

13Q4_Supplemental Answers_Iowa

Connected Nation, Inc.

Grant Number 19-50-M09047

Reporting Period End Date 12-31-13

At the conclusion of Q4 2013, the program's cumulative match percentage based on total expenditures is 18.04%. Thus the program will fall short of the required match percentage by 2%. Connect Iowa currently has a cost share waiver in place with its granting agency through Q4 2013. Moreover, in Q4 2013 and in conjunction with a submitted budget modification request, program staff sought approval of an extension to the cost share waiver through Q1 2014 in an effort to provide time for the budget modification to be considered and resolved.

14 a_Project Attachment_Data Collection

2. Describe any additional project milestones that have been accomplished over this reporting period (Exp: updates to state broadband maps and websites, map outreach activities).

Geographic Information Systems (GIS) staff generated updates to the following maps based on the new State Broadband Initiative (SBI) datasets from the most recent semi-annual submission to the National Telecommunications and Information Administration (NTIA):

- a) Broadband Availability Maps
- b) Unserved Density Maps
- c) Broadband Availability at 3M/768K Maps
- d) Maximum Advertised Download Speed Maps
- e) Underserved Area Maps
- f) Multi-Single Platform Maps
- g) Provider Density Maps
- h) My ConnectView Interactive Map
- i) Broadband Growth Maps
- j) Congressional District Maps

The program continues to maintain the interactive mapping web application, called My ConnectView. The application is housed in a highly available, monitored, and managed environment. My ConnectView is publicly available on the program website (www.connectiowa.org). There were a total of 692 visits to the interactive map between October 1, 2013 and December 31, 2013.

During this quarter, the project received a total of 3 broadband inquiries. Additional information received through e-mail from consumers that was also used for verification purposes totaled 3 for this quarter. Users can also request non-confidential mapping data produced for the SBI grant program. Four such requests were received between October 1, 2013 and December 31, 2013.

For this reporting period, 268 field verification tests were conducted. From program initiation through this reporting period, field validation testing has been completed against 188 companies (out of 200 viable providers) totaling 94 percent within the state of Iowa.

Program staff began outreach to the provider community regarding the April 2014 semi-annual data submission, both soliciting the data from providers for the upcoming submission, as well as outlining pertinent dates.

4. Provide any other information or statistics that you think would be useful to NTIA as it assesses your broadband data collection, validation, and publication activities.

In October, program staff reviewed provider challenges to the price-cap carrier filings to provide confirmation of the provider service area offering 3 megabytes per second (Mbps) download/768 kilobytes per second (Kbps) upload broadband within the challenged census blocks, or indicated the alternate situation as necessary. A copy of the filing can be found at the following link: http://www.connectednation.org/sites/default/files/connected_nations_reply_comments_caf_phase_1_challenge_process.pdf. For convenience, the filing has been included in the "13Q4_Project Attachment_Question 5_Iowa" response.

In December, GIS staff created a statewide map of Connect America Fund authorization areas at the census block level; this was based on a Federal Communications Commission (FCC) dataset released on December 5, 2013, on the total number of locations authorized for funding and the total funding authorized based on location type. This map can be found at the following link: <http://www.connectednation.org/fcc-maps>. For convenience, the map has been included in the "13Q4_Project Attachment_Question 5_Iowa" response.

Outreach continues to agencies across the state in an effort to solicit Community Anchor Institution (CAI) support, data, and participation in the program. Program staff conducted an Economic Development campaign during November and December that included a call to action for CAI data to help support the Iowa mapping project. The results of this campaign will be compiled in Q1 2014. Program staff maintained a relationship with the State Library of Iowa in the wake of the State Librarian's retirement, through engagement with other key library personnel. This provided an opportunity for the program to re-engage the local public libraries across the state, with plans for a Q1 2014 CAI survey to be distributed by the State Library on the program's behalf.

14 b_Project Attachment_Capacity Building

2. Describe your progress meeting each major activity/milestone approved in the Project Plan for this project; any challenges or obstacles encountered and mitigation strategies you have employed; planned major activities for the next quarter; and any additional project milestones or information.

