

RECIPIENT NAME:Connect Arkansas, Inc.

AWARD NUMBER: 05-43-B10591

DATE: 08/08/2012

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number 05-43-B10591	3. DUNS Number 801866984
4. Recipient Organization Connect Arkansas, Inc. 200 S Commerce STE 400, Little Rock, AR 722011766		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> 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 Sharon Walburger	7c. Telephone (area code, number and extension)	
	7d. Email Address swalburger@arcapital.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-08-2012	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).

Distance Health:

The LearnTelehealth.org/South Central Telehealth Resource Center team finished our second quarter of 2012 by extending our resource center's website to nearly 800 active members. This lends to the trend that we are now adding close to 200 members to our telehealth center's resource website each quarter of 2012.

Telehealth training at the Arkansas Department of Health has reached 180 individuals during 2012. Training has been conducted for many facilities (93 sites). The Outreach Specialists have exhibited at several conferences with a total of 322 people attended training sessions. Our staff participated in 22 non-training site visits and meetings connecting with 167 health care professionals.

Site membership on LearnTelehealth.org we are seeing an increase at the rate at which we are gaining members. We started the quarter with 601 registered members and finished the quarter with 797.

Entrepreneurship Curriculum:

A total of 802 students were taught in this quarter, which represents 531% of the quarterly target of 150 students. The total program results of 1,602 students to date in June exceeds the total grant goals of 1,530 with 14 months of grant funding left. For the summer months we have also partnered with the Arkansas State Library and will be traveling to approximately 20 libraries to teach the eCommerce/Entrepreneurship class as part of summer reading programs.

Arkansas Sourcelink:

The Arkansas SourceLink team began the request for proposal process in order to build the venture forum and mentorship pieces of the project. The team also discovered that SourceLink's parent organization, U.S. SourceLink, was in the process of developing their own online mentorship application that would be free for us to use.

Aaron Harris and April Davis attended the annual U.S. SourceLink conference held in Kansas City, Missouri on April 23rd and 24th giving them a chance to interact with other SourceLink affiliates from around the country to discuss best practices.

Arkansas SourceLink began work on a video curriculum to be posted within the digital learning center of the Arkansas SourceLink website. The goal of the curriculum is to take a would-be entrepreneur through roughly 17 lessons.

Technology Training:

A total of 6 counties were served this quarter with introductory and advanced courses held for St. Francis, Lee, Columbia, Union, Howard, and Hempstead counties. Each course consists of one beginner class and two advanced courses targeting 25 students in Kindergarten through Senior high within each county.

Computers for Kids:

Scholarship Computers – A total of seven hundred two(702) computers have been completed and shipped to the locations requested by Connect Arkansas. A total of one hundred fifty-two (152) were delivered in six(6) counties during the course of the second quarter of 2012. The demand for these classes has slowed down for the Summer months due to schools being out of session.

Youth Entrepreneurship Showcase 2.0:

Advisors and high school administrators have been contacted regarding competition dates for the 2012-2013 school year. AEF is also working to create promotional and educational materials aimed at growing the number of high school participants in the coming year.

Marketing:

During the last quarter, Connect Arkansas staff completed focus groups with Q Methodology in four locations throughout Arkansas: Northwest Arkansas, Faulkner County, Little Rock and Helena with Arkansans who were selected because they do not currently subscribe to high-speed Internet at home. Q Methodology was used to gain a statistical understanding of what values and priorities Arkansans may hold about the most valuable aspects of Internet access. From the results of these studies, Connect Marketing Staff has begun a micro-targeted marketing.

Please see Narrative Attachment for details of all projects.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline report, please insert them at the bottom of the table. Figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.a.	Overall Project	36	N/A

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.b.	Equipment / Supply Purchases	-	Progress reported in Question 4 below
2.c.	Awareness Campaigns	-	Progress reported in Question 4 below
2.d.	Outreach Activities	-	Progress reported in Question 4 below
2.e.	Training Programs	-	Progress reported in Question 4 below
2.f.	Other (please specify):	-	Progress reported in Question 4 below

3. Please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Challenges with four of our programs were encountered during the 2nd Quarter of 2012.

Entrepreneurship Curriculum:

The most significant challenge was keeping up with demand for classes. We have been scheduling into the fall semester as of May to accommodate additional teacher requests.

Technology Training:

The trainer was able to schedule and serve 6 counties of the projected 8. Scheduling conflicts with sites and schools being closed for the summer contributed to additional grouped counties being pushed to a later date.

Computers for Kids:

Computers were only distributed in a total of 6 counties of the projected 8. Scheduling conflicts with sites and schools being closed for the summer contributed to additional grouped counties being pushed to a later date.

