U.S. DEPARTMENT OF COMMERCE	2. Award Or Grant Number
	48-50-M09064
Performance Progress Report	4. Report Date (MM/DD/YYYY)
	01-04-2012

1. Recipient Name	6. Designated Entity On Behalf Of:	
Connected Nation, Inc - Texas	The State of Texas	
3. Street Address	8. Final Report?	9. Report Frequency
1020 College Street,	○ Yes	⦿ Quarterly
	⦿ No	○ Semi Annual
5. City, State, Zip Code		○ Annual
Bowling Green, KY 42101-2137		○ Final

7. Project / Grant Period Start Date: (MM/DD/YYYY)	7a. End Date: (MM/DD/YYYY)	7b. Reporting Period End Date:	9a. If Other, please describe:
01-01-2010	12-31-2014	12-31-2011	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
0	0	0	0	0	0

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

281 Communications, Inc.: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 28 the provider remains non-responsive.

Anvil Communications: The provider refused to participate during the October 2011 mapping cycle to NTIA. As of the last contact attempt made in the 4th quarter of 2011 on December 24, the provider remains non-responsive.

Bee Creek Communications: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of December 12 the provider remains non-responsive.

Buffalo Cable TV: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of December 12 the provider remains non-responsive.

Buford Media Group: The provider was non-responsive during the October 2011 mapping cycle to NTIA. As of the last contact attempt made in the 4th quarter of 2011 on December 24, the provider remains non-responsive.

Centrovision: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 28 the provider remains non-responsive.

CIT - Campbell Information Technology: The provider refused to participate during the October 2011 mapping cycle to NTIA. As of the last contact attempt made in the 4th quarter of 2011 on November 28, the provider remains non-responsive.

Cybercom Corporation: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 28 the provider remains non-responsive.

... please refer to the Q4 2011 TEXAS Supplemental Answer Document.

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

No data has been collected through extraction or extrapolation.

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

Esri is deploying and hosting the BroadbandStat (BBStat) web application. Esri houses 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.

Consumer feedback in the form of broadband inquiries is also collected. These inquiries represent any type of communications 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 State Broadband Initiative (SBI) 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.

Within the previous Performance Progress Report (PPR), Connected Nation proposed to target 6 additional companies in order to achieve a total field validation rate equal to or exceeding 63.16% before December 31, 2011. As of this report, field validation has been completed on 61.26% of the provider universe. The validation rate reduction is attributed to provider acquisitions of previously reported validated companies.

... please refer to the Q4 2011 TEXAS Supplemental Answer Document.

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

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

BroadbandStat is publicly available on the Connected Texas website (http://www.connectedtx.org) and received a total of 403 visits between October 1, 2011 and December 31, 2011.

During this quarter, the Connected Texas project received a total of 17 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 4 for this quarter.

For this reporting period, 76 field verification tests were conducted. Thus far, project staff conducted field extensive validation tests on the following providers: Alenco Communications Inc.; Allegiance Communications; Alpheus (d.b.a. Aspen Communications); AMA TechTel; AT&T; AwesomeNet Inc.; Basin 2 Way Radio Inc.; Basin Broadband; Big Bend Telephone; Blossom Telephone; Border to Border Communications Inc.; Broadband Data Services of Texas LLC; Broadcomm.US; Broadwaves; Cable One Inc.; Cameron Telephone Company LLC; Cap Rock Telephone Cooperative Inc.; Cebridge (d.b.a. Suddenlink); Central Texas Cable Partners Inc.; Central Texas Telephone Cooperative Inc.; CenturyLink; Cequel Communications; Charter Communications; CKS Wireless; Clearwire Corporation; Coleman County Telephone Cooperative Inc.; Colorado Valley Telephone Cooperative Inc.; Comcast Cable Communications LLC; Community Telephone Company Inc.; Consolidated Communications; Cumby Telephone Cooperative Inc.; DC Texas.Net; Dell Telephone Cooperative Inc.; Digitex.com; East Texas Broadband; East Texas DSL; Eastex Telephone Cooperative Inc.; Eccentrix Technologies; ECTISP; ELC Internet Services Inc.; Electra Telephone Company; Element Networks LLC; eNet; ENMR Telephone Cooperative Inc. (d.b.a. ENMR Plateau Communications Inc.); ERF Wireless; ETAN Industries; Etex Communications LP; ETS Cablevision Company Inc.; Farm to Market Broadband LP; Five Area Telephone Cooperative Inc.; Ganado Telephone Company;

... please refer to the Q4 2011 TEXAS Supplemental Answer Document.

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?

