U.S. DEPARTMENT OF COMMERCE

Performance Progress Report

	2. Award Or Grant Number 05-50-M09009
	4. Report Date (MM/DD/YYYY) 09-24-2010

1. Recipient Name Connect Arkansas	6. Designated Entity On Behalf Of: N/A

3. Street Address 200 S. Commerce Street, Suite 400,	8. Final Report? ○ Yes ◉ No	9. Report Frequency ◉ Quarterly ○ Semi Annual ○ Annual ○ Final
5. City, State, Zip Code Little Rock, AR 72201		

7. Project / Grant Period Start Date: (MM/DD/YYYY) 09-15-2009	7a. End Date: (MM/DD/YYYY) 09-15-2014	8. Reporting Period End Date: (MM/DD/YYYY) 06-30-2010	9a. If Other, please describe: N/A

10. Broadband Mapping

10a. Provider Table

Number of Providers Identified	Number of Providers Contacted	Number of Agreements Reached for Data Sharing	Number of Partial Data Sets Received	Number of Complete Data Sets	Number of Data Sets Verified
71	63	59	19	37	55

10b. Are you submitting the required PROVIDER DATA by using the Excel spreadsheet provided by the SBDD grants office? ◉ Yes ○ No

10c. Have you encountered challenges with any providers that indicate they may refuse to participate in this project? ◉ Yes ○ No

10d. If so, describe the discussions to date with each of these providers and the current status

For the most part, Connect Arkansas has been able to convince providers of the need to participate in NTIA"s mapping efforts. However we had five providers that have been somewhat less than willing to give us any data. This number was previously reported as six, but since our last report we have succeeded in obtaining data from Clinton Cable. The other five are: 1) Alliance Communication, which has stated on several occasions that they are simply too busy to provide the data requested. 2) Black Sheep Computing, Black Sheep has expressed their desire to not participate in the program as they have a "libertarian business model". 3) IOCC.com LLC: IOCC has stated that they do not wish to participate in the mapping program because they do not believe it will produce any measurable results. 4) HughesNet, After initial commitments to provide coverage data, HughesNet stopped responding to all forms of contact. Connect has not received any reason for HughesNet's sudden refusal to cooperate. 5) Scott County Telephone, Scott County originally seemed willing to supply Connect Arkansas with coverage data, but for some reason stopped responding to emails, phone calls or letters. No reason has been given for their sudden reluctance to collaborate.

10e. If you are collecting data through other means (e.g. data extraction, extrapolation, etc), please describe your progress to date and the relevant activities to be undertaken in the future

At this time, Connect is not utilizing any additional sources for collecting broadband coverage data.

10f. Please describe the verification activities you plan to implement

Connect Arkansas will use Self Reported Consumer data combined with targeted surveys, FCC Form 477 data and speed test data from our website to verify provider coverage data.

10g. Have you initiated verification activities? ◉ Yes ○ No

10h. If yes, please describe the status of your activities

Connect has utilized Self Reported Consumer data and speed test data collected on our website for verification activities thus far. Verification of broadband coverage was completed in time for the April 30 data submission deadline. Going forward, Connect will be utilizing the previously listed sources for verification along with recently collected survey data from Arkansas communities. Connect is currently in the process of using survey data collected from 9 south Arkansas counties to verify broadband service in those areas.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

N/A

Staffing

10j. How many jobs have been created or retained as a result of this project?

How many jobs have been created or retained as a result of this project? (Use the same figure that you utilized in your ARRA report).
4.49

10k. Is the project currently fully staffed? ○ Yes ● No

10l. If no, please explain how any lack of staffing may impact the project's time line and when the project will be fully staffed

At this time is not fully staffed. Our Community Outreach Leader, who will do significant community outreach in mapping and will be able to leverage planning work through those outreach activities, left Connect July 16. We made an offer and the new Community Outreach Leader starts August 16.

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?

Five.

10n. Staffing Table

Job Title	FTE %	Date of Hire
GIS Manager	100	08/04/2008
GIS Specialist	100	11/19/2009
Compliance Officer	100	11/19/2009
Community Outreach Leader 1	92	03/01/2010
Community Outreach Leader 2	82	05/03/2010

Add Row	Remove Row

Sub Contracts

10o. Subcontracts Table

Name of Subcontractor	Purpose of Subcontract	RFP Issued (Y/N)	Contract Executed (Y/N)	Start Date	End Date	Federal Funds	In-Kind Funds
University of Arkansas at Little Rock	Perform surveys on household Broadband usage	Y	Y	01/01/2010	12/21/2010	$40,323	$0
The Gadberry Group	Geocode, process provider coverage data, build web-based interactive Arkansas broadband map	Y	Y	12/31/2009	12/31/2010	$213,000	$0

Add Row	Remove Row

Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $472,191   10q. How much Remains? $1,114,681

10r. How much matching funds have been expended as of the end of last quarter? $520,310   10s. How much Remains? $0

