<table>
<tr><td colspan="2">U.S. DEPARTMENT OF COMMERCE

Performance Progress Report</td><td>2. Award Or Grant Number
19-50-M09047

4. Report Date (MM/DD/YYYY)
09-13-2010</td></tr>
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1. Recipient Name Connected Nation, Inc. - Iowa	6. Designated Entity On Behalf Of: Iowa

3. Street Address 1020 College Street, P.O. Box 3448,	8. Final Report? ◯ Yes ⦿ No	9. Report Frequency ⦿ Quarterly ◯ Semi Annual ◯ Annual ◯ Final

5. City, State, Zip Code Bowling Green, KY 42102-3448		

7. Project / Grant Period Start Date: (MM/DD/YYYY) 01-01-2010	7a. End Date: (MM/DD/YYYY) 12-31-2014	8. Reporting Period End Date: (MM/DD/YYYY) 09-30-2010	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
206	206	199	4	213	213

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

Bitwind Communications, LLC: On April 30 the provider sent the mapping agent an email stating "I do not intend to participate. I do not believe that Connected Nation is serving the interest of our state's citizens and I believe their purpose neglects the spirit of our broadband initiatives." On July 13 the provider responded by email indicating that they maintained their position and did not wish to participate.

NetConnect: On May 12 the provider responded by email stating "With all the recent talk of the FCC making broadband providers public utilities so they can be regulated, this looks like a good first step in that process. 1)Identify them. 2)Regulate them. The benefits to you is that you get a cut of the 2 million dollars to conduct the study. I get.... problems down the road? Doesn't seem fair. So I am going to choose to not participate." On July 14 the provider responded by email stating "Nope not until I see some legislation that prevents the FCC from meddling with the internet, I'm not going to participate. Contact me in 2013 after the transition to a new administration is complete."

RuralWaves Wireless Internet: Despite numerous attempts by phone and email, including a reminder notice of the NTIA update submission deadline, the provider was generally non-responsive. On August 5 the mapping agent once again spoke with a company representative on the phone and was told "we are too busy and are not willing to participate at this time" and further stated that the company was for sale.

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

We have not collected any data through extraction programs.

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

ESRI is deploying and hosting Connected Nation's BroadbandStat (BBStat) web application. ESRI will house the customized BBStat application in their highly-available, monitored and managed environment. The scope of services includes setting up a staging environment for data verification and compatibility as well as a production environment for client access.

Connected Nation also collects consumer feedback in the form of broadband inquiries. These inquiries represent any type of communication received from the public regarding broadband service. Once broadband inquiries are received across the state, this information is overlaid with the broadband availability information which was collected through the SBDD program. This allows for a real-world comparison of the broadband landscape to the information received from broadband inquiries. Broadband inquiries are able to provide three types of information: 1) residents who do not have broadband but want it; 2) residents who have broadband but want a different provider; and 3) residents who do not have broadband, but the broadband inventory maps indicate that they do. If residents within a region state that they are without broadband, but the broadband inventory maps show otherwise, this allows Connected Nation to approach the providers within that area in an effort to trim down their coverage to more accurately represent real-world availability on the ground.

Before December 31, 2010 Connected Nation will target an additional 11 randomly selected companies in order to achieve a total field validation rate equal to or exceeding 20%.

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

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

BroadbandStat is publicly available on the Connect Iowa website and received a total of 1,135 visits between July 1, 2010 and September 30, 2010.

During this quarter, the Connect Iowa project has received a total of 57 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 7 for this quarter.

With 206 broadband providers in the state, Connected Nation has an increased focus on field validation efforts and has conducted in-field validation tests against 31 broadband providers representing a 15.05% field validation rate to date. These testing techniques included random spectrum analysis studies, confirmation of coordinates for physical infrastructure (e.g. CATV plant, fiber and DSLAMs), and utilization of WiMAX equipped laptops, 3G iPhones, and other relevant equipment to conduct both on-net and off-net throughput speed tests.

Connected Nation's staff completed 64 field total validation tests in Kalona, Sioux City, Ainsworth, Wellman, Wayland, Keosauqua, Mount Pleasant, Everly, Sioux Center, Lawton, Sanborn, Spencer, Honey Creek, Iowa City, Cedar Falls, Coralville, Shenandoah, College Springs, and other randomly selected locations (such as Wi-Fi hotspots, public libraries, etc.).

