

**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)**

03-31-2013

**6. Is this the last Report of the Award Period?**

Yes  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)**

501-374-9247

Grants Compliance Officer

**7d. Email Address**

swalburger@arcapital.com

**7b. Signature of Certifying Official**

Submitted Electronically

**7e. Date Report Submitted (MM/DD/YYYY):**

04-26-2013

### Project Indicators (This Quarter)

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

Distance Health:

In addition to over 45 telehealth training and information sessions, UAMS's (University of Arkansas for Medical Sciences) project team has organized presentations for events such as the "12th Annual Issues on Aging" (Mississippi) and the "FCC-Broadband Summit" (Washington, D.C.) plus we contributed to a special telehealth presentation to media and legislative representatives in Lake Village, Arkansas.

LearnTelehealth.org added 137 members to the community of online health care professionals bringing our total number to 1176 members.

Entrepreneurship Curriculum:

A limited number of classes were held as the focus was on developing entrepreneurship informational and training tools on-line to provide statewide reach to students who are focused on entrepreneurial learning. Support for the EAST Initiative(Environmental and Spatial Technology) ([www.eastinitiaive.org](http://www.eastinitiaive.org)) 2012-2013 National Service Project focused on Entrepreneurship culminated in late February with the EAST Initiative National Conference in Hot Springs from Feb. 27 - Mar. 1. The culmination of the EAST National Service Project yearlong elevator pitch competition was held at the conference.

Arkansas SourceLink:

Arkansas SourceLink launched its redesigned website in late March. The purpose of the redesign is to help focus the user to what he/she can do within the site. The site redesign along with the competitions and promotions listed below have resulted in an increase in traffic to the Arkansas SourceLink website and interaction within our various social media outlets.

Arkansas SourceLink coordinated the first annual Arkansas Battle of the Brands competition. Battle of the Brands was a web-based bracket style competition where participants voted for their favorite brands over a 5 week period.

Technology Training:

A total of 5 counties were served this quarter with introductory & advanced courses held for Franklin, Johnson, Clay, Randolph, and Jefferson 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 one thousand thirty nine(1174) computers have been completed and shipped to the locations requested by Connect Arkansas. A total of one hundred seventeen (117) were delivered in five (5) counties (Franklin, Johnson, Clay, Randolph, and Jefferson) during the course of the first quarter of 2013. These numbers also include an additional class in Jefferson County partially funded by Arkansas Users of Telecommunications and Information Systems(AUTIS).

Youth Entrepreneurship Showcase 2.0:

Business Plans were due to the AEAF (Arkansas Economic Acceleration Foundation) on March 1, 2013. AEAF received 55 submissions from 8 different schools across Arkansas. Winners in the categories of Best Business Plan and Most Innovative were announced via livestream on March 28th.

Marketing:

Connect Arkansas continued with the "Get Connected" ad campaign that is running in 94 newspapers, 56 radio stations, 11 television stations and 5 cable markets throughout Arkansas. The campaign is designed to increase awareness of the uses for high-speed Internet service resulting in increased Internet adoption.

Business Technology Training:

The Arkansas Small Business and Technology Development Center (ASBTDC) made excellent progress on this project during the first quarter. Local partnerships with 50 organizations within the targeted areas were utilized for training locations, promotions and refreshments.

Eight of the workshops were held during the first quarter and reached over 80 participants within sixteen of the targeted counties. Workshop topics in the first quarter included "Website in a Day" and "Facebook: Profiles, Pages & Privacy". These free, interactive workshops were taught by ASBTDC staff members where the participants received resource materials and hands-on training using the ASBTDC mobile laptop computer labs and iPad labs. One hundred percent of participants rated the workshops as "excellent/good".

**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)

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.a.	Overall Project	56	N/A
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).**

Youth Entrepreneurship Showcase 2.0:

School participation is still not 100%. However the increase in submissions is a direct result of AEA and Connect Arkansas's work towards informing relevant organizations, teachers, and administrators about the program. AEA and Connect Arkansas will continue to work on building partnerships and gaining feedback from stakeholders in order to increase the amount of schools participating.

Business Technology Training:

University procedures caused a delay in the finalization of the agreement, causing the project to start in the later part of January. However, the ASBTDC feels any challenges that resulted from the delay have been overcome and are now on schedule to complete the project by the end of the third quarter.

**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	Various	Please see attached spread sheet Q4-2012_PPR_SBA Performance Progress Report 4a	6,711	8,298	0	0
<b>Total:</b>			<b>6,711</b>	<b>8,298</b>	<b>0</b>	<b>0</b>

**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 for the 1st quarter of 2013 remain unchanged from the previous quarter at 220,000. We arrived at this number through surveys conducted during the month of November 2012. This number is reflects all survey respondents in the 57 county SBA Grant service area for 2012.