10t. Budget Worksheet

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Personal Salaries	$573,148	$217,072	$790,221	$211,348	$217,073	$428,420
Personnel Fringe Benefits	$78,630	$60,831	$139,461	$34,196	$60,831	$95,027
Travel	$24,000	$16,339	$40,339	$3,001	$16,339	$19,340
Equipment	$30,875	$22,479	$53,264	$12,195	$22,479	$34,674
Materials / Supplies	$89,540	$33,850	$123,390	$36,755	$33,850	$70,606
Subcontracts Total	$284,116	$29,273	$313,389	$57,921	$29,273	$87,195
Subcontract #1	$0	$0	$0	$0	$0	$0
Subcontract #2	$0	$0	$0	$0	$0	$0
Subcontract #3	$0	$0	$0	$0	$0	$0
Subcontract #4	$0	$0	$0	$0	$0	$0
Subcontract #5	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Other	$367,447	$140,465	$507,912	$96,932	$140,465	$237,396
Total Direct Costs	$1,447,666	$520,310	$1,967,976	$452,348	$520,310	$972,658
Total Indirect Costs	$139,206	$0	$139,206	$19,843	$0	$19,843
Total Costs	$1,586,872	$520,310	$2,107,182	$472,191	$520,310	$992,501
% Of Total	75	25	100	48	52	100

Hardware / Software

10u. Has the project team purchased the software / hardware described in the application?   ○ Yes ● No

10v. If yes, please list
-1 desktop and printer
-1 laptop
-2 Windows Office 7 upgrade
-Antivirus licenses
-Internet usage monitoring service
-ESRI Arc Info/Arc GIS Licenses and License Maintenance fees
-GIS Fixed wireless propagation software.

10w. Please note any software / hardware that has yet to be purchased and explain why it has not been purchased

-Quickbooks annually license, (not due yet)

10x. Has the project team purchased or used any data sets?   ● Yes ○ No

10y. If yes, please list

Connect purchased only the data set described in our NOFA application. The data set purchased was the MicroBuild Broadband Indicator data obtained from The Gadberry Group, LLC.

10z. Are there any additional project milestones or information that has not been included?   ● Yes ○ No

10aa. If yes, please list
- Final broadband coverage data set uploaded to NTIA on April 28, 2010
- All 63 providers in Arkansas have been contacted
- Data has been received from 87% (55) providers
- Another 6% (4) have agreed to send data but have not done so yet. Coverage data for these companies were not supplied with the April 30 data submission.
- Community Anchor institution data set is 100% complete.
- Since the April 30 submission, Connect has added an additional eight broadband providers in AR bringing the total count to 71
- Connect is in the process of contacting these new providers to gain their support of our mapping efforts.
-We are also working on contacting all providers in the state in preparation for updating our dataset by the October submission deadline.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Our biggest challenge to date has been the lack of trust shown by the majority of providers towards the issue of protection of proprietary data. Many providers did not like the specific information that NTIA and Connect requested they provide because of its sensitive, proprietary nature. Connect had to assure all providers, both collectively and one-on-one, on multiple occasions along with a strict NDA before they started to come around. We found that explaining the uses for each set of data went a long way towards helping the providers to understand why we were requesting them.

In early March, we encountered difficulties with geocoding addresses given to us by rural wireline providers denoting broadband coverage areas. Connect Arkansas found that a large majority of the addresses given to us did not geocode well in rural areas of the state, which resulted in poor coverage accuracy for these providers. After several internal discussions, we decided to contact each provider, inform them of the problem, and then send the affected providers a paper map of their service area. Once these providers had marked out their coverage area, Connect then entered the information into our GIS system. This process allowed us to achieve a level of accuracy in rural areas that would have been impossible with the current geocoding technology.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project

N/A

11. Broadband Planning

11a. Please describe progress made against all goals, objectives, and milestones detailed in the approved Project Plan. Be sure to include a
    description of each major activity / milestone that you plan to complete and your current status

E-Community Planning: Connect Arkansas received NTIA funding to launch its e-Community planning process in nine Arkansas counties. A summary follows of work being conducted in those counties, plus the original six pilot counties (Desha, Faulkner, Columbia, Woodruff, Sharp and Mississippi), as well as three additional counties being funded by the Delta Regional Authority (Phillips, Arkansas and Desha).

Connect is currently analyzing results of telephone surveys conducted in nine Delta region counties. The University of Arkansas at Little Rock's Institute of Government conducted the surveys to gather information about Arkansas residents' internet access and use. Survey results will be included in initial Discovery Reports for each county.

During this quarter, Connect posted individual county maps of broadband access on its website. The Discovery Reports with survey

data and county maps will be provided during e-community planning.

Outreach in June included a presentation on the updated state and county maps to the Arkansas Legislative Joint Committee on Advanced Communications and Information Technology. Each state representative and senator received a copy of the map of his/her district with broadband access indicated by provider.

Connect also hosted a meeting in June with three organizations that served as facilitators in its initial six pilot e-Communities, including the University of Arkansas Cooperative Extension Service, Delta Center for Economic Development at Arkansas State University and University of Central Arkansas Community Development Institute. The objective of the meeting was to discuss lessons learned and to refine our e-Communities model, which was based on an 18-month strategic planning process that required many volunteers serving in roles outlined in a 64-page booklet. We will be revising the original scope of work to better reflect volunteers' limited time.

