

U.S. DEPARTMENT OF COMMERCE

Performance Progress Report

2. Award Or Grant Number

45-50-M09044

4. Report Date (MM/DD/YYYY)

04-03-2012

1. Recipient Name

Connected Nation, Inc. - SC

6. Designated Entity On Behalf Of:

State of South Carolina

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 42101-2137

7. Project / Grant Period
Start Date: (MM/DD/YYYY)

12-20-2009

7a. End Date: (MM/DD/YYYY)

12-19-2014

7b. Reporting Period End Date:

03-31-2012

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
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

Aero Networks, LLC: The provider was non-responsive during the April 2012 mapping cycle to NTIA. Multiple contact attempts were made, and as of February 7, 2012, the provider remained non-responsive.

Atlantic Tele-Network, Inc.: The provider was non-responsive during the April 2012 mapping cycle to NTIA. Multiple contact attempts were made, and as of February 7, 2012, the provider remained non-responsive.

Birch Communications, Inc.: The provider refused to participate during the April 2012 mapping cycle to NTIA. On November 3, 2012, a company representative forwarded an e-mail indicating non-participation.

Countrywide Wireless: The provider was non-responsive during the April 2012 mapping cycle to NTIA. Multiple contact attempts were made, and as of February 10, 2012, the provider remained non-responsive.

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

Connect South Carolina has deployed an interactive mapping web application. The application is housed in a highly available, monitored, and managed environment. The application includes 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.

As of this report, field validation has been completed on 58.33% of the provider universe. One new coverage estimation field audit will be completed on a non-participating provider. By nature of the methodology, coverage estimation field audits are similar to conducting data validation on participating providers. The year-end goal for 2012 will be a cumulative validation rate of 60.00% of the provider universe.

10g. Have you initiated verification activities? Yes No

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

An interactive broadband map is publicly available on the Connect South Carolina website (<http://www.connectsc.org/interactive-map>) and received a total of 130 visits between January 1, 2012 and March 31, 2012.

During this quarter, the project received a total of 13 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 3 for this quarter.

For this reporting period, no new field verification tests were conducted. Thus far, project staff conducted multiple tests on the following providers: AT&T; Atlantic Broadband; CenturyLink; Charter Communications; Chester Telephone Company (d.b.a. Fairfield Communications); Clearwire Corporation; Electronics Service Company of Hamlet LLC; Family View Cable; Farmers Telephone Cooperative Inc. (d.b.a. FTC Communications); Frontier Communications of the Carolinas; Harron Communications; Home Telephone Company Inc.; NTInet Inc.; Palmetto Rural Telephone (d.b.a. Low Country); Pee Dee Net; Pee Dee Online; PRT Communications; Rock Hill Telephone Company (d.b.a. Comporium Communications and PBT Communications); Sandhill Telephone Cooperative; SkyRunner; Southern Coastal Cable; Sprint; Time Warner Cable Inc.; T-Mobile; tw telecom; US Cellular; Verizon South Inc.; and Windstream.

As of this reporting period, field validation testing has completed against 28 companies (out of a universe of 48 viable providers) totaling 58.33% within the state.

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?

3.45

Connect South Carolina's FTEs reported for the quarter include 3.13 FTEs for staff, 0.27 FTEs for permanent consultants, and 0.05 FTEs for temporary, cyclical contractors. The project is currently staffed with a base of 3.40 FTEs.

Connected Nation has numerous staff, consultants, and contractors working on the Connect South Carolina 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 in their respective areas, and by leveraging their expertise the project benefits by their 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

The positions not currently staffed are related to Connect South Carolina's local and regional tech team activities. The positions are expected to be filled during Q2 2012.

In Q2 2012 an amended project timeline will be submitted, to the State Broadband Initiatives program office, which will account for the staffing delays encountered.

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

Connect South Carolina's FTEs reported for the quarter include 3.13 FTEs for staff, 0.27 FTEs for permanent consultants, and 0.05 FTEs for temporary, cyclical contractors. The project is currently staffed with a base of 3.40 FTEs. There are, however, 2 base FTE positions yet to be filled.

