ANNUAL PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	47-43-B10542	859149820

4. Recipient Organization

Connected Tennessee, LLC 618 Church ST STE 305, Nashville, TN 372192437

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Annual Report of the Award Period?
12-31-2011	◯ **Yes** ◉ **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	7c. Telephone (area code, number and extension)
Bernie Bogle	
	7d. Email Address bbogle@connectednation.org

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	01-30-2012

PROJECT INDICATORS

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).
No, Connected Tennessee's Sustainable Broadband Adoption project does not foster a particular broadband technology. Rather it focuses on encouraging adoption of any form or variation of broadband technologies, including but not limited to, DSL, Cable, Wireless, Mobile, and Satellite.

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).

Manufacturer	Item	Unit Cost per Item	Number of Units	Narrative description of how the equipment and supplies were deployed
N/A	0	0	0	No equipment has been purchased.
Totals		0	0	

Add Equipment	Remove Equipment

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).**

Connected Tennessee's grant program does not plan to distribute equipment.

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 underlined cumulatively 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 underlined completed the course.

Types of Access or Training	Number of People Targeted	Number of People Participating	Total Training Hours Offered
Open Lab Access	27,286	33,533	11,086
Multimedia	0	0	0
Office Skills	0	0	0
ESL	0	0	0
GED	0	0	0
College Preparatory Training	0	0	0
Basic Internet and Computer Use	0	0	0
Certified Training Programs	0	0	0
Other (please specify): N/A	0	0	0
Total	27,286	33,533	11,086

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).

Our research tells us that broadband adoption is growing amongst the very groups we are targeting with this project. Today, 64% of all Tennessee adults have broadband service at home, with broadband adoption among Connected Tennessee's target groups experiencing an impressive increase. Of low-income families with children (those with incomes below $25,000) in Tennessee 50% subscribe to broadband. This is an increase from 17% in 2007 - an astonishing growth of 194%. Meanwhile, 55% of rural residents now have broadband at home, compared to 30% in 2007 - a growth of 83%. Connected Tennessee has focused specifically on these two groups through the BTOP program.

More Tennesseans than ever before are now able to access all of the benefits afforded by a high-speed Internet connection. What Connected Tennessee set out to do was to help better the lives of those citizens who were virtually cut off from the information highway, and we feel that these statistics prove that we have been able to make great strides in accomplishing that formidable task.

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).**
50	**Based on a random digit dial phone survey of 1,201 adult heads of household across the state of Tennessee (including 77 low-income households with children), we estimate that 50% of low-income households with children currently subscribe to home broadband service. Per the 2010 US Census, there are 801,968 households with children in Tennessee. Further, per the census, 21.5% of those families have household income below $25,000 (same source). This translates into approximately 86,700 low-income households with children that subscribe to home broadband service (801,968 x 21.5% x 50%).**

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 two most common barriers to broadband adoption that Connected Tennessee has experienced are awareness and affordability. Many individuals do not realize the value of broadband to their family or situation. The most common barrier that we have experienced is affordability. Most people do not consider the cost of broadband as a barrier, rather the cost of the computer itself. This project focuses on the computer cost component and breaking down this barrier for vulnerable populations statewide.

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)
N/A

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

In this project, Connected Tennessee partnered with two groups: Boys & Girls Clubs in Tennessee and the Department of Children Services that already had relationships established with participants and recipients. That has allowed us to focus more on program development, rather than the development of partners. As progress is made on the project, additional lessons will be learned and documented.