11b. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Moving forward, Connect will apply several of the lessons learned from the six pilot e-communities. One is that not all county leadership is excited about planning for more efficient information technology and access to the internet; Connect needs to identify at least one individual who is very enthusiastic and determined to make a difference in his or her community regarding broadband access. Finding the right e-Community champion is critical to the success of the program.

Second, a number of the counties we are working in may already be going through county strategic planning or regional planning and may want to incorporate the IT/broadband component as a part of the broader planning, rather than implementing our e-Community process on its own. Connect will look for opportunities to partner with those regional economic development or other planning efforts as appropriate. We discovered through our initial e-Community work that both models can be successful and we will need to decide which is appropriate for which county.

The Connect team was challenged during first quarter with reduced staff; the principal manager left in mid-January and was not replaced until early March. Following the hiring of the new Senior Vice President to coordinate Connect activities, we hired a new E-Communities Coordinator/Vice President in May. She recently decided to return to her old job in Congressman Marion Berry's district office. We quickly interviewed and made an offer. The new e-Communities Coordinator will start on August 16.

Submitting the due diligence responses and applying for the grant extensions were also major distractions for staff this quarter in terms of the time it took to research and put together program budgets. We are looking forward to continued progress on the e-Communities program during the next quarter.

11c. Does the Project Team anticipate any changes to the project plan for Broadband Planning? ◉ Yes ◯ No

11d. If yes, please describe these anticipated changes. Please note that NTIA will need to approve changes to the Project Plan before they can be implemented

As mentioned, we will be re-defining our e-Communities process to make it a shorter time commitment for volunteers and address county expectations up front about what Connect can accomplish. Some communities have expectations that Connect will be able to provide quick funding to expand broadband access in their counties. We have been reinforcing our mission as we go into new communities as a facilitator of IT plans and long term planning to expand access.

Funding

11e. How much Federal funding has been expended as of the end of the last quarter? $119,494

11f. How much Remains? $374,872

11g. How much matching funds have been expended as of the end of last quarter? $0

11h. How much Remains? $0

11i. Planning Worksheet

Planning Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Personal Salaries	$174,250	$0	$174,250	$55,225	$0	$55,225
Personnel Fringe Benefits	$34,850	$0	$34,850	$7,079	$0	$7,079
Travel	$0	$0	$0	$0	$0	$0
Equipment	$2,500	$0	$2,500	$2,006	$0	$2,006
Materials / Supplies	$14,760	$0	$14,760	$853	$0	$853
Subcontracts Total	$198,258	$0	$198,258	$47,537	$0	$47,537
Subcontract #1	$0	$0	$0	$0	$0	$0
Subcontract #2	$0	$0	$0	$0	$0	$0
Subcontract #3	$0	$0	$0	$0	$0	$0
Subcontract #4	$0	$0	$0	$0	$0	$0
Subcontract #5	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Other	$13,570	$0	$13,570	$3,616	$0	$3,616
Total Direct Costs	$438,188	$0	$438,188	$116,316	$0	$116,316
Total Indirect Costs	$56,178	$0	$56,178	$3,179	$0	$3,179
Total Costs	$494,366	$0	$494,366	$119,494	$0	$119,494
% Of Total	100	0	100	100	0	100

Additional Planning Information

11j. Are there any additional project milestones or information that has not been included?
One new tool we plan to use as we go into each of the nine counties is a county "snapshot" or "Internet Baseline Report" that includes the following data points: Demographics, Government, Business and Industry, Civic Groups, Education, Faith-based/non-profit/community centers, Healthcare, Agriculture, Tourism, Libraries and Telecommunications Infrastructure. The snapshot will facilitate input from the e-Community leaders in each county.

Several Connect staff members attended the Pew Charitable Trusts States Broadband Convening in Washington, D.C., and were able to learn of successful programs that other states are conducting. (The California program in schools and North Carolina activities for broadband planning were of particular interest.) We plan to follow-up with them to borrow the best practices and further refine the Connect e-Communities program.

Connect is in the process of redesigning its website to focus on providing real-life anecdotes about how Arkansans from different walks of life are using high speed internet to enhance their school work, interactions with government, successfully creating online business opportunities or using social networking, as just a few examples. The content is being rewritten and we expect to re-launch the site before the end of the year.

11k. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the Project Team is employing

N/A

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
If Connect receives further NTIA funding for either the SBA grant #6351 or the SBDD grant extension, we will have some exciting new tools to offer to our e-Communities to further the education and adoption work we are currently doing. Among those tools are

technology training, a youth entrepreneur program and being able to offer engineering assessments in the counties for which we currently have funding.

12. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purpose set forth in the award documents.	
12a. Typed or Printed Name and Title of Authorized Certifying Official Grace Morrissey	12c. Telephone (area code, number, and extension)
	12d. Email Address gmorrissey@connect-arkansas.org
12b. Signature of Authorized Certifying Official Submitted Electronically	12e. Date Report Submitted (Month, Day, Year) 09-28-2010

Performance Progress Report
OMB Approval Number: 0660-0034
Expiration Date: 08/31/2010