Capacity Building Milestones Year 4, Quarter 4 per approved Project Plan:

Milestone: Year 4, Quarter 4 Connect Iowa Office Administration

This milestone was met. Connect Iowa continued to provide 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. The program office continues to serve as a resource from which many communities, institutions, and the state Governor's office seek advisory input concerning broadband availability and access throughout the state.

Milestone: Conduct the meeting(s) of the Connect Iowa Advisory Committee in Year 4, Quarter 4

This milestone was met. The Q4 2013 Connect Iowa Advisory Committee meeting was held on December 11, 2013 with thirteen members or member representatives, and three guest attendees present. During the meeting, program representatives provided committee members with an update of Iowa Governor Branstad's "Connect Every Iowan" initiative, with the primary focus of the meeting being a review and discussion of the Iowa Science, Technology, Engineering, and Mathematics (STEM) Broadband Committee's final broadband recommendation report, which was provided to the Governor's office in late November. Connect Iowa holds a leadership role in the initiative and program staff assisted in drafting the final report for Committee review and approval. Additionally, during the meeting, members received an update on the Connected community engagement program, the 2013 business research survey findings, and were presented with the 2013 report, "How Women in Business are Using Technology."

Year 4 Annual Capacity Building Outcomes per Approved Project Plan:

Annual Milestone 2013: The program coordinator will continue to support the Connect Iowa Advisory Committee by scheduling, planning, and facilitating quarterly meetings or webinars. Activities include preparing meeting invitations, creating agendas, sending information packets for Committee members, developing bi-monthly reports, compiling meeting notes. The coordinator will also create an annual report and document program success from previous year.

This milestone was met. Staff continues to support the Iowa Economic Development Authority as the reporting entity in Iowa with regard to the SBI program. The Program Manager has been active in administering the program office which has involved the scheduling, planning, and facilitating of meetings pertaining to the project status, community planning activities, and meetings to review research data. Monthly status reports have been provided to IEDA representatives and the Governor's office. All requests for information have been supported by the Program Manager and project team. The Program Manager supports the Connect Iowa Advisory Committee, facilitating quarterly meetings through the preparation of meeting invitations, agendas, creating information packets, developing any requested reports, compiling meeting notes, and documenting Advisory Committee recommendations for the committee and any other broadband initiatives in the state.

Annual Milestone 2013: The Connect Iowa Advisory Committee will continue to meet quarterly to review program progress and offer recommendations for the program. Recommendations will be communicated with stakeholders via stakeholder meetings, Connect Iowa website updates, blogs, press releases, reports.

This milestone has been met. The Connect Iowa Advisory Committee meets on a quarterly basis and reviews community outreach broadband expansion activities and other issues related to broadband

programs in the state. Meeting information is communicated to stakeholders via website updates, blogs, press releases, reports, and any other requests from the committee. During the Advisory Committee's Q4 2013 meeting, held in December 2013, quarterly meeting dates for March, June (coinciding with second annual Broadband Summit), September, and December 2014 were discussed.

Capacity Building Planned Major Activities Next Quarter (Q1 2014):

Year 5, Quarter 1 Connect Iowa Office Administration

Conduct the meeting(s) of the Connect Iowa Advisory Committee in Year 5, Quarter 1

Participate in the quarterly meetings of the Iowa STEM Council Broadband Committee

Finalize planning activities for the second annual Broadband Summit

4. Provide any other information that you think would be useful to NTIA as it assesses this project's progress.

During Q4 2013, program staff continued to serve in an executive directorship role for the appointed STEM Advisory Council Broadband Committee. During the quarter, the Committee held six public meetings in an effort to gather input on broadband recommendations. Program staff facilitated meetings, prepared agendas, drafted minutes, and updated the website, including posting of all public information. Information was provided by a variety of stakeholder sectors including broadband providers, education, public safety, healthcare, public library, business and industry, local government, and industry associations during the meetings. Utilizing this input, in addition to Committee research, a final broadband recommendations report was written and presented to the Governor's office in late November. Research and mapping data from the Iowa SBI program was used heavily throughout the process. The Committee will regroup in Q1 2014 to commence long-term planning, culminating in a final broadband report to be provided to the Governor's office by January 1, 2015.

