

RECIPIENT NAME: Connected Nation, Inc.

AWARD NUMBER: 21-43-B10546

DATE: 04/26/2013

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number 21-43-B10546	3. DUNS Number 086130007
4. Recipient Organization Connected Nation, Inc. 1020 College St, Bowling Green, KY 421012137		
5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2013	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No	
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.		
7a. Typed or Printed Name and Title of Certifying Official Bernie Bogle Grants Management Officer	7c. Telephone (area code, number and extension) 270-781-4320	
	7d. Email Address bbogle@connectednation.org	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 04-26-2013	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).

Connected Nation continued to work with 83 sub-recipients for the Every Citizen Online (ECO) computer training. Currently, the program has trained 36,361 students through instructor-led training and 374 students have been trained through self-paced curriculum for a total of 36,735 trained participants across the state. A total of 1,623 computers have been distributed to sub-recipients. Training locations total 248 and can be found in 70 of 88 Ohio counties.

The newest public service announcements (PSAs) for television and radio began airing. PSA themes include job searching and helping small businesses, online education, communicating with family, and online tools for senior citizens. PSAs this quarter focused services emphasizing the ease of connecting to family online, convenience of shopping and banking online, and added knowledge from researching hobbies, travel, and projects online. Since inception, more than 53,600 PSAs have aired on 34 television stations, 246,000 PSAs have aired on 122 radio stations, and PSAs run in 100 newspapers weekly. PSAs have generated approximately 1 billion impressions with an additional 32 million impressions from more than 220 press releases sent to local and statewide news organizations. Such as:

*** Goodwill Industries of Greater Cleveland and East Central Ohio Partners with Connect Ohio to Offer Computer Training to Area Adults**

(<http://connectohio.org/recent-news/release-goodwill-industries-greater-cleveland-and-east-central-ohio-partners-connect-ohi>)

“At Goodwill we are always looking for ways to improve employment opportunities and overall quality of life for the people in our community,” said Tyler Drake, supervisor of mission services at Goodwill.

*** Goodwill Industries of South Central Ohio Trains More than 400 Participants on Computer Basics**

(<http://connectohio.org/blog/post/goodwill-industries-south-central-ohio-trains-more-400-participants-computer-basics>)

Goodwill Industries of South Central Ohio offers the free ECO computer training at 10 locations across 7 counties. “Participants are looking to learn about Internet usage and e-mail,” said ECO instructor Mark Hughes. “Many come in not knowing how to turn on a computer.” Janet Mathias signed up for the training after realizing her computer skills were lacking and her boss’s expectations were increasing. “I’m not good on the computer,” said Mathias. “It’s hard to apply for jobs and most places require online applications.”

*** Unemployed Older Workers Get Free Computer Training**

(<http://connectohio.org/recent-news/unemployed-older-workers-get-free-computer-training>)

Medina resident Rick Barnhart, 58, is typical of the unemployed older workers who have turned to the Medina County Career Center for basic computer training. “This course has been a big help to me,” Barnhart said. “It’s given me a lot more confidence in navigating the Internet. That’s the only place jobs are posted anymore, and I feel more comfortable that I can find them and complete the application process correctly.”

*** Portsmouth Public Library Partners with Connect Ohio to Offer Computer Training to Area Adults**

(<http://connectohio.org/recent-news/release-portsmouth-public-library-partners-connect-ohio-offer-computer-training-area-adu>)

“We have trained more than 270 people so far through this program,” said Becky Schultz, technology coordinator at Portsmouth Public Library. “Many have continued taking other computer classes here at the library, and we also have helped people who were struggling in their jobs because they couldn’t use computers. One student was able to start an online business after completing the training. We have collaborated with several other local organizations to offer classes to their clients, and have had agencies send staff to us for training.”

*** EveryoneOn Digital Literacy Initiative Begins This Month**

(<http://connectohio.org/blog/post/everyoneon-digital-literacy-initiative-begins-month>)

Connect Ohio wants to make you aware of EveryoneOn, a national digital literacy training program launching March 21, 2013, which includes a robust PSA campaign that may result in public inquiries at libraries and Every Citizen Online partner locations.

(<http://connectohio.org/blog/post/everyoneon-digital-literacy-initiative-begins-month>)

Additional information, including press releases and pickups from this quarter, can be found within the enclosed "13Q1_Supplemental Attachment_Ohio."

