U.S. DEPARTMENT OF COMMERCE	2. Award Or Grant Number
	27-50-M09043
Performance Progress Report	4. Report Date (MM/DD/YYYY)
	04-11-2011

1. Recipient Name	6. Designated Entity On Behalf Of:
Connected Nation, Inc. - MN	Minnesota

3. Street Address	8. Final Report?	9. Report Frequency
1020 College Street,	◯ Yes ◉ No	◉ Quarterly ◯ Semi Annual ◯ Annual ◯ Final

5. City, State, Zip Code	
Bowling Green, KY 42101-2137	

7. Project / Grant Period Start Date: (MM/DD/YYYY)	7a. End Date: (MM/DD/YYYY)	7b. Reporting Period End Date:	9a. If Other, please describe:
12-20-2009	12-19-2014	03-31-2011	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

A Better Wireless, NISP, LLC: Provider has not responded to multiple outreach attempts and inquiries. Connected Nation has completed field validation work in the area, provided results from interactive map, asked for input, and invited provider participation but has received no response - Non-Responsive to Multiple Attempts

Chaska Net: Provider has not responded to multiple inquiries and outreach attempts. Connected Nation offered to assist in compilation of dataset during nearby field validation work in the area, provided data set created from public domain and field testing, and offered it to provider for review and approval but have yet to receive a response - Non-Responsive to Multiple Attempts

City of Detroit Lakes: Provider has not responded to our multiple attempts soliciting active participation; does not respond to e-mail or phone inquiries - Non-Responsive to Multiple Attempts

Fibernet Monticello: Provider has not responded to our multiple attempts soliciting active participation; provided data set created from public domain and field testing and offered it to provider for review and approval but have yet to receive a response - Non-Responsive to Multiple Attempts

Ideaone Telecom Group, LLC: Provider has been non-responsive to all outreach efforts by phone and e-mail - Non-Responsive to Multiple Attempts

Maple Leaf Networks: Provider has not responded to our multiple attempts soliciting active participation; provided data set created from public domain and field testing and offered it to provider for review and approval but have yet to receive a response - Non-Responsive to Multiple Attempts

Nextera Communications: Provider has not responded to multiple inquiries by USPS, e-mail, telephone, and/or state sponsor outreach - Non-Responsive to Multiple Attempts

Ridge Runner Internet Services, Inc.: Provider has not responded to multiple inquiries by USPS, e-mail, or telephone - Non-Responsive to Multiple Attempts

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

N/A

10f. Please describe the verification activities you plan to implement

ESRI is deploying and hosting Connected Nation's BroadbandStat (BBStat) web application. ESRI will house the customized BBStat application in their highly available, monitored, and managed environment. The scope of services includes setting up a staging environment for data verification and compatibility as well as a production environment for client access.

Connected Nation also collects consumer feedback in the form of broadband inquiries. 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 collected through the SBDD 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.

Before June 30, 2011 Connected Nation will target 4 additional companies in order to achieve a total field validation rate equal to or exceeding 47.00% (currently 43.70%).

10g. Have you initiated verification activities? ●Yes   ○No

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

BroadbandStat is publicly available on the Connect Minnesota website and received a total of 651 visits between January 1, 2011 and March 31, 2011.

During this quarter, the Connect Minnesota project received a total of 32 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 12 for this quarter.

Connected Nation's staff conducted extensive field validation tests in Minnesota on the following providers: Albany Mutual Telephone Association, Alliance Communications, Arvig Communications Systems, AT&T, Barnesville Municipal Telephone, Bradco-WISP Inc., CenturyLink, Charter Communications, Chaska Net, CitiScape Communications, Clear Choice, Clearwire Corporation, Comcast Cable Communications LLC, CTC Telecom, diversiCOM, Enterpoint, Evertek Enterprises LLC., Farmers Mutual Telephone, Frontier Communications Corporation, Garden Valley Telephone Company, Gardonville Cooperative Telephone Association, Genesis Wireless, Halsted Telephone, Harmony Telephone Company, Info Link Wireless Inc., Invisimax, Jaguar Communications, Lakedale LINK, Loretel Systems Inc., Mabel Cooperative Telephone Company, Maple Leaf Networks, Midcontinent Communications, Min-Kota Wireless, Minnesota Valley Telephone Company, Minnesota Valley TV Improvement Corporation, Otter tail Telecom, Polar Telcom Inc., Qwest Corporation, Red River Telephone Association, Ridge Runner Internet Services Inc., River Valley Telecommunications Cooperative, Scott Rice Telecommunications Cooperative, Sioux Valley Wireless, Sleepy Eye Telephone Company, Spring Grove Cooperative Telephone Company, T-Mobile USA, U.S. Internet Corporation, US Cable Corporation, VAL-ED Joint Venture, Verizon Communications, and Winnebago Cooperative Telephone Association.