10.14

Connected Nation has numerous staff working on the Connected Texas project, some at only a small percentage of their time. This approach is beneficial to the project in various ways: some staff provide necessary project support, many staff work together utilizing a team approach, and others are subject matter experts (SMEs) in their respective areas. The project benefits by leveraging the SMEs' knowledge and skills, without the necessity of supporting a more expensive full-time resource.

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?
Connected Texas' FTEs reported for the quarter include 1.99 FTEs for temporary, cyclical consultants and a base of 8.15 FTEs that consistently contribute to the project. All of our base positions are fully staffed.

This project is fully staffed with a base of 8.15 FTEs.

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	1	9/14/2009
Business Programmer Analyst	2	4/2/2007
CAI Coordinator	28	12/13/2004
CAI Data Analyst	8	3/24/2009
ETS Analyst	1	7/13/2009
ETS Analyst	2	11/1/2007
ETS Analyst	4	2/18/2010
ETS Analyst	16	7/13/2009
ETS Analyst	57	8/24/2009
ETS Analyst	87	8/24/2009
ETS Manager	17	7/1/2007
ETS Sr. Analyst	2	2/18/2010
General Counsel	3	1/1/2007
GIS Analyst	4	10/19/2009
GIS Analyst	6	4/1/2010
GIS Analyst	51	11/16/2009
GIS Services Manager	51	5/15/2007
Outreach & Awareness Manager	6	3/24/2009
Outreach & Awareness Specialist	4	10/1/2007
Outreach & Awareness Specialist	6	2/2/2009
Outreach & Awareness Specialist	6	1/4/2010
Outreach & Awareness Specialist	23	1/4/2010
Program Coordinator	94	6/27/2011
Program Director	10	8/4/2008
Program Manager	82	9/9/2009
Project Coordinator	2	8/1/2008
Project Coordinator	40	4/1/2005
Project Management Director	4	12/16/2009

Project Manager		2	1/14/2008
Project Manager		4	9/4/2007
Project Manager		5	1/14/2008
Project Manager		11	9/1/2006
Project Manager		42	3/16/2010
Provider Relations Manager		15	2/17/2005
Research & GIS Analyst		20	5/14/2007
Research Analyst		2	2/1/2010
Research Analyst		3	9/19/2011
Research Analyst		66	2/16/2010
Research Analyst		66	2/16/2010
Research Analyst		65	2/16/2010
Research Analyst		2	3/22/2010
Research Analyst		21	6/1/2009
Research Manager		4	5/14/2007
State Services Associate		68	12/1/2009
State Services Manager		1	7/1/2007

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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
Eastern Research Services	Research Survey	Y	Y	02/08/2010	02/07/2012	120,917	0
ESRI	Production Support	N	Y	09/21/2009	12/31/2009	19,271	0
Contract Labor	Contract Labor	N	Y	01/01/2010	12/31/2014	409,797	351,315

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Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $2,822,333   10q. How much Remains? $5,203,667

10r. How much matching funds have been expended as of the end of last quarter? $558,886   10s. How much Remains? $1,544,393

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	$2,861,710	$651,821	$3,513,531	$816,030	$92,801	$908,831
Personnel Fringe Benefits	$613,836	$175,076	$788,912	$174,569	$40,083	$214,652
Travel	$436,998	$0	$436,998	$144,081	$582	$144,663

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Equipment	$178,963	$0	$178,963	$93,811	$0	$93,811
Materials / Supplies	$86,035	$0	$86,035	$41,106	$0	$41,106
Subcontracts Total	$926,612	$175,690	$1,102,302	$567,076	$351,315	$918,391
Subcontract #1	$321,061	$0	$321,061	$120,917	$0	$120,917
Subcontract #2	$73,819	$0	$73,819	$19,271	$0	$19,271
Subcontract #3	$473,145	$175,690	$648,835	$409,797	$351,315	$761,112
Subcontract #4	$19,904	$0	$19,904	$8,243	$0	$8,243
Subcontract #5	$38,683	$0	$38,683	$8,848	$0	$8,848
Construction	$0	$0	$0	$0	$0	$0
Other	$167,571	$911,067	$1,078,638	$23,131	$44,533	$67,664
Total Direct Costs	$5,271,725	$1,913,654	$7,185,379	$1,859,804	$529,314	$2,389,118
Total Indirect Costs	$2,754,275	$189,625	$2,943,900	$962,529	$29,572	$992,101
Total Costs	$8,026,000	$2,103,279	$10,129,279	$2,822,333	$558,886	$3,381,219
% Of Total	79	21	100	83	17	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:
• BroadbandStat - $60,000
• GIS Software Maintenance - $19,979
• Computers & Software - $23,442
• Speed Test Software - $6,337
• Spectrum Analyzer - $5,323
• GPS Unit(s) - $516
• Google Earth Pro - $266

