

RECIPIENT NAME: Connected Tennessee, LLC

AWARD NUMBER: 47-43-B10542

DATE: 04/26/2013

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> 47-43-B10542	<b>3. DUNS Number</b> 859149820
<b>4. Recipient Organization</b>  Connected Tennessee, LLC 618 Church ST STE 305, Nashville, TN 372192437		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b> 03-31-2013	<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>  Bernie Bogle  Grants Management Officer	<b>7c. Telephone (area code, number and extension)</b> 270-781-4320	
	<b>7d. Email Address</b> bbogle@connectednation.org	
<b>7b. Signature of Certifying Official</b> Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b> 04-26-2013	

**Project Indicators (This Quarter)**

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

The Connected Tennessee (CTN) Computers 4 Kids (C4K) program continued to donate new Lexmark printers to program partners statewide. On March 19, the program donated 10 printers to the Chattanooga Girls Leadership Academy. C.E. McGruder Family Resource Center received two printers on March 25. Three printers were donated to the Ira Samelson Jr. Branch Boys & Girls Clubs on March 22 and one to the Boys & Girls Club of the Smoky Mountains on March 27. Program staff worked closely with the Tennessee Department of Children's Services (DCS) to plan for its next distribution of computers. The computers will be distributed to disadvantaged children to promote economic, career, and educational development through the provision of computers and highlighting the benefits of technology adoption. During the first State Broadband Summit held on February 27, DCS and the Boys & Girls Clubs (B&GC) of Tennessee were presented with Broadband Hero Awards in the areas of Access and Adoption. The Access award was received by Dave Aguzzi on behalf of DCS for its efforts to increase broadband access for Tennessee foster youth through individual laptop donations. The Adoption award was given to the B&GC of Tennessee, accepted by Dan Jernigan, President/CEO for the Middle TN Clubs, for enabling digital literacy training and online learning programs. Program staff supported the Boys & Girls Clubs by attending Youth of the Year celebration events in Memphis and Nashville. Finally, to raise awareness and educate citizens about the C4K program, outreach and awareness efforts continued highlighting program successes, activities, and outcomes to local and statewide news outlets through a variety of formats including media advisories, press releases, newspaper and television interviews, blogs, e-Newsletters, and social media. Combined, these efforts produced more than 7 million positive media impressions for the C4K program during the first quarter. Additionally, staff worked with partners at the University of Memphis and the University of Tennessee to begin coordination of cyber safety trainings to benefit youth and families served by Tennessee's Boys & Girls Clubs. These events will be held later in 2013. Lastly, outreach has been made to local and regional legislators to keep them apprised of program activities, including celebration events and the large computer distribution scheduled to begin in Q2 2013.

News pickups this quarter included:

\* Connected Tennessee Presents Chattanooga Girls Leadership Academy With New Printers  
From TheChattanooga.com – 03/20/2013

Connected Tennessee has donated 10 new printers to the Chattanooga Girls Leadership Academy (CGLA) on behalf of the Young Women's Leadership Academy Foundation. The printers were awarded to the academy on Tuesday, as a part of a donation made by Lexmark International to the Computers 4 Kids (C4K) program. Kentucky-based Lexmark provided a total of 250 printers to the C4K program that were distributed across the state in the last year. "We're ecstatic that Connected Tennessee thought of CGLA with this generous donation. Some of our students do not have access to a reliable printer at home," said Dr. Swafford. "Having this gift in the school will not only encourage our girls to stay after school and get help with homework but also allow them to complete and print it on our campus."

Read more here: <http://www.chattanooga.com/2013/3/20/247044/Connected-Tennessee-Presents.aspx>

\*Chattanooga Girls Leadership Academy to Receive Printers From Computers for Kids  
From John C. Arkin/If It Prints, I'll Let You Know – 03/17/2013

It is very typical to hear that somebody has donated money, clothing or toys to certain organizations. But in the case of Connected Tennessee's Computers 4 Kids, what it has to offer to the Chattanooga Girls Leadership Academy are 10 new Lexmark printers.

Read more here: <http://printerinkcartridgesblog.printcountry.com/printer-news/chattanooga-girls-leadership-academy-to-receive-printers-from-computers-4-kids-19929.html>

The statewide press release for the Chattanooga Girls Leadership Academy donation, as well as a press release regarding the C.E. McGruder Family Resource Center donation, is attached as a part of "13Q1\_Supplemental Attachment\_Tennessee"

**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	76	The overall project was expected to be 100% complete at the end of this reporting quarter. The variance from baseline is primarily due to a delay in computer distributions for the Department of Children's Services recipients thus slowing progress on the project overall. This distribution is expected to occur in Q2 2013. The variance is also due to staff turnover

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
			within the project thus slowing progress on the project overall. Additional time beyond the current project end date will be needed to complete all project activities.
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).**

Connected Tennessee's 2012 residential survey, which will be utilized in the calculations for reporting new household subscribers, was released publicly in Q1 2013 after peer review by Dr. John H. Horrigan. The results are available online through Connected Tennessee's website at <http://www.connectedtn.org/survey-results/residential>. Program staff continued working with the Vice President of Human Resources and Administration for the Boys & Girls Clubs of the Tennessee Valley during the quarter to collect data necessary for measuring program reach, including the number of new broadband subscribers resulting from the program. System issues prevented obtainment of said data by quarter's end; however, the data is expected during Q2 2013 which will allow Connected Tennessee to calculate subscribership.