When fully staffed this project will have a base of 5.40 FTEs.

10n. Staffing Table

Job Title	FTE %	Date of Hire
Connected Nation - Business Programmer Analyst	1	04/02/2007

Connected Nation - CAI Coordinator	1	09/16/2009
Connected Nation - CAI Coordinator	2	12/13/2004
Connected Nation - CAI Data Analyst	1	03/24/2009
Connected Nation - CAI Data Manager	2	08/09/2010
Connected Nation - Compliance Coordinator	5	08/01/2008
Connected Nation - ETS Manager	5	07/01/2007
Connected Nation - GIS Analyst	1	05/14/2007
Connected Nation - GIS Analyst	1	04/01/2010
Connected Nation - GIS Analyst	4	11/16/2009
Connected Nation - GIS Analyst	12	04/01/2010
Connected Nation - GIS Analyst	34	09/17/2007
Connected Nation - GIS Services Manager	3	05/15/2007
Connected Nation - Grants Management Officer	6	02/24/2003
Connected Nation - Outreach & Awareness Manager	6	03/24/2009
Connected Nation - Outreach & Awareness Specialist	6	10/01/2007
Connected Nation - Outreach & Awareness Specialist	8	02/02/2009
Connected Nation - Outreach & Awareness Specialist	10	01/04/2010
Connected Nation - Outreach & Awareness Specialist	24	01/03/2010
Connected Nation - Program Director	2	08/04/2008
Connected Nation - Project Coordinator	6	04/01/2005
Connected Nation - Project Management Director	44	12/16/2009
Connected Nation - Project Manager	2	01/14/2008
Connected Nation - Project Manager	3	08/20/2007
Connected Nation - Project Manager	5	01/14/2008
Connected Nation - Project Manager	6	09/04/2007
Connected Nation - Provider Relations Manager	8	02/17/2005

Connected Nation - Research Analyst	1	02/01/2010
Connected Nation - Research Analyst	8	06/01/2009
Connected Nation - Research Analyst	33	09/19/2011
Connected Nation - Research Manager	7	05/14/2007
Connected Nation - State Services Manager	3	07/01/2007
Connected Nation - State Services Specialist	51	02/02/2009
Connected Nation - State Services Sr. Specialist	2	12/20/2009
Consultant - Associate Counsel	1	09/14/2009
Consultant - ETS Analyst	25	08/24/2009
Consultant - General Counsel	1	01/01/2007
GISbiz, Inc. - Programmer	3	02/27/2012
GISbiz, Inc. - Systems Architect	2	02/27/2012

Add Row

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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	167,350	0
Contract Labor	Contract Labor	Y	Y	12/20/2009	12/19/2014	182,771	106,073

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Funding

10p. How much Federal funding has been expended as of the end of the last quarter? \$1,491,855 10q. How much Remains? \$2,487,977

10r. How much matching funds have been expended as of the end of last quarter? \$361,029 10s. How much Remains? \$669,638

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	\$1,199,434	\$123,752	\$1,323,186	\$400,492	\$745	\$401,237
Personnel Fringe Benefits	\$257,278	\$32,004	\$289,282	\$87,213	\$160	\$87,373
Travel	\$157,557	\$0	\$157,557	\$61,026	\$582	\$61,608
Equipment	\$139,143	\$0	\$139,143	\$74,022	\$0	\$74,022
Materials / Supplies	\$50,350	\$0	\$50,350	\$22,749	\$0	\$22,749
Subcontracts Total	\$891,457	\$106,883	\$998,340	\$367,562	\$106,073	\$473,635
Subcontract #1	\$321,347	\$0	\$321,347	\$167,350	\$0	\$167,350

