

RECIPIENT NAME:Connect Arkansas, Inc.

AWARD NUMBER: 05-43-B10591

DATE: 10/27/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

### QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

#### General Information

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b> Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b> 05-43-B10591	<b>3. DUNS Number</b> 801866984
<b>4. Recipient Organization</b>  Connect Arkansas, Inc. 200 S Commerce STE 400, Little Rock, AR 722011766		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b> 09-30-2011	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>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.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Grace Morrissey	<b>7c. Telephone (area code, number and extension)</b>	
	<b>7d. Email Address</b>  gmorrissey@connect-arkansas.org	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  10-27-2011	

**Project Indicators (This Quarter)**

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

Arkansas SourceLink: Information for 127 resource providers has been obtained and entered into the Resource Navigator database. Connect is currently in the process of collecting information for libraries, county clerks, and chambers of commerce for the state which will bring our total resource provider database to 400 once complete. Launch of the ARSourceLink website is scheduled during the week of November 12-20.

Distance Health (UAMS): Training video produced to explain the basic concept of telemedicine called "Jennifer's Story: A Telemedicine Tale". Since it's production date the video has been viewed nearly 2000 times world wide. The American Telemedicine Association has picked up the video for use on it's page to explain telemedicine. The video can be viewed at the following web address [www.LearnTelehealth.org/media/video/jennifer](http://www.LearnTelehealth.org/media/video/jennifer).

Entrepreneurship Training: 14 classes were taught over the last quarter reaching 178 students across Arkansas. As the program picks up momentum, we have seen an increasing demand for these classes. Several schools outside of the program area have offered to pay for classes which has created an opportunity for program income. Classes for the next quarter are being scheduled and expect to be full by the end of October.

Y.E.S. 2.0 (AEAF): Intent to compete forms for the Spring business plan competition are due November 21. Over 12 schools have committed to compete so far with over a month to go before the deadline. Work continues to market the program and increase total school participation to 57.

Technology Training: Introductory and advanced courses were held in 5 counties during the past quarter reaching 128 students. Counties served were Drew, Ashley, Bradley, Desha, and Chicot.

Computers for Kids: Scholarship computers were distributed to the 128 students who attended the Technology Training workshops in Drew, Ashley, Bradley, Desha, and Chicot counties. 15 orders for non-scholarship computers have been received in the past quarter. Only 2 people have paid and received their computers while payment is still outstanding for the other 13.

This quarter, the marketing staff was focused on outreach, specifically the video wall and website portions, as well as maintaining an active presence at festivals in our 17 counties with the ecommunities staff. With the launch of the new, people-centric Connect site drawing near, the staff pushed to capture the faces and stories needed to help us relly tell the Arkansas broadband story. We have logged miles all over our state filming community meetings, classes, events, interviews and stories. We have discovered that some of our most compelling footage comes from people who have participated in our SBA related programs, specifically the Computers for Kids program.

We attend three festivals this quarter, with a focus on counties who's deliverables overlap with our deliverables for our DRA grant (Arkansas, Phillips, Desha). connect staff from all departments have logged more than 60 hours at the festivals this quarter. For these festivals, we purchased local newspaper advertising encouraging the community to come meet us during the festival. We are still in the process of analyzing the website hits in conjunction with this advertising and festival hit, as we feel it is the best way to measure whether our advertising and outreach efforts were effective or not.

**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	20	No variance from baseline plan
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

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
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).**

Arkansas SourceLink: None

Distance Health (UAMS): he most substantial challenge came from aligning our deliverable and outreach timeline with another internal UAMS group. The BTOP management group at UAMS asked our team not to contact BTOP recipient sites until after the BTOP Memorandum of Understanding documents were signed. This put a large chunk of our outreach deliverables on temporary hold. Of these deliverables most affected were the training and the site needs assessment. This issue has been resolved now as the BTOP group have sent MOU's out to sites and have begun getting them back.