The 2012 business survey, which will be utilized to report on new business and/or Community Anchor Institution (CAI) subscribers, was delayed but has now commenced in Q1 2013. Until initial results are released in Q2 2013, the program will be unable to report new subscriber numbers.

Purchasing of laptops slated for delivery to DCS regional offices during Q2 2013 was slightly delayed. Connected Tennessee is currently working to receive updated optimum pricing from the program vendor, Vision Computers.

Efforts are being made to find ways to continue training and to reach more clubs by partnering with other educational institutions and technology vendors such as the University of Tennessee and Cisco.

**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
N/A	N/A	See addendum.	43,984	101,863	0	0
<b>Total:</b>			<b>43,984</b>	<b>101,863</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).**

Program staff is working with the Vice President of Human Resources and Administration for the Boys & Girls Clubs of the Tennessee Valley to collect data for measuring program reach, including the number of new broadband subscribers resulting from this program. In an effort to ensure the most accurate reporting possible, Connected Tennessee has removed the previously reported subscribership numbers from this report. The new calculation method will be presented within the Q2 2013 Performance Progress Report.

Connected Tennessee surveyed 1,202 adult heads of household via telephone in 2012. Nearly seven out of ten (68%) Tennesseans subscribe to home broadband service in 2012, an increase of 10 percentage points since 2010. However, it still leaves an estimated 1.5 million Tennessee adults or more that are without a home broadband service. (Based on the 2010 US Census estimates.)

Connected Tennessee initiated its 2013 business survey in Q1 2013. Survey results will be used to report on new business and/or CAI

subscribers.

**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).**

At the close of the quarter, staff was working with the Vice President of Human Resources and Administration for the Boys & Girls Clubs of the Tennessee Valley to collect data for measuring program reach, including the number of new broadband subscribers resulting from this program. The new calculation method will be presented within the Q2 2013 Performance Progress Report.

**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).**

Connected Tennessee will finalize laptop purchases and coordinate Tennessee Department of Children's Services celebration events during Q2 2013 where distribution of approximately 700 laptops will begin. Also, the 2012 business survey will be initiated in Q2 2013. Results will be utilized to report on new business and/or CAI subscribers. Program staff will continue to work with the Vice President of Human Resources and Administration for the Boys & Girls Clubs of the Tennessee Valley to collect data for measuring program reach, including the number of new broadband subscribers resulting from this program. The new calculation method will be presented within the Q2 2013 Performance Progress Report. Efforts will persist to find ways to continue training and to reach more clubs by partnering with other educational institutions and technology vendors such as the University of Tennessee and Cisco. Finally, staff in west and east Tennessee will work together to produce a virtual cyber safety presentation that can be replicated in Boys & Girls Clubs throughout the state using the computers donated through Computers 4 Kids, the University of Memphis, and the University of Tennessee.

**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	95	The project is expected to be 95% complete, based on the federal percent of budget at the end of the next reporting quarter. Our baseline plan is listed at 100%. The projected variance from baseline is primarily due to staff turnover within the project thus slowing progress on the project overall. Additional time beyond the current project end date will be needed to complete all project activities.
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).**

At the close of this quarter, staff was working with the Vice President of Human Resources and Administration for the Boys & Girls Clubs of the Tennessee Valley to collect data for measuring program reach, including the number of new broadband subscribers resulting from this program. CTN has formulated the new methodologies based upon data that the Boys & Girls Clubs program can produce/collect. This data may serve as the benchmark as previous period data may not be accessible to use for this purpose. Thus, improvements in subscribership may not be evident until Q3 2013.

Continued delays in the purchase of laptops could affect the delivery schedule to the DCS regional offices during Q2 2013. Additionally, celebration events cannot be confirmed until updated pricing is received and orders are underway.

**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	\$506,492	\$0	\$506,492	\$463,899	\$0	\$463,899	\$537,040	\$0	\$537,040
b. Fringe Benefits	\$108,643	\$0	\$108,643	\$112,006	\$0	\$112,006	\$124,489	\$0	\$124,489
c. Travel	\$42,797	\$0	\$42,797	\$30,978	\$0	\$30,978	\$36,978	\$0	\$36,978
d. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Supplies	\$2,000,740	\$935,300	\$1,065,440	\$1,905,587	\$1,226,389	\$679,198	\$2,195,587	\$1,226,389	\$969,198
f. Contractual	\$22,500	\$18,750	\$3,750	\$39,519	\$6,115	\$33,404	\$43,069	\$6,115	\$36,954
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>i. Total Direct Charges (sum of a through h)</b>	\$2,681,172	\$954,050	\$1,727,122	\$2,551,989	\$1,232,504	\$1,319,485	\$2,937,163	\$1,232,504	\$1,704,659
<b>j. Indirect Charges</b>	\$560,265	\$0	\$560,265	\$428,776	\$0	\$428,776	\$462,686	\$0	\$462,686
<b>k. TOTALS (sum of i and j)</b>	\$3,241,437	\$954,050	\$2,287,387	\$2,980,765	\$1,232,504	\$1,748,261	\$3,399,849	\$1,232,504	\$2,167,345

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