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 server, security application, additional backup replication solution, computers, a spectrum analyzer, GPS units, interactive map upgrades/ maintenance, ArcInfo/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
All datasets used in this project have been contributed in-kind. Data sets used by the project to date and their respective in-kind contribution value are as follows:
* Commission on State Emergency Communications Regional Planning Commission's input - $7,395
* District & Municipal Public Safety Answering Point data - $1,419
* K-12 School address data - $26,895
* TX ISD Superintendents and Technology Coordinators - $3,768
* TX Workforce Commission IT - $82
* Workforce Solutions data - $770

Connected Texas received an orthoimagery dataset from the Texas Water Board that has been incorporated into the project; however, its in-kind contribution value is pending approval from the Federal Program Office and the Grants Office. Upon approval the $465,000 value will be included in the project.

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

10aa. If yes, please list

During Q4 2011, Connected Texas, working in close coordination with the Texas Department of Agriculture, continued gathering data on the location and broadband connectivity of Community Anchor Institutions (CAI), in accordance with the data requirements of the SBI Notice of Funds Availability (NOFA) Technical Appendix. Efforts have been focused on conducting outreach and raising awareness of this important project through a statewide campaign.

Connected Texas continues to identify key CAI contacts with a specific focus this quarter on the education, library, and healthcare sectors. We continue to utilize our online survey and raise awareness of the importance of CAI broadband connectivity and build upon existing and new projects that are taking place within the state. Building upon these relationships and projects should increase the data we are receiving for the April 2012 submission.

Connected Texas has an ongoing mission to educate CAI throughout the state on the importance of participating in the project. Participation by these institutions will raise awareness about the importance of broadband connectivity and the need to report the requested data for inclusion on the National Broadband Map.

Additional activity this quarter includes the following:
* Maintained and updated the program files, project plan, and budget for Connected Texas.

* Compiled the quarterly American Recovery and Reinvestment Act (ARRA) and National Telecommunications and Information Administration reports (NTIA).

* Began work on a redesigned Connected Texas website.

* Continued to process speed tests and respond to broadband inquiries received from the Connected Texas website.

* Continued to solicit broadband coverage datasets from the Texas broadband provider community.

* Distributed broadband coverage datasets to the Geographic Information Systems (GIS) mapping team for processing.

* Updated the Connected Texas BroadbandStat program and website with the broadband maps.

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

Connected Texas continues to provide the NTIA with broadband database updates every six months, beginning in May 2010. Contacts and discussions between Connected Texas and the Texas broadband providers began in September 2009, several months before Connected Texas' first data submission to the NTIA. Since that initial submission, Connected Texas has provided the NTIA with three semiannual updates (October 2010, April 2011, and October 2011). Several identified viable providers have yet to provide to the program a complete broadband availability assessment in Texas. Outreach activities continue in order to obtain the data, however the lack of these broadband availability assessments may have an impact on the broadband maps and data for Texas.

In June of this year, Connected Nation provided a white paper to the Federal Communications Commission (FCC) describing its validation and verification processes, including an engineering review process and extensive field testing by Connected Nation's engineering team, for estimating broadband service availability for providers who choose not to share data with us for use in the State Broadband Initiative (SBI) mapping. This strategy may be employed by Connected Texas if outreach activities continue to fail and it is deemed necessary.

The non-federal match reported through this quarter is currently at 16.5%, 3.5% less than the required 20%. The Texas Water Development Board has contributed in-kind to the Connected Texas project an orthoimagery dataset valued to the project at $465,000 and the dataset has been incorporated into the project. This dataset will be incorporated as match into the project upon approval by the granting agency. Once incorporated, the non-federal match would well exceed the required 20%.

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

Luling, Texas now has new broadband service thanks to the submission of a broadband inquiry through the Connected Texas website. Resident Juan Gonzales contacted the state initiative and was aided by the Connected Texas Engineering & Technical Services (ETS) team to find a broadband provider interested in investing in the area.

East Lake Estates is celebrating new high-speed Internet connection after contacting the Connected Texas initiative for help. Connected Texas Engineering & Technical Services (ETS) staff helped facilitate a relationship between the community and an interested local broadband provider. East Lake Estates is a perfect example of the Connected Texas mission of identifying unserved and underserved communities, creating a connection between providers and customers, and facilitating a solution.

Connected Texas maps were used to further identify unserved and underserved areas and to expand service to unserved households. http://connectedtx.org/mapping/

Connected Texas continues to identify key CAI contacts within the State of Texas. We continue to utilize our online survey (http://www.surveymonkey.com/s/2S72YFV) and raise awareness of the importance of CAI broadband connectivity in gathering data.