Connect Arkansas is also starting to look at numbers based on surveys of families involved in the Technology Training classes. The scholarship computer application asks the applicant if they are currently subscribed to high speed internet. It also asks the applicant if they plan to subscribe after being awarded a computer. At this time, the survey has been conducted and is complete but data is unavailable for reporting at this time.

**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 for Q4 of 2012 is 46,000 for households and 4,430 businesses. Connect Arkansas has exceeded both combined numbers by a total of 169,570 new subscribers in the Connect Arkansas SBA Grant service area.

**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

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

## Distance Health:

For the next quarter, we plan to report:

- A report of our 3-state telehealth conference;
- Additional site memberships;
- Additional telehealth courses and training resources that will be developed;
- Additional telehealth face-to-face trainings and site visits; and,
- Additional consultations to CAIs and other groups interested.

## Entrepreneurship Curriculum:

During the spring of 2013 we will be focusing on the ad hoc support of schools as requested. Focus has been placed upon researching and establishing an innovation online session for teachers to download and access in their classroom that includes both a textual as well as video based component. We have also been invited to teach again during the prestigious Arkansas Governor's School which highlights the states brightest students from across the state. This program, if we participate, will be focused on coordinating six entrepreneurial stories of innovation from various parts of the state and industries to showcase how entrepreneurship and innovation can impact your future. Special emphasis will be placed on how online activities have impacted business. Our participation will be determined by late April.

Additional focus will be on rolling out an updated website and content for Statewide entrepreneurial education.

## Technology Training:

The goal is to try to knock out as many of the remaining 8 counties by June 2013. This will be when schools are out for summer and it will be more difficult to contact students.

## Youth Entrepreneurship Showcase 2.0:

During the next quarter AEAF and Connect Arkansas will gain feedback from participating schools, advisors, and administrators to see what changes need to be made for future competitions. The feedback will assist AEAF and Connect Arkansas in modifying the competition to ensure greater participation from schools across Arkansas.

## Business Technology Training:

In the second quarter, the Arkansas Small Business and Technology Development Center will continue delivering website development and online marketing workshops, utilize local partnerships, conduct promotional efforts and work one-on-one with participants on enhancing their websites and social media pages. Twenty-four workshops, in 22 of the targeted counties, are scheduled to be conducted. Marketing will continue utilizing email campaigns, print advertising, fliers, and social media. Local partnerships will be used to distribute marketing materials, provide workshop venues and refreshments. ASBTDC staff will continue to provide one-on-one, confidential assistance to interested workshop participants.

**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	64	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).**

## Youth Entrepreneurship Showcase 2.0:

Our goal is to double school participation by the end of the next quarter. Connect Arkansas has already assisted in reaching key contacts. In the next few months Connect Arkansas's assistance will be needed to recruit judges and maintain our contacts.

RECIPIENT NAME:Connect Arkansas, Inc.

AWARD NUMBER: 05-43-B10591

DATE: 04/26/2013

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

## Sustainable Broadband Adoption Budget Execution Details

### Activity Based Expenditures (Sustainable Broadband Adoption)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

Budget for Entire Project				Actuals from Project Inception through End of Current Reporting Period			Anticipated Actuals from Project Inception through End of Next Reporting Period		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Personnel	\$1,083,420	\$456,207	\$627,213	\$919,577	\$487,900	\$431,677	\$1,157,905	\$683,060	\$474,845
b. Fringe Benefits	\$282,317	\$118,614	\$163,703	\$232,636	\$126,854	\$105,782	\$255,899	\$139,539	\$116,360
c. Travel	\$63,699	\$0	\$63,699	\$31,990	\$0	\$31,990	\$35,189	\$0	\$35,189
d. Equipment	\$101,370	\$0	\$101,370	\$101,370	\$0	\$101,370	\$111,507	\$0	\$21,644
e. Supplies	\$41,335	\$0	\$41,335	\$24,597	\$0	\$24,597	\$27,057	\$0	\$27,057
f. Contractual	\$1,833,169	\$393,944	\$1,439,225	\$1,310,110	\$396,444	\$913,666	\$1,441,121	\$436,088	\$1,005,033
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$1,057,784	\$10,000	\$1,047,784	\$380,733	\$18,593	\$362,140	\$422,830	\$20,452	\$402,378
i. Total Direct Charges (sum of a through h)	\$4,463,094	\$978,765	\$3,484,329	\$3,001,013	\$1,029,791	\$1,971,222	\$3,451,508	\$1,279,139	\$2,082,506
j. Indirect Charges	\$276,892	\$58,482	\$218,410	\$158,178	\$59,615	\$98,563	\$173,996	\$65,577	\$109,514
k. TOTALS (sum of i and j)	\$4,739,986	\$1,037,247	\$3,702,739	\$3,159,191	\$1,089,406	\$2,069,785	\$3,625,504	\$1,344,716	\$2,192,020

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0	b. Program Income to Date: \$0
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