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) 03-31-2011	**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 Grace Morrissey	**7c. Telephone (area code, number and extension)**
	7d. Email Address gmorrissey@connect-arkansas.org
7b. Signature of Certifying Official Submitted Electronically	**7e. Date Report Submitted (MM/DD/YYYY):** 05-16-2011

Project Indicators (This Quarter)

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

Contracts with all sub-recipients were negotiated and executed by March 31.

Work has begun on the Distance Health project run by The University of Arkansas School for Medical Sciences by building and launching their website, scheduling of classes in the 2 quarter of 2011, and offering self taught classes via the internet.

The Youth Entrepreneurship Showcase (YES) 2.0 website was built and launched in early February with all information required for students to enter and compete in the Business Plan competition. YES 2.0 actually exceeded their goal of 15 schools with 19 total signing up to participate in the contest.

Software for the Arkansas SourceLink project was delivered to Connect in early January which allowed us to begin identifying and contacting potential resource providers who offer entrepreneurship services to get them signed up and put into the SourceLink central database.

Curriculum for the Entrepreneurship portion of the SBA grant is currently in development with a target of early may for the first class.

We are working with the sub-contractors who will be providing the Technology classes and refurbished computers with a target date of May 5 for the first class being taught and late May for the first computers being delivered to students who have completed the first slate of classes.

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**	8	none
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).

Connect Arkansas experienced one problem during contract negotiations in the 1st quarter of 2011.

The Little Rock School District has problems with deliverables set forth in the SBA Grant received by Connect. Both parties did come to an agreement after several weeks without any changes or effects to requirements of the grant.

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
UAMS	n/a	UAMS - Distance Health: UAMS spent the first quarter of 2011 getting ramped up to begin teaching distance health learning classes in the early part of the 2nd quarter of 2011	0	0	0	0
UAM	n/a	UAM - Technology Training: University of Monticello has had problem getting someone hired to teach technology classes for the SBA program and has not been able to start teaching classes during the 1st quarter. Connect and UAM executed the contract in early February which also delayed the start of classes.	0	0	0	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
Entrepreneur Curriculum	n/a	Connect Arkansas spent the majority of the 1st quarter of 2011 working with our SBA Grant Manager to iron out details of the Entrepreneur Curriculum portion of the SBA grant. Connect suggested we bring this part of the grant in house and manage it directly due to our back ground and expertise in entrepreneurship. Entrepreneur classes were not begun in the 1st quarter due to this process and as a result will begin teaching in quarter 2 of 2011.	0	0	0	0
Total:			**0**	**0**	**0**	**0**

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 is measuring new subscriber household numbers through surveying and by tracking data collection number changes through our mapping efforts. We will also be tracking new subscriber numbers through completion of our training programs with the University of Arkansas for Medical Sciences and the University of Arkansas at Monticello (the Computers for Kids program).

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).

n/a

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).

During the 2nd quarter of 2011, Connect expects to complete the following activities:
1. Launch of the Arkansas SourceLink entrepreneurship database and website
2. Entrepreneurship classes kicked off and teaching of 8 classes
3. Technology Training classes begun with a total of 6 classes being taught by the end of June.
4. Youth Entrepreneurship Showcase 2.0 competition held with winners being announced in early June.
5. Distance Health Classes held in 25 anchor institutions and reaching 35 medical professionals.
6. Refurbished computers distributed to students completing the technology workshops conducted by the University of Arkansas at Monticello.

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**	13	none
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).
No challenges or issues are anticipated at this time for the 2nd quarter of 2011.

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.

Cost Classification	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		
	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Personnel	$1,374,272	$456,207	$918,065	$72,711	$36,355	$36,355	$177,710	$56,144	$121,567
b. Fringe Benefits	$357,310	$118,614	$238,696	$17,576	$8,788	$8,788	$46,076	$15,133	$30,943
c. Travel	$99,600	$0	$99,600	$99	$0	$99	$10,978	$0	$10,978
d. Equipment	$101,000	$0	$101,000	$75,000	$0	$75,000	$75,000	$0	$75,000
e. Supplies	$28,556	$0	$28,556	$1,267	$0	$1,573	$26,401	$0	$26,401
f. Contractual	$1,529,169	$393,944	$1,135,225	$55,693	$55,693	$0	$237,260	$90,780	$146,481
g. Construction									
h. Other	$957,586	$10,000	$947,586	$18,394	$875	$17,519	$109,771	$1,625	$108,146
i. Total Direct Charges (sum of a through h)	$4,447,493	$978,765	$3,468,728	$240,740	$101,711	$139,334	$683,196	$163,682	$519,516
j. Indirect Charges	$291,892	$58,482	$233,410	$19,993	$6,265	$13,729	$45,980	$10,794	$35,186
k. TOTALS (sum of i and j)	$4,739,385	$1,037,247	$3,702,138	$260,733	$107,976	$153,063	$729,176	$174,476	$554,702

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