

### 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> 47-43-B10542	<b>3. DUNS Number</b> 859149820
<b>4. Recipient Organization</b> Connected Tennessee, LLC 618 Church ST STE 305, Nashville, TN 372192437		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b> 12-31-2013	<b>6. Is this the last Annual Report of the Award Period?</b> <div style="text-align: center;"> <input checked="" type="radio"/> Yes    <input type="radio"/> No                 </div>	
<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>  Bernie Bogle  Grants Management Officer	<b>7c. Telephone (area code, number and extension)</b> 270-781-4320	<b>7d. Email Address</b> bbogle@connectednation.org
<b>7b. Signature of Certifying Official</b> Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b> 03-13-2014	

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>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, Fiber, Wireless, Mobile, and Satellite.</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>				
Manufacturer	Item	Unit Cost per Item	Number of Units	Narrative description of how the equipment and supplies were deployed
N/A	N/A	0	0	No equipment has been purchased.
<b>Totals</b>		0	0	
<input type="button" value="Add Equipment"/>		<input type="button" value="Remove Equipment"/>		
<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>No equipment has been distributed as a function of this Sustainable Broadband Adoption project.</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>				
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		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
<b>Other (please specify):</b> Please see attachment		55,570	117,253	66,164
<b>Total</b>		55,570	117,253	66,164
<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>Program research tells us that broadband adoption is growing among the very groups we are targeting with this project. Today, 68% of Tennessee households have broadband service at home, with broadband adoption among Connected Tennessee's target groups experiencing an impressive increase. This includes 45% of low-income households with children and 58% of rural households, two groups that have been targeted by the Connected Tennessee's partnerships with the Boys and Girls Club of Tennessee and the Tennessee Department of Children's Services.</p> <p>More Tennesseans than ever before are now able to access all of the benefits afforded by a high-speed Internet connection. Connected Tennessee set out 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.</p>				

**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).
45	<p>Based on a random digit dial phone survey of 1,200 adult heads of household across the state of Tennessee (including 72 low-income households with children), we estimate that 45% of low-income households with children currently subscribe to home broadband service. Per the 2010 U.S. 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. This translates into approximately 77,600 low-income households with children that subscribe to home broadband service (801,968 x 21.5% x 45%).</p> <p>This is a 3 percentage point increase from the broadband adoption rate among this population in 2010. This means that during this time period, an additional 5,170 low-income households with children subscribed to home broadband service.</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)?**

Connected Tennessee research shows that awareness/relevancy and cost/affordability continue to edge out digital literacy training needs as the top two barriers to broadband adoption in Tennessee. Many individuals do not yet realize the value of broadband to their family or situation, while the most common barrier within this targeted demographic is affordability, including the cost of a home computer and the monthly cost of home broadband service. Consequently, the most effective strategies to increase broadband adoption in Tennessee would be those that increase recognition of the value of broadband Internet service and those that reduce or eliminate affordability barriers. This project addresses both of these recognized barriers by exposing disadvantaged youth to the benefits of broadband and technology, thereby increasing their awareness to the value of broadband service, and by directly placing technology in the hands of these young people at no cost to them. Additionally, this program connects children with opportunities to use broadband to help them in their studies, which, in turn, shows their parents how valuable of a resource broadband can be for their children's education. Connected Tennessee research indicates that these strategies are working, as low-income Tennessee households with children are much more likely to have a computer in the home when compared with the general low-income population.

**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)**

No subcontracts or sub grants have been made to socially and economically disadvantaged small businesses as a function of this Sustainable Broadband Adoption grant.

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

Well thought-out metrics of success are important at the outset of any project, as are effective systems of measurement and methods, to collect the necessary data required to answer and evaluate these questions. In applying this approach, a project will better be able to communicate the program's impacts both during and after the project's conclusion. Additionally, identifying and enlisting key champions in support of the program can be important during the early stages. Doing so will enable more effective organization and communication strategies for ensuring long-term program sustainability and continued success. Finally, even from the program's outset, managers should commit to thinking outside the box to not only contemplate the success strategies for the program's current scope, but to also consider expanded, complimentary or alternative future opportunities for the program either to increase impacts or to more effectively measure outcomes.