Program staff provided education and broadband updates through several presentations held during the quarter, utilizing research data from the 2012 residential adoption survey and the 2013 business technology survey, as well as current mapping data. A webinar presentation was provided to members of the Iowa Association of Community College Trustees which focused on the economic impact of broadband in Iowa. A presentation was given at the fall schools convention for the Iowa State Association of Counties (ISAC) planning and zoning staff, which included information on the Iowa SBI program including an overview of the Connected community engagement program. Additionally, a similarly focused presentation was provided to the ISAC CoSTAR (County Strategic Technology Advisory Resource) committee. CoSTAR members include representation from the fifteen various county affiliate groups, such as the State Association of Auditors and the State Association of County Supervisors.

In an effort to keep stakeholders up-to-date on the program's efforts to increase access, adoption, and use of broadband statewide, outreach and awareness staff distributed e-newsletters this quarter. A copy of these newsletters has been included within the "13Q4_Project Attachment_Question 5_Iowa" response.

14 b_Project Attachment_Technical Assistance

2. Describe your progress meeting each major activity/milestone approved in the Project Plan for this project; any challenges or obstacles encountered and mitigation strategies you have employed; planned major activities for the next

quarter; and any additional project milestones or information.

Technical Assistance Milestones Year 4, Quarter 4 per approved Project Plan:

Milestone: Peer review of 2013 survey research completed

This milestone was not met. Because survey data collection took longer than anticipated, it was not complete until late Q4 2013, and there was no time available for analysis of the survey results. As a result, the 2013 survey data were not ready for peer review during the quarter. Peer review of the 2013 residential survey will be moved to Q1 2014.

Milestone: Develop 2014 business survey script and discuss with state stakeholder

This milestone was partially met. The program team conducted meetings with state stakeholders representing various sectors in an effort to discuss this survey. After collecting all feedback together, the research staff will incorporate them into the survey script to reflect and address the issues identified by state stakeholders. Finalization of the survey script and creation of the survey instrument will be finished in Q1 2014.

Milestone: Analyze 2013 residential survey research results

This milestone was not met. Survey data collection was delayed due to a minor shift in scheduling. As a result, data collection activities were completed late in the quarter. Data collection is now complete, and the results are being prepared for delivery to be weighted and presented to the peer reviewer. The data analysis, peer review, and presentation of the initial results to state stakeholders and NTIA are anticipated to begin in Q1 2014.

Outstanding Technical Assistance Milestones (not met or partially met) from previous quarters:

Year 4, Quarter 3 Outstanding Milestone: Release 2013 Business Survey results publicly

This milestone was met. A press release was issued in Q4 2013 to publicly announce the release of the 2013 business survey results available on program website.

Survey results show that broadband is a vital economic engine for businesses across the state, allowing businesses, industry sectors, and communities to prosper. Based on these data, Connect Iowa estimates that more than 23,000 Iowa businesses - 29% of businesses across the state - still do not utilize broadband technology. While approximately 23,000 businesses statewide do not use broadband for their work functions, research findings indicate the businesses that do sell goods and services online earn approximately \$14 billion in online sales annually. In addition, this survey oversampled women-owned businesses across the state, which provided data for a report released on technology usage among women-owned businesses in the state.

Year 4, Quarter 3 Outstanding Milestone: Residential survey instruments sent to peer reviewer

This milestone was not met. Because survey data collection took longer than anticipated, it was not complete until late in Q4 2013, and there was no time available for analysis of the survey results. As a

result, the 2013 residential survey data were not ready for peer review in Q4 2013. Peer review of the 2013 residential survey will take place in Q1 2014.

Milestone: Year 4, Quarter 2 Milestone: Finalize and distribute 2013 business survey research results

This milestone was met. A public release of the 2013 business survey took place this quarter highlighting several key findings via infographics during this release. The full information can be found through the program website: <http://www.connectiowa.org/survey-results/business>. Featuring data from 800 businesses across the state the 2013 Business Technology Survey oversamples women-owned and minority-owned businesses in order to gather information on how these businesses are using and benefitting from technology. The survey shows that broadband is a vital economic engine for businesses across the state, allowing businesses, industry sectors, and communities to grow and prosper. Based on these data, Connect Iowa estimates that 34% of Iowa businesses earn revenue from online sales.

