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<tr><td colspan="2"><p align="center">**U.S. DEPARTMENT OF COMMERCE**</p><p align="center">**Performance Progress Report**</p></td><td>2. Award Or Grant Number
19-50-M09047</td></tr>
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U.S. DEPARTMENT OF COMMERCE **Performance Progress Report**		2. Award Or Grant Number 19-50-M09047
		4. Report Date (MM/DD/YYYY) 01-04-2012
1. Recipient Name Connected Nation, Inc. - Iowa		6. Designated Entity On Behalf Of: Iowa
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 42102-3448		

7. Project / Grant Period Start Date: (MM/DD/YYYY) 01-01-2010	7a. End Date: (MM/DD/YYYY) 12-31-2014	7b. Reporting Period End Date: 12-31-2011	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

Amberwave Communications: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 4 the provider remains non-responsive.

Coon Creek Telecommunications Corp.: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 4 the provider remains non-responsive.

Mechanicsville Telephone Company: The provider refused to participate during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 4 the provider remained a non-participant.

Netconnect: The provider refused to participate previously but during the October 2011 mapping cycle to NTIA they responded once on August 3. Thereafter, multiple contact attempts have been made, and as of November 4 the provider remained a non-participant.

RuralWaves Wireless Internet: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 4 the provider remains non-responsive.

Schaller Telephone Company: The provider was non-responsive during the October 2011 mapping cycle to NTIA. Thereafter, multiple contact attempts have been made, and as of November 4 the provider remains 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

Esri is deploying and hosting BroadbandStat (BBStat) web application. Esri houses 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.

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.

Within the previous Performance Progress Report (PPR), Connected Nation proposed to target 10 companies in order to achieve a total field validation rate equal to or exceeding 46.80% before December 31, 2011. As of this report, field validation has been completed on 51.72% of the provider universe, surpassing the year-end goal by 4.92%. A validation target of 22 additional companies is proposed during 2012 in order to achieve a year-end goal of 60%.

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 Iowa website (http://www.connectiowa.org) and received a total of 260 visits between October 1, 2011 and December 31, 2011.

During this quarter, the Connect Iowa project received a total of 9 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 2 for this quarter.

Thus far, project staff have conducted multiple tests on the following providers: Algona Municipal Utilities; Ambercomm; AT&T Inc.; Aventure Communications; Ayrshire Farms Mutual Telephone Company; Brooklyn Mutual Telecommunications Cooperative; Cable ONE Inc.; Cedar Falls Utilities; Central Scott Telephone; CenturyLink (acquired Qwest Corporation); Chat Mobility; Circle Computer Resources; Citizens Mutual Telephone Cooperative; Clarence Telephone Company; Clearwire Corporation; Cloudburst_9; Colo Telephone Company; Community Cable Television Agency of O'Brien County; Complete Communication Services; Cooperative Telephone Exchange; Cornbelt Telephone; Cramer IT; Cumberland Telephone; Danville Mutual Telephone Company; East Buchanan Telephone Cooperative; Ellsworth Cooperative Telephone Exchange; Evertek Enterprises; Farmers & Merchants Mutual Telephone Company; Farmers Cooperative Telephone Company-Dysart; Farmers Mutual Telephone Company-Jesup; Farmers Telephone Company-Essex; Farmers Mutual Telephone of Stanton; Fenton Co-Op Telephone Company; FiberComm LC; Frontier Communications Corporation; Goldfield Access Network; Grand Mound Cooperative; Grand River Mutual Telephone Corporation; Grundy Center Municipal Utilities; Harlan Municipal Utilities; Heartland Net; Hot Spots; Hubbard Cooperative Telephone Association and Cable; Huxley Communications Cooperative; I-35 Telephone Company; ImOn Communications; Internet Consulting Services LLC; Internet Solver Inc.; Jefferson Telephone Company...

...please refer to Iowa's Q4 Supplemental Answer Document.

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?

6.13

Connected Nation has numerous staff working on the Connect Iowa 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 (SMEs) in their respective areas. The project benefits by leveraging the SMEs' 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 position not currently staffed is related to Connect Iowa's local and regional tech team activities that are only just beginning. The position is expected to be filled during Q1 2012 through a sub-award to the Iowa Association of Regional Councils (IARC).

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 Iowa's FTEs reported for the quarter include 1.22 FTEs for temporary, cyclical consultants and a base of 4.91 FTEs that consistently contribute to the project. There is, however, 1 base FTE position yet to be filled through a sub-award with IARC as discussed in 10l. above.

