mentioned in the SBA grant, is in the planning stages and will address the affordable broadband issue by working with broadband providers throughout the state to offer discounted broadband packages for consumers within their service area. More information about this program will be discussed in future quarterly reports.

**7. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities. (150 words or less)**

Connect Arkansas has not made any subcontracts or sub grants to socially and economically disadvantaged small businesses at the time of this report.

**8. Please describe any best practices / lessons learned that can be shared with other similar BTOP projects (900 words or less).**

Best practices/lessons learned are listed below by program:

**Technology Training:** After we started advertising the first Technology Training course, we learned that there was a high demand for these types of classes. Advertising for the first class of 25 students was released at 9:00am and the sign up sheet was full by 10:30am. By 2:00pm that afternoon, we had another 25 students signed up on an alternative list in case anyone dropped out of the first list. Initially we didn't have any restrictions on the classes beyond it being for only students in school grades K-12. We have since restricted all classes to students without a computer in the home and on free or reduced lunch status at their school. Each student is required to fill out a form and submit documentation certifying that they meet these requirements.

**Computers for Kids:** We have continued to run into supply disruption issues with our refurbished computer supplier. We learned very quickly that it was important to have an inventory of computers built up to allow flexibility in case of any last minute disruptions. At least one additional computer supplier is also a good idea in case there are any prolonged supply issues with the primary supplier. The

secondary supplier should be able to handle the volume in case they're needed to pick up the slack.

**Entrepreneurship Curriculum Training:**

In the 30 classrooms visited to date, the enthusiasm for the program from teachers has been high. The teachers have all understood clearly the value of teaching entrepreneurship to their students, but seem underequipped to do so. Their main focus is on core subjects that related directly to the standardized tests given each year. Having the ability for outside instructors to come in and manage the subject matter of entrepreneurship seems critical for learning. Those teachers who focus on project based learning (such as the EAST Initiative – [www.eastproject.org](http://www.eastproject.org)) have introduced some concepts related to entrepreneurship and ecommerce/broadband related technologies previously. Beyond the subject matter, a strong selling point is the utilization of iPads as this is a technology that is still not in most classrooms. Only teachers who are adept at obtaining grant money and have aggressively obtained it for specific iPad labs currently have iPad access. All schools have a strong computer laboratory and state funded smartboard technology. Smartboards appear to be very under-utilized as many teachers have technical issues with their performance. When utilized in a classroom, such as in our Kingston and Jonesboro classes they can be a very powerful tool to keep the student's attention.

A disturbing trend within our classrooms in rural areas is the level of poverty in communities served. As has been noted in several areas such as Eureka Springs, Kingston and Jonesboro, the pizza that we bring into the classroom may be the only meal that several students receive during that day. The teachers work very hard to provide any type of assistance they can to their students and our lunch helps.

From the students perspective there has been little indication of experience with entrepreneurial and business ownership concepts unless parents or other relative have a small business in the area. This makes the concepts being taught typically brand new.

Computer utilization outside the classroom is limited. The device most rural students are most familiar is data over the cell phone. Computers are mainly utilized in third party locations such as schools, libraries and community centers. Keyboarding skills vary greatly between students and regions. The utilization of iPads is well received and the interface is very intuitive for all students. Students immediately gravitate towards the social media application Facebook but have little knowledge of other social media tools. YouTube is widely known and utilized as well.

Project based learning is a must in order to capture the students attention. Case study examples must be relevant to the geographic area. If the students have never heard of an on-line company you are discussing it likely will be of little interest to them. Also, social media trends that are location based services such as Groupon and Four Square are not present in rural communities. More effective are discussions of companies utilized by the students that provide a level of validation for classroom discussions such as Facebook, Amazon, etc.

**Distance Health Program:**

One challenge continues to be finding people receptive to our telehealth outreach. We contact and engage people in a number of ways and so it's not due to a lack of effort. Telehealth and particularly incorporating telehealth into a medical practice is a new thing to most medical professionals. Most people avoid change. Add to that the anxiety over technology and thus it's natural people aren't always motivated to learn more about what we offer.

The UAMS BTOP program helps. That project, a sister project to ours, is involved with increasing the broadband access in the state as well as deploying new telehealth equipment. Sites receiving BTOP equipment are more likely to engage with us. However, it cuts both ways sometimes. The BTOP sites receiving equipment in the current Phase 1 rollout already have the necessary connectivity. Also most Phase 1 BTOP sites already have telehealth equipment. Thus telehealth isn't a "new thing" to those sites. We work hard to respond and identify those sites that are receptive to telehealth training and are constantly thinking of new ways to reach them.