

U.S. DEPARTMENT OF COMMERCE

Performance Progress Report

2. Award Or Grant Number

45-50-M09044

4. Report Date (MM/DD/YYYY)

07-02-2012

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:

06-30-2012

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 on April 13, 2012, a company representative informed Connected Nation (CN) that Aero Networks does not provide service in South Carolina. As such, the status was changed to "Inactive – Non State Provider."

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 June 7, 2012, the provider remains non-responsive.

Birch Communications, Inc.: The provider refused to participate during the April 2012 mapping cycle to NTIA. On May 4, 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; however, subsequent to the close of the April 2012 cycle, simple tower information was provided, and the provider has initiated participation.

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 deployed a new interactive mapping web application, called My ConnectView, on April 2, 2012. The application is housed in a highly available, monitored, and managed environment. New feedback features allow consumers to send comments directly to program geographic information systems (GIS) staff; a screenshot of the user's current interactive map view is also attached to the feedback to provide additional details.

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 70.21% of the provider universe and the year-end goal for 2012 (cumulative validation rate of 60.00% of the provider universe) has been achieved.

10g. Have you initiated verification activities? Yes No

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

The new interactive broadband map, My ConnectView, was launched on April 2, 2012 and is publicly available on the Connect South Carolina website (<http://www.connectsc.org/interactive-map>). There were a total of 645 visits to the interactive mapping tool between April 2, 2012, and June 30, 2012.

During this quarter, the project received a total of 8 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 5.

For this reporting period, 72 new and/or supplemental 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; Comcast; Countrywide Wireless; 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.; Knology; 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; TDS Telecom; Time Warner Cable Inc.; T-Mobile; tw telecom; US Cellular; Verizon South Inc.; Windstream; and XO Communications.

As of this reporting period, field validation testing has been completed against 33 companies (out of a universe of 47 viable providers) totaling 70.21% within the state.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

Not applicable.

Staffing

10j. How many jobs have been created or retained as a result of this project?

4.63

Connect South Carolina's FTEs reported for the quarter include 3.06 FTEs for staff, 1.57 FTEs for permanent consultants, and 0.0 FTEs for temporary, cyclical contractors. The project is fully staffed with a base of 4.63 FTEs.

Connected Nation has numerous staff 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. By leveraging the expertise of the subject matter experts, the project benefits from 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

Not applicable.

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

This project is fully staffed with a base of 4.63 FTEs.

10n. Staffing Table

Job Title	FTE %	Date of Hire
Connected Nation - Broadband Planning Manager	2	09/04/2007
Connected Nation - Broadband Planning Manager	3	01/14/2008
Connected Nation - Business Programmer Analyst	2	04/02/2007

Connected Nation - CAI Coordinator	3	09/16/2009
Connected Nation - CAI Manager	1	12/13/2004
Connected Nation - Chief Policy Counsel	1	08/09/2010
Connected Nation - Compliance Coordinator	6	08/01/2008
Connected Nation - Director Program Support	1	12/01/2004
Connected Nation - ETS Analyst	30	02/18/2010
Connected Nation - ETS Manager	4	07/01/2007
Connected Nation - GIS Analyst	1	11/16/2009
Connected Nation - GIS Analyst	2	04/01/2010
Connected Nation - GIS Analyst	36	09/17/2007
Connected Nation - GIS Services Manager	2	05/15/2007
Connected Nation - Grants Management Officer	10	02/24/2003
Connected Nation - Outreach & Awareness Manager	6	03/24/2009
Connected Nation - Outreach & Awareness Specialist	3	10/01/2007
Connected Nation - Outreach & Awareness Specialist	8	02/02/2009
Connected Nation - Outreach & Awareness Specialist	9	01/04/2010
Connected Nation - Outreach & Awareness Specialist	21	01/03/2010
Connected Nation - Partnership Manager	3	07/01/2007
Connected Nation - Policy & Research Outreach Specialist	7	03/24/2009
Connected Nation - President & COO	4	01/14/2008
Connected Nation - Project Coordinator	4	04/01/2005
Connected Nation - Project Management Director	47	12/16/2009
Connected Nation - Project Manager	4	08/20/2007
Connected Nation - Provider Relations Manager	8	02/17/2005
Connected Nation - Research Analyst	1	02/01/2010
Connected Nation - Research Analyst	1	06/01/2009
Connected Nation - Research Analyst	33	09/19/2011
Connected Nation - Research Manager	9	05/14/2007
Connected Nation - State Services Specialist	1	03/24/2009
Connected Nation - State Services Specialist	33	02/02/2009
Consultant - Associate Counsel	3	09/14/2009
Consultant - Community Tech Team Specialist	21	05/14/2012
Consultant - Community Tech Team Specialist	24	05/14/2012