Entrepreneurship Training: None

Y.E.S. 2.0 (AEAF): None

Technology Training: Scheduling conflicts arose due to the delayed delivery of computers because of supply disruptions. Conflicts have been resolved and the next two year's worth of classes have been scheduled in advance.

Computers for Kids: The Little Rock School District, who supplies our computers, had a disruption in their supply of used computers to refurbish. This forced Connect to purchase 50 computers from out of state in order to meet our obligations to students in Desha and Chicot counties. LRSD has addressed the issue by finding additional sources of used computers and has assured Connect Arkansas that it will not be a problem going forward.

**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
Entrepreneurship Training	Wynee	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	15	16	16	0
Entrepreneurship Training	Wynee	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	0	1	1	0
Entrepreneurship Training	Dumas	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	14	12	12	0
Entrepreneurship Training	Pine Bluff	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	1	1	1	0
Entrepreneurship Training	Marshall	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	15	23	23	0
Entrepreneurship Training	Eureka Springs	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	15	15	15	0
Entrepreneurship Training	Eureka Springs	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	10	10	10	0
Entrepreneurship Training	Eureka Springs	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	15	14	14	0
Entrepreneurship Training	Eureka Springs	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	15	18	18	0
Entrepreneurship Training	Eureka Springs	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	10	11	11	0
Entrepreneurship Training	Eureka Springs	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	15	20	20	0

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
Entrepreneurship Training	Eureka Springs	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	15	23	23	0
Entrepreneurship Training	St. Paul	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	5	8	8	0
Entrepreneurship Training	St. Paul	Entrepreneurship Training to students. Modules 1, 2, and 3 taught	5	6	6	0
Distance Health	Helena	Distance Health Training	0	1	1	0
Distance Health	Little Rock	Distance Health Training	0	3	3	0
Distance Health	Dumas	Distance Health Training	0	3	3	0
Distance Health	Little Rock	Distance Health Training	0	5	5	0
Distance Health	Searcy	Distance Health Training	0	2	2	0
Distance Health	Searcy	Distance Health Training	0	1	1	0
Distance Health	Searcy	Distance Health Training	0	1	1	0
Distance Health	Jacksonville	Distance Health Training	0	3	3	0
Distance Health	Jonesboro	Distance Health Training	0	5	5	0
Distance Health	El Dorado	Distance Health Training	0	1	1	0
Distance Health	El Dorado	Distance Health Training	0	2	2	0
Distance Health	Hope	Distance Health Training	0	1	1	0
Distance Health	Hope	Distance Health Training	0	1	1	0
Distance Health	Little Rock	Distance Health Training	0	20	20	0
Distance Health	Marianna	Distance Health Training	0	5	5	0
Distance Health	Arkansas-Thought Symposium	Distance Health Training	0	25	25	0
Distance Health	Fort Smith	Distance Health Training	0	6	6	0
Distance Health	Fort Smith	Distance Health Training	0	2	2	0
Distance Health	Texarkana	Distance Health Training	0	3	3	0
Distance Health	Texarkana	Distance Health Training	0	3	3	0
Distance Health	Texarkana	Distance Health Training	0	1	1	0
Distance Health	Helena	Distance Health Training	0	5	5	0
Distance Health	Little Rock	Distance Health Training	0	3	3	0
Technology Training	Drew County	Bi-County Technology Training	50	48	48	0

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
Technology Training	Ashley/Bradley Counties	Bi-County Technology Training	50	30	30	0
Technology Training	Desha/Chicot Counties	Bi-County Technology Training	50	50	50	0
<b>Total:</b>			<b>300</b>	<b>408</b>	<b>408</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).**

Connect Arkansas defines a new subscribers as someone who is utilizing the internet in a different way now than what they were before. For example: if a 3rd grader attends our technology training courses and learns how to use the internet for the first time, this student will be classified as a new user and therefore counted as a subscriber. Or maybe a medical professional in Crossett has never used distance health technology and attends the Distance Health training course provided by UAMS. This medical professional will be classified by Connect Arkansas as a new user of the internet because of the new tools they are utilizing.