Connected Texas posted a blog "In the Pines: Folklore Woes Come to Modern Life" to inform Texas stakeholders of the absorbing affect pine needles have on wireless signals. Made up mostly of water, this organic material can be to blame for wireless service "dead zones". Connected Texas' ETS teams are helping wireless providers take strategic steps to ensure wireless signals win the pine needle battle. http://www.connectedtx.org/blog/post/pines-folklore-woes-come-modern-life-0

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

Broadband Capacity Building Milestones Year 2, Quarter 4 per approved project plan
* 2011, Quarter 4, Connected Texas Program Office Administration –This milestone was met. The Connected Texas (CTX) Program Office in Austin is fully staffed and interacting with our Texas stakeholders.

* Conduct 2011, Quarter 4, Stakeholder Group Meeting – This milestone was met. Connected Texas conducted monthly meetings with stakeholders from the Texas Department of Agriculture, Texas State Library, Texas Public Utilities Commission (PUC), and other program stakeholders.

Broadband Capacity Building Annual Milestones, Year 2
* A Program Manager for Connected Texas will be hired to: support Connected Texas and the state of Texas by providing weekly project status reports and initiative updates to the Texas Department of Agriculture, Texas PUC, the Texas Broadband Task Force, and/or other Texas stakeholders; attend the Texas Broadband Task Force meetings conducted in 2011; document Task Force recommendations for Connected Texas; and support the meeting as needed. Coordinator activities also include creating agendas, scheduling meetings, attending stakeholder events, and documenting stakeholder interactions. – This milestone was met.

* A Connected Texas program office, run by a program coordinator, will be established in Austin within the Texas Department of Agriculture (TDA) Offices to administer the Connected Texas program of activities and to become a clearinghouse and resource for broadband deployment efforts within the state. Activities and deliverables from the program office include a variety of tasks that involve administering the project plan, managing workflow and the timeline, verifying work quality, gathering documentation in support of community projects, and preparing reports as required by TDA, Texas PUC, the Texas Broadband Task Force, and/or other Texas stakeholders. – This milestone was met.

... please refer to the Q4 2011 TEXAS Supplemental Answer Document.

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

Broadband Capacity Building:
Nothing to report.

Technical Assistance:
Connected Nation continues to develop a peer review process in conjunction with other state programs. Connected Nation began speaking with potential peer reviewers, established the roles/responsibilities of the peer reviewers, and created the documents for review. However, a peer review group has yet to be selected. The peer review process is anticipated to be completed in Q1 2012.

The future research plan (for years 3-5) will be evaluated in the upcoming quarter. Connected Nation has been working closely with the Texas Department of Agriculture and other program stakeholders to ensure that our work exceeds expectations and an appropriate research plan is set forth.

Local/Regional Technology Planning Teams:
While Community Champions are being identified and planning teams engaged as possible, the 29 planning regions have not been identified. CTX continues to discuss the number, size, and make-up of the planning regions with TDA in order to maximize efficiency and participation.

Connected Texas, in conjunction with the Texas Association of Regional Councils, Texas Broadband Task Force, and TDA have decided to delay the strategic broadband planning session in order to hold it June, 2012 at the Telecommunications Industry Association (TIA) annual convention. Planning is underway.

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

The peer review process is anticipated to be completed in Q1 2012.

The statewide strategic broadband planning session will be held at the TIA annual convention in June, 2012.

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						
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?
* Created multiple broadband related postings on the http://www.connectedtx.org website and the Connected Texas Facebook and Twitter sites.

* Conducted meetings and presentations to several in-state organizations and conferences on current and proposed project activities.

* Secured commitment from Intel (in partnership with Dell and AT&T) to fund a computer distribution incentive and computer/ broadband starter kit for participants in the Texas State Library Technology Expertise, Access and Learning (TEAL) program.

* Discussed the Connected Texas community engagement process with several potential community champions to assist in broadband assessments of Texas communities.

* Reviewed and discussed Universal Service Fund reform developments and implications for Texas with several Texas stakeholders.

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

No additional obstacles or challenges were encountered during the quarter.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
Broadband Capacity Building
Connected Texas unveiled a new interactive website to help support the building of Connected Communities across the state. http://connectedtx.org/

Connected Texas and the Texas State Library have forged a partnership to improve broadband adoption across the state and promote digital literacy. The partnership is taking shape with the opening of the Carver Center in Austin in October 2011. http://www.facebook.com/photo.php?fbid=272613322781051&set=pu.171605102881874&type=1&theater

... please refer to the Q4 2011 TEXAS Supplemental Answer Document.

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) 01-30-2012