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	3	09/14/2009

Business Programmer Analyst	2	04/02/2007
CAI Coordinator	3	12/13/2004
CAI Data Analyst	6	03/24/2009
CAI Data Manager	1	08/09/2010
ETS Analyst	8	02/18/2010
ETS Analyst	50	11/01/2007
ETS Analyst	87	08/03/2009
ETS Manager	4	07/01/2007
ETS Sr. Analyst	16	02/18/2010
General Counsel	3	01/01/2007
GIS Analyst	1	11/16/2009
GIS Analyst	46	09/17/2007
GIS Services Manager	1	05/15/2007
Outreach & Awareness Manager	13	03/24/2009
Outreach & Awareness Specialist	3	10/01/2007
Outreach & Awareness Specialist	4	02/02/2009
Outreach & Awareness Specialist	6	01/04/2010
Outreach & Awareness Specialist	8	01/04/2010
Program Director	7	08/04/2008
Program Manager	94	08/22/2011
Project Coordinator	2	04/01/2005
Project Coordinator	2	08/01/2008
Project Management Director	5	12/16/2009
Project Manager	3	09/04/2007
Project Manager	4	01/14/2008
Project Manager	5	01/14/2008
Project Manager	10	09/01/2006
Project Manager	24	03/16/2010
Provider Relations Manager	6	02/17/2005
Research & GIS Analyst	3	05/14/2007
Research Analyst	1	06/01/2009
Research Analyst	1	09/19/2011
Research Analyst	2	03/22/2010

Research Analyst		20	02/01/2010
Research Analyst		60	02/16/2010
Research Analyst		60	02/16/2010
Research Manager		5	05/14/2007
State Services Manager		1	07/01/2007
State Services Specialist		33	02/02/2009

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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
Thoroughbred Research Group	Research Surveys	Y	Y	02/09/2010	02/08/2012	167,350	0
Contract Labor	Contract Labor	N	Y	01/01/2010	12/31/2014	356,855	248,830

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Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $2,166,352   10q. How much Remains? $3,603,590

10r. How much matching funds have been expended as of the end of last quarter? $600,991   10s. How much Remains? $845,483

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	$1,781,593	$154,543	$1,936,136	$594,850	$156,519	$751,369
Personnel Fringe Benefits	$382,149	$45,123	$427,272	$118,034	$44,704	$162,738
Travel	$284,757	$0	$284,757	$73,523	$582	$74,105
Equipment	$146,140	$0	$146,140	$84,612	$0	$84,612
Materials / Supplies	$49,415	$0	$49,415	$26,259	$0	$26,259
Subcontracts Total	$1,187,286	$295,447	$1,482,733	$542,169	$248,830	$790,999
Subcontract #1	$301,831	$0	$301,831	$167,350	$0	$167,350
Subcontract #2	$829,232	$295,447	$1,124,679	$356,855	$248,830	$605,685
Subcontract #3	$17,540	$0	$17,540	$9,506	$0	$9,506
Subcontract #4	$38,683	$0	$38,683	$8,458	$0	$8,458
Subcontract #5	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Other	$37,181	$896,648	$933,829	$20,786	$30,681	$51,467
Total Direct Costs	$3,868,521	$1,391,761	$5,260,282	$1,460,233	$481,316	$1,941,549
Total Indirect Costs	$1,901,421	$54,713	$1,956,134	$706,119	$119,675	$825,794
Total Costs	$5,769,942	$1,446,474	$7,216,416	$2,166,352	$600,991	$2,767,343

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
% Of Total	80	20	100	78	22	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
• GIS Software Maintenance - $13,009
• Computers & Software - $10,740
• Spectrum Analyzer - $9,008
• Speed Test Software - $4,081
• 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, interactive map upgrades/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

Connect Iowa received a listing of Community Anchor Institution (CAI) addresses and technology data from the Iowa Communications Network as part of an in-kind match contribution to assist Connect Iowa with its mapping and planning goals - $25

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

10aa. If yes, please list
During Q4 2011, Connect Iowa continued gathering data on the location and broadband connectivity of Community Anchor Institutions, in accordance with the data requirements of the SBI Notice of Funds Availability (NOFA) Technical Appendix. Efforts have been focused on conducting outreach and raising awareness of this important project through a statewide campaign.

Connect Iowa continues to coordinate with the Iowa Economic Development Association and utilize new contacts that we are initiating across all sectors in the state through introductions with new department head appointees. Developing these relationships with these new appointees will be key to assisting with data-gathering efforts leading up the next submission.

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

Other activities conducted this quarter include:

*Maintained broadband data collection activity and updated database.