Most of our programs teach users how to utilize the internet in new (to them) ways. Therefore Connect Arkansas is counting every child and adult who is touched by these programs as new subscribers because of the new ways they are using the internet.

**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).**

Connect Arkansas will not achieve the goals set forth in our baseline report for new subscribers for this quarter. The reasons for this are two fold: 1) Class sizes have been down overall due to our programs being piloted in several communities during July resulting in a lack of momentum which would have allowed us to increase the class sizes and well as summer months and the beginning of school activities cutting into student availability. 2) final survey numbers for the tracking of new subscribers has not been completed as originally scheduled.

More solid numbers are expected for the next report covering the 4th quarter of 2011.

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

<b>Households:</b> 0	<b>Businesses and CAIs :</b> 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).**

Arkansas SourceLink: Launch of the ARSourceLink website is scheduled during the week of November 12-20.

Distance Health (UAMS): One significant accomplishment will be to begin contact and outreach to all the BTOP sites available to us. We have already begun this outreach and expect to complete this. We are offering online, face-to-face and interactive video training to these sites. Another accomplishment will be to add more peer-to-peer sharing opportunities for the site. We are developing regularly occurring "Ask an Expert" interactive conferences to debut next quarter. We'll also build in opportunities for further sharing on our site.

Entrepreneurship Training: Connect Arkansas plans to teach 10 classes reaching at least 150 students during the next quarter

Y.E.S. 2.0 (AEAF): Intent to compete forms due November 21 for the Spring business plan competition.

Technology Training: Current goal of teaching 6 classes reaching 300 students during the 4th quarter of 2011

Computers for Kids: Distribution of 300 scholarship computers during the 4th quarter of 2011. Increase marketing and participation in the non-scholarship computer program.

**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	30	No variance from baseline plan

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).**

The Holidays are expected to impact the program with overall participation in classes expected to decline somewhat. Measures are being taken to prevent this, but may be unavoidable.

## 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
<b>a. Personnel</b>	\$1,374,272	\$456,207	\$918,065	\$238,231	\$102,873	\$135,357	\$312,635	\$119,343	\$193,292
<b>b. Fringe Benefits</b>	\$357,310	\$118,614	\$238,696	\$57,670	\$24,822	\$32,848	\$75,515	\$28,504	\$47,011
<b>c. Travel</b>	\$99,600	\$0	\$99,600	\$7,191	\$0	\$7,191	\$14,687	\$0	\$14,687
<b>d. Equipment</b>	\$101,000	\$0	\$101,000	\$75,000	\$0	\$75,000	\$75,000	\$0	\$75,000
<b>e. Supplies</b>	\$28,556	\$0	\$28,556	\$21,115	\$0	\$21,115	\$24,115	\$0	\$24,115
<b>f. Contractual</b>	\$1,529,169	\$393,944	\$1,135,225	\$278,062	\$113,346	\$164,717	\$419,992	\$160,954	\$259,038
<b>g. Construction</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>h. Other</b>	\$957,586	\$10,000	\$947,586	\$48,437	\$2,375	\$46,062	\$61,187	\$3,125	\$58,062
<b>i. Total Direct Charges (sum of a through h)</b>	\$4,447,493	\$978,765	\$3,468,728	\$725,706	\$243,416	\$482,290	\$983,131	\$311,926	\$671,205
<b>j. Indirect Charges</b>	\$291,892	\$58,482	\$233,410	\$64,002	\$24,022	\$39,980	\$78,400	\$26,241	\$52,159
<b>k. TOTALS (sum of i and j)</b>	\$4,739,385	\$1,037,247	\$3,702,138	\$789,708	\$267,438	\$522,270	\$1,061,531	\$338,167	\$723,364

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.

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