A delivery from California was destroyed by shipping company Old Dominion in the month of June. Due to the scheduling the bulk shipments well ahead of the classes, replacement computers were on hand prior to the scheduled delivery to the families that completes the Technology Training.

Youth Entrepreneurship Showcase 2.0:

The greatest challenge continues to be expanding the competition in Arkansas. AEF has been working with Connect Arkansas staff to create promotional and educational strategies for cultivating interest in and knowledge of the business plan competition. Connect Arkansas staff will be critical in promoting the competition in the coming months.

4a. In the chart below, please provide the requested information on your BTOP grant-funded SBA activities. Please also provide a short description of the activity (600 words or less). Figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please ensure that the numbers of new household subscribers and business or community anchor institution (CAI) subscribers reflected in the "Total" row represent the unduplicated number of new subscribers that can be attributed to your SBA project as a whole.

Name of the SBA Activity	Location of SBA Activity	Description of Activity (600 words or less)	Size of Target Audience	Actual Number of Participants	New Subscribers: Households	New Subscribers: Businesses and/or CAIs
Various	Arkansas	Please see attached spread sheet Q2-2012_PPR_SBA Performance Progress Report 4a	3,959	4,959	0	0
Total:			3,959	4,959	0	0

4b. Please describe your method for determining the number of households, businesses, and/or (CAIs) subscribing to broadband as a result of your SBA programs (600 words or less).

New subscriber counts from Connect are 13,755. We arrived at this number through surveys concluded during calendar year 2011 and surveys conducted through the State Broadband Mapping Initiative Community Anchor Institution survey conducted in early 2012. We took the difference between the number of households who said they were broadband subscribers in the January and December 2011 surveys. From there, we applied that number percentage wise to the total number of households statewide to arrive at our number 13,755. If we were not surveying at least twice each year, we would have no other way to arrive at this number. The survey's conducted in 2011 were on a statewide basis due to the all inclusive programs Connect Arkansas employs across the state to influence broadband adoption and subscription. Connect is unable to report survey numbers specifically for the SBA service area because of the random, statewide sample selections chosen for these surveys.

4c. Please provide a narrative explanation if the total number of new subscribers is different from the targets provided in your baseline plan (600 words or less).

Subscriber numbers listed in the baseline were 25,000 for Q3 Year 2 which is below the current numbers obtained by Connect through surveys conducted in 2011 and 2012. Our current new subscriber numbers are at 13,755. These numbers are an aggregate of multiple surveys which are conducted on an annual basis due to funding restrictions. Our next survey will be conducted in the 3rd or 4th quarter of 2012 at which time we will have updated numbers.

4d. Please provide the number of households and the number of businesses and CAIs receiving discounted broadband service as result of BTOP funds.

Households: 0	Businesses and CAIs : 0
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Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

Distance Health:
 The following items have been identified as areas to improve in the coming quarter in regards to the Distance Health Program:
 Additional site memberships
 Additional telehealth courses
 Additional telehealth face-to-face trainings and site visits
 Additional consultations to CAI's and other groups interested.

Entrepreneurship Curriculum:
 During the summer months we will be traveling to approximately 20 rural libraries in conjunction with the Arkansas State Library. As part our partnership with the EAST Initiative National Service Project focused on entrepreneurship for 2012-2013 a teacher training will be held on July 18 for approximately 200 EAST facilitators. A new on-line informational website will be created to provide enhanced on-line training opportunities for EAST students across the state.

Technology Training:
 The trainer has planned to serve 6 more counties by September 2012.

Youth Entrepreneurship Showcase 2.0:
 AEAf plans to have promotional 'save the date' materials sent to high schools throughout the state in September. These materials will direct interested teachers to the Y.E.S. for Arkansas 2.0 website for more information regarding the upcoming competition. AEAf in collaboration with Connect Arkansas staff also hopes to have more in-depth educational materials regarding business plans available to interested students on the Y.E.S 2.0 website.

2. Please provide the percent complete anticipated for the following key milestones in your project as of the end of the next quarter. Write "0" in the second column if your project does not include this activity. If you provided additional milestones in your baseline report, please insert them at the bottom of the table. Figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the planned percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.a.	Overall Project	50	N/A
2.b.	Equipment Purchases	-	Milestone Data Not Required
2.c.	Awareness Campaigns	-	Milestone Data Not Required
2.d.	Outreach Activities	-	Milestone Data Not Required
2.e.	Training Programs	-	Milestone Data Not Required
2.f.	Other (please specify):	-	Milestone Data Not Required

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Technology Training:
 School will not be in session for one of the next three months and could affect advertising.