*Requested/processed broadband coverage coordinates datasets (updates and new requests) from Iowa provider community.

*In conjunction with Iowa Economic Development Association (IEDA), outreach was conducted to continue identification of sources for CAI connectivity data.

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

All mapping deadlines have been achieved. No obstacles have been encountered.

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

Connect Iowa maps were used to further identify unserved and underserved areas and to expand service to unserved households.

http://connectiowa.org/mapping/

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

Broadband Capacity Building Milestones, Year 2, Quarter 4, per approved project plan:
* Year 2, Quarter 4 Connect Iowa Program Office Administration and Iowa Broadband Deployment Governance Board support – This milestone was met. Connect Iowa's Program Manager provides administrative project oversight involving a variety of tasks that encompass administering the project plan, managing workflow and timeline, verifying work quality, gathering documentation in support of community outreach/projects, and preparing reports as required by the Iowa Economic Development Authority (IEDA) and other stakeholders, such as the Iowa Broadband Deployment Governance Board (IBDGB).

* Conduct the meeting(s) of the Iowa Broadband Deployment Governance Board (IBDGB) – This milestone was not met. Due to political administrative changes, the IBDGB has not been re-instituted with new members assigned to carry out the work of broadband adoption in the state. The IBDGB Chairperson departed the board's membership when her term on the Iowa Utilities Board (IUB) expired on April 30, 2011. The IBDGB has not reconvened since and has yet to reorganize. With the change of administration earlier this year, the future of the statutorily created IBDGB remains uncertain at this time. Connect Iowa is working in conjunction with the Iowa Economic Development Authority to pursue alternative methods of completing this milestone in future periods via either a reconstituted IBDGB or another similar board, task force, or committee.

Please refer to Iowa's Q4 Supplemental Answer Document for additional information.

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

Broadband Capacity Building
Connect Iowa continues to work in conjunction with the Iowa Economic Development Authority to pursue alternative methods of completing milestones related to the Iowa Broadband Deployment Governance Board, whose future is uncertain.

Technical Assistance
Connected Nation was unable to identify a peer reviewer for the data in time to have the peer review process finalized before the end of Q4 2011. At this time, a potential peer reviewer has been identified and discussions are underway to develop a mutually acceptable agreement for the scope of work.

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

Broadband Capacity Building
Nothing to report.

Technical Assistance
At this time, a potential candidate has been identified and the peer review process is anticipated to be completed in Q1 2012.

Local/Regional Technology Planning Teams
Connected Nation has discussed with our Federal Program Officer the anticipated use of a sub-recipient, Iowa Association of Regional Councils, to complete the community engagement work instead of consultants as previously submitted in the Detailed Project Plan. A formal sub-award agreement has been developed and local/regional technology planning outreach efforts are set to begin in Q1 2012. As a result of this change, the local/regional planning team process has been delayed.

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

11i. Planning Worksheet						
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?
*Maintained budget/finance cost model for Connect Iowa.

*Updated Work Breakdown Structure and tracked project deliverables.

*Maintained Connect Iowa website in an effort to explain program, process speed tests, as well as gather information from consumers and Community Anchor Institutions.

*Maintained outreach and awareness strategy.

*Responded to consumer inquiries through Connect Iowa website.

*Produced monthly status reports, data collection, activity log, and website statistics and distributed to Connect Iowa project team.

*Hosted a presentation on the new Universal Service Fund reform for interested parties in Iowa (policy team provided a concise overview of the upcoming changes and how those changes may be felt in Iowa).

*Connect Iowa and the Iowa Economic Development Authority identified candidates for the initial Connect Iowa advisory committee.

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

No additional obstacles to report.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
Broadband Capacity Building
According to research conducted by Connect Iowa, 16% or 230,000 Iowa residents currently telework from home and another 392,000 employed adult Iowans said they would telework if their employer allowed it, thus saving the added cost, time, and frustrations of commuting. http://www.connectiowa.org/blog/post/230000-iowa-residents-telework-home

Technical Assistance
Connect Iowa released residential technology research and launched an interactive webpage providing easy-to-use information about broadband access, adoption, and use in Iowa homes. The data shows that 37% of Iowans still do not have broadband at home and

26% of non-adopters say they don't understand how broadband would improve their lives. http://www.connectiowa.org/recent-news/connect-iowa-releases-2011-residential-broadband-adoption-survey-results

Local/Regional Technology Planning Teams
Connect Iowa unveiled a new interactive website to help support the building of Connected Communities across the state. http://www.connectiowa.org/

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) 01-30-2012