Consultant - Community Tech Team Specialist	54	05/14/2012
Consultant - ETS Analyst	2	02/08/2010
Consultant - ETS Analyst	52	08/24/2009
Consultant - Financial Consultant	1	04/01/2008

Add Row

Remove Row

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	221,842	143,762

Add Row

Remove Row

Funding

10p. How much Federal funding has been expended as of the end of the last quarter? \$1,676,229 10q. How much Remains? \$2,303,603
 10r. How much matching funds have been expended as of the end of last quarter? \$403,988 10s. How much Remains? \$626,679

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	\$456,369	\$745	\$457,114
Personnel Fringe Benefits	\$257,278	\$32,004	\$289,282	\$101,770	\$160	\$101,930
Travel	\$157,557	\$0	\$157,557	\$74,727	\$582	\$75,309
Equipment	\$139,143	\$0	\$139,143	\$76,348	\$0	\$76,348
Materials / Supplies	\$50,350	\$0	\$50,350	\$25,636	\$0	\$25,636
Subcontracts Total	\$891,457	\$106,883	\$998,340	\$411,467	\$143,762	\$555,229
Subcontract #1	\$321,347	\$0	\$321,347	\$167,350	\$0	\$167,350
Subcontract #2	\$506,111	\$106,883	\$612,994	\$221,842	\$143,762	\$365,604
Subcontract #3	\$25,316	\$0	\$25,316	\$10,103	\$0	\$10,103
Subcontract #4	\$38,683	\$0	\$38,683	\$12,172	\$0	\$12,172
Subcontract #5	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$54,298	\$685,883	\$740,181	\$22,762	\$257,715	\$280,477
Total Direct Costs	\$2,749,517	\$948,522	\$3,698,039	\$1,169,079	\$402,964	\$1,572,043
Total Indirect Costs	\$1,230,315	\$82,145	\$1,312,460	\$507,150	\$1,024	\$508,174
Total Costs	\$3,979,832	\$1,030,667	\$5,010,499	\$1,676,229	\$403,988	\$2,080,217
% 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- \$7,515
- Computers & Software- \$20,819
- 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 - \$107,548

Connect South Carolina received a 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 - \$71,232

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

10aa. If yes, please list

Community Anchor Institution data collection efforts continued and focused on identifying key contacts in the public safety sector. A challenging sector to elicit support from, Connect South Carolina was able to identify regional deputies. Outreach and follow-up with these individuals will continue into Q3 2012.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing
There is the continued challenge to educate CAI about Connect South Carolina and the intent of gathering this 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.

Moreover, it has become obvious that a focused sector approach is most successful as well as clearly engaging the state client to help identify sector leaders and organizations. Program staff continue to focus on one sector per month to better direct attention toward specific sectors.

For Q2 2012, Connect South Carolina's match percentage based on total expenditures was 19.42%. Thus Connect South Carolina (CSC) will fall short of the required match percentage by 1.15%. CSC is working with the State of South Carolina Office of the Governor to identify additional sources of match. Through the receipt of in-kind match from volunteers participating in the Local/ Regional Technology Planning Teams, as well as through consultant agreements and datasets from various state entities, CSC expects to meet it's required match percentage in Q3 2012. Connect South Carolina has filed a non-federal cost share waiver through Q3 2012.