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?

6.33

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

N/A

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

6.33. Please note that we use functional job titles and these titles may be staffed by multiple individuals. Their hire dates vary so for the purposes of uploading a complete report, we have used a hire date of 1/1/2010 to signify various hire dates.

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	2	01/01/2010
Business Programmer Analyst	2	01/01/2010
CAI Data Analyst	14	01/01/2010
CAI Data Manager	6	01/01/2010
ETS Analyst	100	01/01/2010
ETS Analyst	44	01/01/2010
ETS Manager	11	01/01/2010
ETS Sr. Analyst	45	01/01/2010
General Counsel	8	01/01/2010
GIS Analyst	70	01/01/2010
GIS Intern	5	01/01/2010
GIS Services Manager	5	01/01/2010
Outreach & Awareness Manager	6	01/01/2010
Outreach & Awareness Specialist	19	01/01/2010
Project Coordinator	11	01/01/2010
Project Management Director	2	01/01/2010
Project Manager	100	01/01/2010
Project Manager	2	01/01/2010
Provider Relations Manager	7	01/01/2010
Provider Relations Specialist	14	01/01/2010
Research & GIS Analyst	8	01/01/2010
Research Analyst	77	01/01/2010
Research Manager	10	01/01/2010
State Services Manager	8	01/01/2010
State Services Specialist	56	01/01/2010
State Services Sr. Specialist	1	01/01/2010

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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
Throughbred Research Group	Research Surveys	Y	Y	02/09/2010	02/08/2012	$87,350	$0

Add Row	Remove Row

Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $947,554   10q. How much Remains? $4,822,388

10r. How much matching funds have been expended as of the end of last quarter? $374,693   10s. How much Remains? $1,071,781

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	$1,781,593	$154,543	$1,936,136	$228,275	$109,660	$337,935
Personnel Fringe Benefits	$382,149	$45,123	$427,272	$59,665	$31,796	$91,461
Travel	$284,757	$0	$284,757	$26,754	$582	$27,336
Equipment	$146,140	$0	$146,140	$73,008	$0	$73,008
Materials / Supplies	$49,415	$0	$49,415	$15,007	$0	$15,007
Subcontracts Total	$1,187,286	$295,447	$1,482,733	$230,786	$92,196	$322,982
Subcontract #1	$157,109	$0	$157,109	$40,666	$0	$40,666
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	$37,181	$896,648	$933,829	$6,081	$20,784	$26,865
Total Direct Costs	$3,868,521	$1,391,761	$5,260,282	$639,576	$255,018	$894,594
Total Indirect Costs	$1,901,421	$54,713	$1,956,134	$307,978	$119,675	$427,653
Total Costs	$5,769,942	$1,446,474	$7,216,416	$947,554	$374,693	$1,322,247
% Of Total	80	20	100	72	28	100

Hardware / Software

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

10v. If yes, please list

Hardware/software purchases for the project to date include the following:

• BroadbandStat
• ESRI ArchInfo/ArcGIS Software
• ESRI Software Maintenance
• Computers
• Ookla Net Metrics Speed Test Software
• Spectrum Analyzer

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

Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage servers, security application, additional backup replication solution, computers, GPS units BroadbandStat maintenance, ESRI ArchInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance.

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

10y. If yes, please list

N/A

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

10aa. If yes, please list
* Maintained budget/finance cost model for Connect Iowa.
* Maintained and updated project work plan and Work Breakdown Structure (WBS).
* Revised project work plan and Work Breakdown Structure with extended SBDD deadline of October 1, 2010.
* Enhanced Connect Iowa website explaining program and gathering information from consumer community and including Beta language.
* Maintained outreach and communications strategy.
* Produced monthly status reports, data collection activity log, and website statistics.
* Refined CAI (Community Anchor Institution) listings information for following: physical address, geocoding, e-mail, addresses, broadband access, connection platforms, advertised upload/download speeds.
* Conducted demos of BroadbandStat mapping application and Connect Iowa Residential Survey findings to Iowa Area Development Group TeamEDGE Meeting, Iowa Workforce Development Board, and Iowa Farm Bureau Federation.
* Maintained broadband data collection activity log.
* Maintained SBDD compliant Non Disclosure Agreement (NDA).
* Requested NOFA compliant broadband coverage data from providers.
* Distributed broadband coverage data sets to GIS Mapping team.
* Supplied Iowa Utilities Board and Iowa Broadband Deployment Governance Board with Iowa Broadband: Current Market Analysis and Initial Recommendations for Acceleration of Iowas Broadband Market report.
* Provided mapping updates to NTIA for October 1, 2010, filing.
* Held webinar teleconference for state based, national outlets highlighting contents of Iowa Broadband: Current Market Analysis and Initial Recommendations for Acceleration of Iowas Broadband Market report.
* Supplied info to Iowa Association of Electric Cooperatives for spotlight on Connect Iowa in customer magazine and Iowa Farm Bureau Federation membership newsletter.
* Connect Iowa received approval on Connect Iowa SBDD Amended and Supplemental Grant Program on September 28, 2010. Award amount was $3,515,682.