2. Please provide the percent complete for the following key milestones in your project. Write “0” in the Percent Complete column and “N/A” in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline report, please insert them at the bottom of the table. Figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.a.	Overall Project	80	The approved baseline plan anticipated the project to be 100% complete this quarter. While the program saw progress throughout Q1 2013, the overall project has not met the anticipated completion percentage. This differential is attributed to sub-recipient training costs. A significant number of the program's Sub-Award Agreements expired in 2012 without the sub-recipient having fulfilled its contracted number of training hours. Additional time beyond the current project end date will be needed to complete the project activities.
2.b.	Equipment / Supply Purchases	-	Progress reported in Question 4 below
2.c.	Awareness Campaigns	-	Progress reported in Question 4 below
2.d.	Outreach Activities	-	Progress reported in Question 4 below
2.e.	Training Programs	-	Progress reported in Question 4 below
2.f.	Other (please specify):	-	Progress reported in Question 4 below

3. Please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Trainee participation continues to be a challenge for some sub-recipients while others are meeting or exceeding expectations. Field Operations Managers continue to meet with struggling sub-recipients and to review their progress in order to make informed decisions regarding their continued involvement in the program. Through these meetings, several sub-recipients have decided to terminate their agreements early due to a lack of demand in their area or lack of staffing to handle the administration of the program. Program staff have determined that the initial goals of trained participants, instructor hours utilized, and computers distributed will not be met by the end of the program due to many factors including: initial sub-recipients who committed to the program but were unable to begin training as a result of funding cuts and/or lack of staff, additional outreach to new sub-recipients resulted in a high volume of Sub-Awards but those awards did not necessarily result in a high number of anticipated trainees, and self-paced training availability did not produce many trainees due to the level of computer knowledge necessary to complete the curriculum.

Tactics being used to improve program element successes are listed below:

1. Training facilities struggling with low attendance work directly with the program's Outreach & Awareness Specialist to create personalized, local public service announcements in order to increase awareness of training availability in sparsely populated areas.
2. Monthly e-newsletters continue to be distributed to all sub-recipients' staff in order to keep them informed about milestone progress, targets, and general ECO program updates. In addition, the e-newsletters serve as regular reminders and include recommendations to sub-recipients on best practices in an effort to increase program objectives.
3. Monthly trend reports are generated in order to determine program successes against challenge areas, and are used in sub-recipient program reviews.
4. The call center transfers a participant directly to their closest facility to ensure that they are connected to someone and can be registered.
5. Whenever possible, training facilities are attempting to over-book or otherwise postpone classes until there is enough demand to ensure the class will be better attended.
6. Training facilities are scheduling class sessions in closer proximity (e.g. three days in a row as opposed to one day over three weeks), which has proven to improve follow-on attendance.
7. Training facilities are engaging training participants to encourage their friends, family, and coworkers to join them in a class. These referrals have proven to improve not only attendance but overall class dynamics as well.
8. Expanding on its digital literacy training program to incorporate specialized workforce development training and job placement components. Participating trainees will go through an involved screening and training program, and upon completion of the 4-6 week program, participants will have an entry level, telework job open and available for them. Trainees will receive mentorship beginning with support through the entry level telework training, and maintain this relationship with workers to nurture their growth through continued training/education in an apprenticeship style program while they work.

4a. In the chart below, please provide the requested information on your BTOP grant-funded SBA activities. Please also provide a short description of the activity (600 words or less). Figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please ensure that the numbers of new household subscribers and business or community anchor institution (CAI) subscribers reflected in the "Total" row represent the unduplicated number of new subscribers that can be attributed to your SBA project as

a whole.

Name of the SBA Activity	Location of SBA Activity	Description of Activity (600 words or less)	Size of Target Audience	Actual Number of Participants	New Subscribers: Households	New Subscribers: Businesses and/or CAIs
N/A	N/A	Activities accounted for in Forum Addendum	183,737	36,735	27,020	1,465
Total:			183,737	36,735	27,020	1,465

4b. Please describe your method for determining the number of households, businesses, and/or (CAIs) subscribing to broadband as a result of your SBA programs (600 words or less).

New Household Subscribers is a calculation of the number of participants who completed 6 hours of training multiplied by the percentage of participants who indicate their intent to subscribe for household use, but not for business use as a result of the ECO class. The percentage of 72% is a general conversion rate based on information taken from a survey that is completed by participants through our website. This percentage will vary quarter to quarter as survey responses vary.

New Business Subscribers is a calculation of the number of participants who completed 6 hours of training multiplied by the percentage of participants who indicate their intent to subscribe for business use as a result of the ECO class. The percentage of 4% is a general conversion rate based on information taken from a survey that is completed by participants through our website. This percentage will vary quarter to quarter as survey responses vary.

4c. Please provide a narrative explanation if the total number of new subscribers is different from the targets provided in your baseline plan (600 words or less).