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Subcontract #2	\$506,111	\$106,883	\$612,994	\$182,771	\$106,073	\$288,844
Subcontract #3	\$25,316	\$0	\$25,316	\$7,603	\$0	\$7,603
Subcontract #4	\$38,683	\$0	\$38,683	\$9,838	\$0	\$9,838
Subcontract #5	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$54,298	\$685,883	\$740,181	\$20,945	\$252,445	\$273,390
Total Direct Costs	\$2,749,517	\$948,522	\$3,698,039	\$1,034,009	\$360,005	\$1,394,014
Total Indirect Costs	\$1,230,315	\$82,145	\$1,312,460	\$457,846	\$1,024	\$458,870
Total Costs	\$3,979,832	\$1,030,667	\$5,010,499	\$1,491,855	\$361,029	\$1,852,884
% Of Total	79	21	100	81	19	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:

- Interactive Mapping Application- \$60,000
- GIS Software & Maintenance- \$7,905
- Computers & Software- \$15,113
- Speed Test Software- \$2,428
- Google Earth Pro- \$585
- Spectrum Analyzer- \$4,477

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, 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

Connect South Carolina received a Community Anchor Institution (CIA) connectivity information dataset for a variety of institution types including higher education, state and local governments, public safety, and more from the South Carolina Budget and Control Board - Department of State Information Technology as part of an in-kind match contribution to Connect South Carolina with its mapping and planning goals - \$107,548

Connect South Carolina received a Community Anchor Institution (CAI) dataset for schools and libraries from the South Carolina Budget and Control Board - Department of State Information Technology as part of an in-kind match contribution to Connect South Carolina with its mapping and planning goals - \$71,232

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

10aa. If yes, please list

Connect South Carolina (CSC) successfully submitted to the National Telecommunications and Information Administration (NTIA) an update to the state broadband dataset. The data update includes datasets for 91.67% of the South Carolina provider community, or 44 of 48 total providers. Of the 44 participating providers, 22 supplied an update to their network or coverage area(s), 20 reported no change, and the remaining 2 providers previously submitted data but were non-responsive in this update. Of the 4 providers that were not represented in the dataset, 2 refused to participate in the voluntary program or were non-responsive to multiple contact attempts, and 2 providers were in some form of progress toward data submission but were not able to submit coverage areas at the time of the submission.

During this reporting period, CSC continued to develop relationships with statewide associations such as State Library of South Carolina to promote the importance of broadband connectivity at Community Anchor Institutions (CAI) and participation in this data

collection process. Moreover, Connect South Carolina continues to work extensively with the South Carolina Division of State Information Technology to secure robust location and connectivity data for K-12 schools.

We continue to utilize our online survey and raise awareness of the importance of CAI broadband connectivity. Connect South Carolina has an ongoing mission to educate CAI throughout the state on the importance of participating in the project.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing. The continued challenge exists to educate CAI about Connect South Carolina and the intent of gathering broadband connectivity information. This obstacle is easily avoided if we engage sector leaders and ask them to distribute the survey on our behalf – which supports the validity of the survey. Across the board, the response is significantly higher when the survey is distributed by a sector leader or organization. Ahead of the October 2012 reporting, Connect South Carolina will focus on building relationships with state leaders who can distribute the survey on our behalf.

For Q1 2012, Connect South Carolina's match percentage based on total expenditures was 19.48%. Thus Connect South Carolina will fall short of the required match percentage by 1.09%. Connect South Carolina is working with the state partner to identify additional sources of match. Through volunteer and consultant in-kind as well as in-kind staff, benefits, and office space offered by the state partner, Connect South Carolina expects to meet the non-federal cost percentage in Q2 2012.

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

Connect South Carolina maps (<http://www.connectsc.org/mapping/>) were updated and used to further identify unserved and underserved areas and to help communities plan for expanding service to unserved households. The GIS team completed the revised processing of the October 2011 data to reflect the new 2010 census numbers.