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

My ConnectView

Connect South Carolina Unveils New & Improved Broadband Mapping Tool

Connect South Carolina unveiled an innovative new broadband mapping tool, My ConnectView, which offers unmatched views of South Carolina's technology landscape that will guide expansion efforts. My ConnectView replaces the previous mapping tool and is faster and easier to use; features more interactive layers and additional tools to explore data; and allows users to e-mail, print, and send feedback on custom maps. By offering unprecedented views of unserved and underserved areas of South Carolina, My ConnectView will help drive economic development planning centered around broadband technology expansion efforts in the state. Ensuring the accuracy of the data behind the maps is important to the people of South Carolina. This year, the Federal Communications Commission (FCC) will begin reforming its universal service system in a way that will shift those subsidies to areas that do not currently have access to broadband at targeted speed tiers. As it implements the Connect America Fund, the FCC will rely upon the broadband inventory data in the broadband maps.

<http://www.connectsc.org/recent-news/news-release-connect-south-carolina-unveils-new-improved-broadband-mapping-tool>

Continued on the South Carolina Q2 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 Milestones Year 3, Quarter 2 per approved project plan:

Milestone: Analyze 2012 statewide residential survey research results:

Activity - Release report outlining initial results of 2012 statewide residential survey to South Carolina Governor's Office, Task Force, and/or other stakeholders as appropriate.

This milestone was not met. The 2012 residential survey has not been initiated. Upon approval of Connect South Carolina's revised project plan (submitted in Q2 2012), the 2012 residential survey will commence. It is anticipated the survey will go to field in Q3 2012.

Activity - Discuss final report format and customizable analysis options for 2012 statewide residential survey with South Carolina Governor's Office, Task Force, and/or other stakeholders as appropriate.

This milestone was met in Q1 2012. Discussions were held in Q1 prior to submitting an amended project plan that incorporated this stakeholder input.

Technical Assistance outstanding milestones from previous quarters:

Milestone: Finalize and distribute 2011 statewide business survey research results

This milestone was met. Connect South Carolina finalized and distributed the 2011 statewide business survey research results on May 15, 2012.

Milestone: Upon approval from South Carolina stakeholders and NTIA, initiate 2012 statewide residential survey research.

This milestone was not met. Connect South Carolina submitted an amended project plan to the National Telecommunications and Information Administration (NTIA) during Q2 2012. Upon approval of the amended plan, the 2012 residential survey will commence. It is anticipated that the survey will be conducted in Q3 2012 instead of Q2 2012.

Continued on the South Carolina Q2 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

submitted an amended project plan to the National Telecommunications and Information Administration (NTIA) during Q2 2012. Upon approval of the amended plan, the 2012 residential survey will commence. It is anticipated that the survey will be initiated in Q3 2012.

Local/Regional Technology Planning Teams

Nothing to report.

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

Technical Assistance

The 2012 residential survey is now scheduled to be initiated in Q3 2012 instead of Q2 2012. In turn, the 2012 residential survey will be analyzed and initial results will be released to the state in Q4 2012, and the residential survey results will be finalized and released in Q1 2013.

Local/Regional Technology Planning Teams

All anticipated changes are reflected in the amended project plan that was submitted to NTIA during Q2 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

11i. Planning Worksheet						
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?

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

Technical Assistance

Community Outreach

Program staff attended the spring meeting of the South Carolina Telecommunications Association in April and presented on Lifeline Pilot Program partnership opportunities, Connected Nation online digital literacy training program, discount computer program, and South Carolina provider opportunities to participate in the discount broadband access program for trainees.

Marion County Day

One of Connect South Carolina's Community Tech Team Specialists represented the South Carolina SBI program at the Marion County Day, an event designed to equip the community with the resources necessary to spur economic growth.

This was the second community day initiated by the Original Six Foundation, founded by the South Carolina Governor to unite private support to solve public challenges. The mission of this major statewide initiative is to provide tools and resources needed for challenged South Carolina communities.

<http://theoriginalsixfoundation.org/press/governor-nikki-haley-announces-marion-county-day.html>

Continued on the South Carolina Q2 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)

07-27-2012