To date, Connected Nation has completed field validation testing against 52 companies (out of a universe of 118 viable providers) totaling 43.70% 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?

3.33

Connected Nation has numerous staff working on the Connect Minnesota 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 Connect Minnesota position not currently staffed is related to the new broadband capacity activities that are only just beginning and as such have no impact on the project's time line. The position is expected to be filled during the second or third quarter of 2011.

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

4.33

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	2	09/14/2009
Business Programmer Analyst	2	04/02/2007
CAI Coordinator	3	12/13/2004
CAI Data Analyst	14	03/24/2009
CAI Data Manager	1	08/09/2010
ETS Analyst	68	07/13/2009
ETS Analyst	2	11/01/2007
ETS Analyst	1	08/03/2009
ETS Manager	5	07/01/2007
General Counsel	6	01/01/2007
GIS Analyst	46	10/19/2009
GIS Intern	3	04/01/2010
GIS Services Manager	4	05/15/2007
Outreach & Awareness Manager	7	03/24/2009
Outreach & Awareness Specialist	32	01/03/2010
Outreach & Awareness Specialist	8	01/04/2010
Outreach & Awareness Specialist	5	02/02/2009
Outreach & Awareness Specialist	4	10/01/2007
Outreach & Awareness Specialist	3	01/04/2010
Project Coordinator	5	04/01/2005
Project Management Director	2	12/20/2004
Project Manager	50	03/16/2010
Project Manager	14	09/04/2007

Project Manager		4	01/14/2008
Project Manager		3	08/20/2007
Project Manager		3	12/16/2009
Project Manager		2	01/14/2008
Project Manager		2	03/16/2010
Project Manager		1	01/01/2007
Provider Relations Manager		8	02/17/2005
Research & GIS Analyst		2	05/14/2007
Research Analyst		4	02/01/2010
Research Analyst		2	06/01/2009
Research Manager		5	05/14/2007
State Services Manager		10	07/01/2007

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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	87,350	0
Contract Labor	Contract Labor	N	Y	12/20/2009	12/19/2014	250,834	181,552

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Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $922,695   10q. How much Remains? $3,547,340

10r. How much matching funds have been expended as of the end of last quarter? $231,283   10s. How much Remains? $887,265

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	$1,502,448	$129,840	$1,632,288	$260,127	$39,583	$299,710
Personnel Fringe Benefits	$322,275	$36,355	$358,630	$51,814	$10,507	$62,321
Travel	$152,515	$0	$152,515	$39,563	$1,497	$41,060
Equipment	$145,816	$0	$145,816	$72,480	$0	$72,480
Materials / Supplies	$32,437	$0	$32,437	$17,582	$0	$17,582
Subcontracts Total	$747,164	$181,552	$928,716	$160,633	$59,458	$220,091
Subcontract #1	$437,265	$0	$437,265	$43,927	$0	$43,927

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Subcontract #2	$250,834	$181,552	$432,386	$104,410	$59,458	$163,868
Subcontract #3	$21,188	$0	$21,188	$3,238	$0	$3,238
Subcontract #4	$37,877	$0	$37,877	$9,058	$0	$9,058
Subcontract #5	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Other	$91,445	$657,186	$748,631	$4,853	$76,819	$81,672
Total Direct Costs	$2,994,100	$1,004,933	$3,999,033	$607,052	$187,864	$794,916
Total Indirect Costs	$1,475,935	$113,615	$1,589,550	$315,643	$43,419	$359,062
Total Costs	$4,470,035	$1,118,548	$5,588,583	$922,695	$231,283	$1,153,978
% Of Total	80	20	100	80	20	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:

• BroadbandStat-$60,000
• ArchInfo/ArcGIS Software-$7,811
• Computers & Software-$2,008
• Speed Test Software-$116
• Spectrum Analyzer-$4,477
• Google Earth Pro-$ 266

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 BroadbandStat maintenance, ArchInfo/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

