

RECIPIENT NAME: Connected Nation, Inc.

AWARD NUMBER: 21-43-B10546

DATE: 07/26/2013

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 6/30/2015

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) 06-30-2013	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): 07-26-2013	

Project Indicators (This Quarter)

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

Program staff continued to work with sub-recipients for the Every Citizen Online (ECO) computer training. To date, 118 sub-recipients have trained 40,300 students through instructor-led training and 386 students have been trained through self-paced curriculum for a total of 40,686 trained participants across the state. A total of 1,763 computers have been distributed to sub-recipients. Current training locations total 226 and can be found in 67 of 88 Ohio counties.

The ECO All-Star Facility award was presented to Goodwill Industries of South Central Ohio (Goodwill SCO) by Connect Ohio Executive Director Stu Johnson during Connect Ohio's quarterly Technology Association Meeting held in Columbus April 26, 2013. Program staff choose the ECO All-Star Facility awardee based on meeting various program "hallmarks of excellence." Goodwill SCO has been a partner in the ECO program since early 2012 and has trained over 620 adults through the program. The organization has gone above and beyond by building unique partnerships to extend their training reach to seven Appalachian counties in need of this program.

ECO public service announcements (PSAs) for television and radio continue to air. PSA themes include job searching and helping small businesses, online education, communicating with family, and online tools for senior citizens. The quarter theme focused services emphasizing the ease of connecting online to communicate with family online, and searching for a job online. Since inception, more than 57,600 PSAs have aired on 57 television stations, 250,000 PSAs have aired on 160 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 234 press releases sent to local and statewide news organizations. Such as:

- Ross-Pike Educational Service District to Offer FREE Computer Training for Adults

(<http://connectohio.org/recent-news/advisory-ross-pike-educational-service-district-offer-free-computer-training-adults>)

"I found the classes to be very helpful," said an ECO participant at Ross County Service Center. "The part about online security was really good, I really appreciated learning that. It has helped me to stay in touch with people I don't see often. I would recommend this class to anyone."

- The Career Center, COAD, Partner with Connect Ohio to Offer Computer Training to Area Adults

(<http://connectohio.org/recent-news/release-career-center-coad-partner-connect-ohio-offer-computer-training-area-adults>)

"The program has been received very well, especially from older residents or participants with limited computer experience," said the Program Manager for the Corporation for Ohio Appalachian Development. "We heard from a great-grandmother who was eager to learn how to use Facebook to see family pictures, a retiree who wanted to be able to shop online, and individuals who were trying to pursue different career paths."

- Frontier Communications Participates in FCC Pilot Project to Provide Internet Access, Promotes Digital Literacy Training

(<http://connectohio.org/recent-news/frontier-communications-participates-fcc-pilot-project-provide-internet-access>)

Frontier is working with Connect Ohio, a nonprofit subsidiary of Connected Nation, through its Every Citizen Online program to provide computer training to willing participants with the goal of demonstrating the value of broadband use.

The call center, handling response from PSAs, has processed 13,919 calls representing 878 ZIP codes across the state. To date, 9,293 surveys have been completed by ECO participants. Of survey respondents, 68 percent have indicated they would subscribe to broadband within the next year in response to the training.

Digital Works, the workforce development training program component, launched its first location in Zanesville, Ohio and held an open house celebrating the first program graduates in June. The program provides mentoring and training to workers seeking employment and places them in quality teleworking jobs. In the first month of operation the program had 14 participants enrolled. 7 have received completion certification with 6 participants already working and 1 in the application process. The 7 remaining participants are currently in the rolling training and mentorship process.

- Connect Ohio Unveils First Job Skills & Placement Center in Zanesville

(<http://connectohio.org/recent-news/connect-ohio-unveils-first-jobs-skills-placement-center-zanesville>)

"Access to broadband service is critical to bridging the digital divide and is essential for the economic strength of Ohio's rural communities," said Senator Sherrod Brown. "I congratulate Connect Ohio as it launches this new job training program that will prepare Ohioans in Muskingum County - and throughout Ohio - for good-paying, twenty-first century jobs that will allow our workers to compete in the global economy."

Please see additional project accomplishments included as a supplemental attachment.

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)
2.a.	Overall Project	94	The approved baseline plan anticipated the project to be 100% complete this quarter. While the program saw progress throughout Q2 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.
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. Training facilities are collaborating with other local programs to increase awareness and ECO program registration including Adult Basic and Literacy Education (ABLE), Community Action, Workforce Development, Social Security Administration, Job and Family Services, and most recently area Federal Communications Commission (FCC) Lifeline Broadband Pilot Program providers including Frontier, Outreach, and Assurance Wireless.
9. Training facilities were invited to attend an online webinar to overview the ECO program collaboration with the FCC Lifeline Broadband Pilot Program and an overview of shared best practices in participant outreach, curriculum delivery and online participant survey completion.
10. The program has expanded on its digital literacy training program and incorporated a specialized workforce development training

and job placement component. The first location opened this quarter and in its first month of operation the program had 14 participants enrolled. 7 have received completion certification with 6 participants already working and 1 in the application process. The 7 remaining participants are currently in the rolling training and mentorship process. Three additional Digital Works sites are scheduled to be opened during Q3 2013.

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	40,686	27,617	1,624
Total:			183,737	40,686	27,617	1,624

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 68% 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 27,617 and new Business Subscribers is 1,624. 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.

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
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Project Indicators (Next Quarter)

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

- Three new Digital Works program locations are scheduled to be established throughout Ohio.
- We plan to have 41,000 total participants trained.
- Through the program we anticipate confirming 27,880 residential and 1,640 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)
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2.a. Overall Project	100	Because of additional match received, our program percent complete is at 100%, however the federal portion only percentage completed is expected to be 98%. The baseline plan projection is at 100% next quarter. The vast majority of the program's Sub-Award Agreements will conclude in early Q3 2013, which results in fewer training activities scheduled for Q3 2013. While the workforce development and job placement program is expected to grow during Q3 2013 with as many as four training locations up and running, any delay in this effort would delay the associated expenditures.
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 or will soon expire, which will further 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 continuing 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.