Connect South Carolina released the Universal Service Fund (USF) Mobility Fund Eligibility Maps & Analysis, a report detailing the FCC's preliminary list of areas in South Carolina that are eligible for the FCC's Mobility Fund. Connect South Carolina's analysis compares the FCC eligible areas list to the geographic areas on our maps that have access to mobile download speeds of 1.5 megabytes per second (Mbps). Every "3G" technology listed by the FCC in its Mobility Fund is expected to have the potential of delivering at least 1.5 Mbps service. For the most part, CSC's data confirms that the vast majority of the areas of South Carolina lacking 3G technology do not, in fact, have adequate mobile broadband service. However, it also appears that many parts of South Carolina that do not have access to high-speed mobile broadband service are not on the FCC's list of eligible areas. <http://www.connectsc.org/blog/post/connect-south-carolina-releases-usf-mobility-fund-eligibility-maps-analysis>.

The Engineering and Technical Services (ETS) Division has prepared a white paper that provides an overview of Connected Nation's methodology for provider outreach and relationship management, consumer data collection, and analysis to leverage crowdsourcing data stemming from broadband inquiries, field validation of data volunteered by thousands of participating broadband providers and/or coverage estimation processes related to non-participating providers. The white paper is attached as a supplemental document.

Continued on the South Carolina Q1 2012 Supplemental Answers document.

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

Technical Assistance Quarterly Milestones Year 3, Quarter 1:

Milestone: Develop research plan for years 3 through 5

This goal was partially met. In Q1 2012, options for future research plans were presented to South Carolina's Budget & Control Board, South Carolina's Office of the Governor, and South Carolina's Division of State Information Technology so that stakeholder input could be incorporated into research plans for years 3 through 5. As a result of this input, and with the intention of ongoing collaboration with state stakeholders, Connect South Carolina will still conduct one residential survey and one business survey annually in 2012, 2013, and 2014 with statewide samples that are representative of the state's adult population and business universe, consistent with the 2010 and 2011 surveys. This will allow for comparisons to the baseline residential surveys administered in 2010 and 2011. Connect South Carolina expects to submit the research plan to the State Broadband Initiatives program office during Q2 2012.

Milestone: Finalize and distribute 2011 statewide business survey research results

This milestone was not met. Although the state stakeholders received the initial survey results in Q4 2011, the final results were not released publicly due to the delay in securing a peer reviewer. The peer reviewer search and negotiations took longer than expected for Connect South Carolina causing this delay.

Continued on the South Carolina Q1 2012 Supplemental Answers document.

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

Connect South Carolina was not able to finalize the peer review process before the end of Q1 2012 period. But CSC was able to

Additional Planning Information

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

Technical Assistance

Connect South Carolina staff attended and participated in the South Carolina Economic Development Association Meeting, South Carolina Association of Counties Conference, and the South Carolina Rural Summit.

Local/Regional Technology Planning Teams

Nothing to report.

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

Nothing to report.

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

Connect South Carolina continues to implement traditional and new media strategies to engage and inform citizens about broadband opportunities and options for underserved communities in the state. Our outreach and awareness activities include program updates, broadband success stories, and technology impact stories are continuously posted on Connect South Carolina's Facebook (<http://www.facebook.com/ConnectSouthCarolina>) page and Twitter (<http://twitter.com/#!/connectsc>). Through these social media resources the public has begun to interface with the program by asking questions and sharing broadband inquiries.

The first Connect South Carolina e-newsletter was distributed in March to disseminate information on program-related activities and state-specific technology articles. A few of the stories highlighted include:

GSSM Students Study How Technology and Entrepreneurship Impacts Economy

<http://www.connectsc.org/blog/post/gssm-students-study-how-technology-and-entrepreneurship-impacts-economy>

Students from the South Carolina Governor's School for Science and Mathematics (GSSM) participated in a program that provided an in-depth look at how entrepreneurship impacts the economy. Twelve GSSM students traveled to Silicon Valley to take part in the TechTrek program, an award winning field-study course open to both undergraduate and graduate students. TechTrek is an intensive elective culminating in a trip to the West Coast where students meet with senior executives representing a variety of companies.

Continued on the South Carolina Q1 2012 Supplemental Answers 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)

04-30-2012