N/A

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

10aa. If yes, please list
* Compiled Connect Minnesota Broadband Data and Development amendment project plan and submitted to the National Telecommunication and Information Administration (NTIA) on February 23, 2011
* Compiled and submitted semi-annual mapping data refresh on March 30, 2011
* Created job description for Connect Minnesota Program Coordinator position located in St. Paul, MN
* Maintained updated budget/finance cost model for Connect Minnesota
* Maintained the project work plan and Work Breakdown Structure
* Collected broadband inquiries, speed tests, and other analytics with Connect Minnesota website
* Maintained the Connect Minnesota website explaining the program and gathering information from consumer community
* Held monthly project team meetings
* Produced monthly status reports, data collection activity log, and website statistics for Connect Minnesota project team
* Compiled and refined Community Anchor Institution (CAI) listings and corresponding information regarding the following: physical address of the CAI, e-mail addresses, connection platforms, connection speed of institutions
* Maintained and updated broadband provider list
* Distributed Non-Disclosure Agreements (NDA) to broadband providers
* Executed NDAs with provider community

* On February 24, 2011, presented the "Minnesota Broadband Availability and Adoption Statistics" during the Minnesota Planning Report Media webinar to local media and Minnesota Department of Commerce
* Received over 900 CAI listings provided by Minnesota Office of Enterprise Technology
* Requested broadband coverage coordinate datasets from provider community
* Distributed broadband coverage datasets to Geographic Information Systems mapping team
* Conducted demonstrations of the BroadbandStat product
* Completed first draft of Business Survey Results revisions
* Validated 56 providers equating to 47.06 of approved vendors in
 Minnesota
* Updated Minnesota media outreach list

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

All deadlines have been achieved. There currently have not been any obstacles encountered.

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

No additional information to report at this time.

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

On behalf of the state of Minnesota, Connected Nation (CN) worked with its subcontractors to analyze demand-side data collected through statistical telephone surveys of 800 businesses statewide. Initial data analysis was completed in Q4 2010, and a report containing in-depth survey analysis was provided to the state in Q1 2011. CN designed these surveys to measure technology adoption, barriers to adoption, and awareness of available broadband service among Minnesota businesses, and those results were compared to statewide availability figures provided by participating Internet service providers.

In addition, CN wrote the survey instrument for the 2011 Residential Technology Assessment telephone survey, incorporating recommendations received from state stakeholders where appropriate. These surveys are designed to measure trends in technology adoption, barriers to adoption, and awareness of available broadband service among Minnesota residents.

Connect Minnesota, in coordination with the Minnesota Department of Commerce, completed an initial planning report for the state during Q1 2011. This report serves as a preliminary assessment of broadband infrastructure and adoption in Minnesota. The purpose of its development and release is to provide a detailed review of the current state of broadband in Minnesota and spark discussion across multiple broadband stakeholders in the state on key policy and strategies to expand and enhance broadband services. The report was formally presented to the state of Minnesota and released publicly within the state during Q1 2011. The report, entitled Minnesota Broadband Availability and Adoption Statistics: An Initial Working Report on the Current State of Minnesota's Broadband Landscape, is available on the Connect Minnesota website at the following link: http://connectmn.org/research/index.php.

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

Connected Nation has been working closely with the state of Minnesota to ensure that our work exceeds expectations. During Q1 2011, there were no significant obstacles during the planning process.

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

• We are transitioning the current Connect Minnesota mapping and planning projects to the amended SBDD 2.0 projects that were awarded to Connect Minnesota.   Based upon the new SBDD Detailed Project Plan, Timeline, and Budget filed with NTIA, the planning activities will be incorporated into the Technical Assistance project. Please see 11j for details.

• The residential survey update that was scheduled for Q1 2011 has been moved to Q2 2011, to coincide with the proposed non-adopter oversample survey (detailed under section 11j).

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
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?
Upon approval of the project plan and budget, Connected Nation will conduct a survey that oversamples households that do not subscribe to broadband. This second survey will be in addition to the previously scheduled residential survey. This updated and improved methodology will provide a greater level of analysis regarding barriers to technology adoption among different socio-economic and demographic groups by surveying non-adopters in Minnesota in a way similar to that conducted by the FCC as part of the National Broadband Planning effort. This approach will help create a demographic and socio-economic profile of the population of non-adopters in Minnesota, which can then be applied at the local level of detail by area planning teams to assist in developing local adoption initiatives that will target the barriers that are unique to that area. In Q1 2011, CN developed the analysis methodology and began developing this survey instrument.

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

No additional information to report at this time.

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

No additional information to report at this time.

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) 06-16-2011