Currently, the number of new Household Subscribers (reported cumulatively through project inception) is 27,020 and new Business Subscribers is 1,465. Our baseline goal through the reporting quarter was 71,440 for Household Subscribers and 3,760 for Business Subscribers. Ultimately, the challenges stated in response to question 3 (in the previous section of this report) continue to be an issue in reaching the initial projected baseline. By not reaching the originally anticipated number of trainees, the program will be unable to attain the original baseline subscribership goals. In addition, the reluctance of participants to complete the program survey continues to hinder the program's success in reaching its targets. Program staff will be conducting an online webinar with all program sub-recipients next quarter to review the importance of the survey and provide instructions as well as best practices.

4d. Please provide the number of households and the number of businesses and CAIs receiving discounted broadband service as result of BTOP funds.

Households: 0	Businesses and CAIs : 0
----------------------	--------------------------------

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

- Connected Nation is collaborating with the Federal Communications Commission (FCC) Lifeline program Ohio broadband service providers. The ECO program will offer free computer training to recipients of Lifeline pilot program services.
- The workforce development and job placement program will launch in three Ohio communities.
- Another series of public service announcements will be distributed statewide through Radio, Television, and Newspapers. While, personalized, local PSAs will also be developed and distributed.
- We plan to have 40,000 total participants trained.
- Through the program we anticipate confirming 30,500 residential and 1,550 new business subscribers.
- Field Operations Managers will conduct one-on-one meetings with sub-recipients throughout the state.

2. Please provide the percent complete anticipated for the following key milestones in your project as of the end of the next quarter. Write "0" in the second column if your project does not include this activity. If you provided additional milestones in your baseline report, please insert them at the bottom of the table. Figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the planned percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.a.	Overall Project	88	The program continues to progress; however, it will fall short of the baseline plan projection of 100% by next quarter. Many of the program's Sub-Award Agreements concluded in 2012, which results in fewer training activities scheduled for Q2 2013. While the workforce development and job placement program is expected to commence in late Q2 2013 with as many as three training locations up and running, any delay in this effort would delay the associated expenditures. Additional time beyond the current project end date will be needed to complete the project activities.

2.b.	Equipment Purchases	-	Milestone Data Not Required
2.c.	Awareness Campaigns	-	Milestone Data Not Required
2.d.	Outreach Activities	-	Milestone Data Not Required
2.e.	Training Programs	-	Milestone Data Not Required
2.f.	Other (please specify):	-	Milestone Data Not Required

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Program participation has been an ongoing challenge throughout the project. In addition, many of the program's Sub-Award Agreements have expired which continue to reduce the amount of active sub-recipients and training activities significantly. Due to the length of time remaining until the end of the program, very few, if any, additional sub-recipients will be on-boarded. Connected Nation will primarily focus staff efforts on current sub-recipients and their productivity levels. Program staff will continue to implement the mitigation tactics discussed in response to question 3 (in the previous section of this report) in order to boost current sub-recipient progress.

Sustainable Broadband Adoption Budget Execution Details

Activity Based Expenditures (Sustainable Broadband Adoption)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

Budget for Entire Project				Actuals from Project Inception through End of Current Reporting Period			Anticipated Actuals from Project Inception through End of Next Reporting Period		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Personnel	\$1,258,004	\$12,170	\$1,245,834	\$1,029,816	\$12,170	\$1,017,646	\$1,208,162	\$12,170	\$1,195,992
b. Fringe Benefits	\$277,040	\$2,275	\$274,765	\$250,067	\$2,275	\$247,792	\$290,333	\$2,275	\$288,058
c. Travel	\$144,933	\$0	\$144,933	\$130,633	\$0	\$130,633	\$145,064	\$0	\$145,064
d. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Supplies	\$111,212	\$86,964	\$24,248	\$122,114	\$93,795	\$28,319	\$122,174	\$93,795	\$28,379
f. Contractual	\$79,585	\$18,616	\$60,969	\$127,601	\$32,963	\$94,638	\$163,809	\$38,521	\$125,288
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$6,246,760	\$2,211,344	\$4,035,416	\$5,220,741	\$2,201,753	\$3,018,988	\$5,586,141	\$2,363,653	\$3,222,488
i. Total Direct Charges (sum of a through h)	\$8,117,534	\$2,331,369	\$5,786,165	\$6,880,972	\$2,342,956	\$4,538,016	\$7,515,683	\$2,510,414	\$5,005,269
j. Indirect Charges	\$1,086,582	\$16,348	\$1,070,234	\$929,736	\$16,348	\$913,388	\$1,020,534	\$16,348	\$1,004,186
k. TOTALS (sum of i and j)	\$9,204,116	\$2,347,717	\$6,856,399	\$7,810,708	\$2,359,304	\$5,451,404	\$8,536,217	\$2,526,762	\$6,009,455

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0	b. Program Income to Date: \$0
---	--------------------------------