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

All deadlines have been achieved. There currently have not been any obstacles encountered.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
September 27, 2010 Connect Iowa received notice of a grant award extending SBDD mapping and planning activities an additional three years. The project plan is being revised to include these new activities. Details of the new plan will be reported in the fourth quarter.

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
On behalf of the state of Iowa (IA), Connected Nation (CN) is working with subcontractors to collect and analyze demand-side data

through statistical telephone surveys. The surveys collect data on broadband and computer use and barriers to use among residents by demographic and businesses by size and industry sector. CN provided the residential survey results to the state in Q3, 2010. In addition, CN designed the 2010 IA business survey, which was conducted by Thoroughbred Research in Q2-Q3, 2010. Analysis of this data commenced in Q3, 2010, and results are scheduled to be released in Q4, 2010. Updates to the residential and business surveys are scheduled to occur in Q1, 2011 and Q3, 2011, respectively.

This data was analyzed along with supply-side broadband data gathered through the IA SBDD mapping grant. The primary tool for this ongoing analysis is BroadbandStat, an interactive, web-based GIS application that offers location-based consumer feedback on the accuracy of the map, as well as an interactive tool for data analysis, planning, and decision-making.

During Q3, 2010 Connect Iowa, in conjunction with the Iowa Broadband Deployment Governance Board and the Iowa Utilities Board, released their first of a series of reports outlining the state of broadband in Iowa and initial recommendations for the state. Iowa Broadband - Current Market Analysis and Initial Recommendations for Acceleration of Iowa's Broadband Market is available on the Connect Iowa website at the following link: http://www.connectiowa.org/research/. This report aims to provide a detailed review of the current state of broadband in Iowa that will spark discussion across multiple broadband stakeholders in the state on key goals and strategies to expand and enhance the broadband experience for all Iowans. This report was formally presented before the Iowa Broadband Deployment Governance Board and released publicly within the state.

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

Connected Nation has been working closely with the Iowa Utilities Board to ensure that our work exceeds expectations. During Q3, 2010, there were no significant obstacles during the planning process.

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

September 27, 2010 Connect Iowa received notice of a grant award extending SBDD mapping and planning activities an additional three years. The project plan is being revised to include these new activities. Details of the new plan will be reported in the fourth quarter.

Funding

11e. How much Federal funding has been expended as of the end of the last quarter? $0   11f. How much Remains? $0

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	$0	$0	$0	$0	$0	$0
Personnel Fringe Benefits	$0	$0	$0	$0	$0	$0
Travel	$0	$0	$0	$0	$0	$0
Equipment	$0	$0	$0	$0	$0	$0
Materials / Supplies	$0	$0	$0	$0	$0	$0
Subcontracts Total	$0	$0	$0	$0	$0	$0
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	$0	$0	$0	$0	$0	$0
Total Direct Costs	$0	$0	$0	$0	$0	$0
Total Indirect Costs	$0	$0	$0	$0	$0	$0
Total Costs	$0	$0	$0	$0	$0	$0
% Of Total	0	0	0	0	0	0

Additional Planning Information

11j. Are there any additional project milestones or information that has not been included?

No additional information to report at this time.

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

No additional information to report at this time.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project

All planning costs have been combined with the mapping costs and reported in the mapping section above.

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 Bernie Bogle	12c. Telephone (area code, number, and extension)
	12d. Email Address bbogle@connectednation.org
12b. Signature of Authorized Certifying Official Submitted Electronically	12e. Date Report Submitted (Month, Day, Year) 10-26-2010