Year 4 Annual Technical Assistance Outcomes per Approved Project Plan:

Annual Milestone 2013: Initiate the 2013 residential survey research and the 2013 business surveys by creating spreadsheets with census-defined quotas and weights for 2013 and collect respondent data.

This milestone was met. The 2013 Iowa residential survey established sample quotas of the state's population by age, gender, and urban/rural classification of the respondent's county of residence. Rim weighting was applied to ensure that the sample matched the U.S. Census American Community Survey's 5-year estimate for 2007-2011, which was the most recent data available at the time of the survey.

The 2013 Iowa business survey established sample quotas by company size (5 brackets) and industry sector (8 sectors). Within these 40 cells, a randomly-drawn sample of businesses listed with Dun & Bradstreet was contacted for the survey. In addition to the size and sector quotas, the data was subsequently weighted using a rim weighting process to ensure that the sample was representative of all employer business establishments statewide, with targets determined according to the 2011 U.S. Census Bureau's County Business Pattern report, the most recent data that was available at the time the survey was conducted.

Respondent data for the 2013 residential survey research concluded in Q4 2013 while the 2013 business trends data collection ended in Q1 2013.

Annual Milestone 2013: After analysis and the review process that includes collaborating with the Iowa Economic Development Authority, the 2013 residential survey will be delivered in-person to the Task Force, Iowa Economic Development Authority, and other stakeholders. Also survey results will be announced via press release, website update, and meetings with stakeholders.

This milestone was not met. Survey data collection was delayed due to a minor adjustment in scheduling. As a result, data collection concluded late in the quarter. Data collection is now complete, and the results are being prepared for delivery to be weighted and presented to the peer reviewer. Data analysis, peer review, and presentation of the initial results to state stakeholders and NTIA are anticipated to occur in Q1 2014.

Annual Milestone 2013: Facilitate Year 4 peer review of survey results and resulting analysis for peer review. Review peer recommendation and update program as required.

This milestone was partially met. Dr. Mingjie Sun, Iowa State University, provided peer review of the business survey conducted in 2013. Dr. Sun reviewed and agreed with the survey methodology, script, and initial results. The peer reviewer verified that the research results were correct, the methodology was solid and reliable, and the survey questions were well designed regarding the issues in term of technology adoption and use in the state.

Peer review of the 2013 residential survey was not completed during Year 4 as the initial survey results were received too late in the quarter; however, the review is scheduled to be completed in Q1 2014.

Outstanding Technical Assistance Annual Milestones (not met or partially met) from previous year:

Year 3 Annual Milestone: Develop research plan for years 3 through 5 through collaboration with the Iowa Economic Development Authority and other stakeholders. Primary corresponding activities include developing research plan and seeking NTIA approval for Years 3 through 5.

This milestone was met. In Q4 2012, program staff submitted an amended project plan to NTIA that included the revised Year 3 through Year 5 survey plan. NTIA approved the amended project plan in Q1 2013. Upon approval, the 2013 research surveys commenced - the business survey in Q1 and residential survey in Q3.

Year 3 Annual Milestone: Upon approval from Iowa stakeholders and NTIA, initiate the 2012 statewide residential survey research by creating a spreadsheet with census-defined quotas and weights for 2012 and collect respondent data.

This milestone was met. Approval was received from Iowa stakeholders and NTIA. As a result, program research staff established sample quotas of the state's population by age, gender, and urban/rural classification of the respondent's county of residence for the 2013 residential survey. Rim weighting was applied to ensure that the sample matched the U.S. Census American Community Survey's 5-year estimate for 2007-2011, which was the most recent data available at the time of the survey.

Year 3 Annual Milestone: After analysis and the review process that includes collaborating with the Iowa Broadband Deployment Governance Board/Economic Development Authority, the 2012 residential survey will be delivered in-person to the Iowa Broadband Deployment Governance Board/Economic Development Authority and other stakeholders. Also survey results will be announced via press release, website update, and meetings with stakeholders.

This milestone was met. A press release was issued in Q1 2013 to announce that the 2012 residential survey results were publicly available on program's website. Findings of the survey showed that 71% of Iowa adults subscribe to home broadband service, which means that 680,000 Iowa adults still do not subscribe to broadband at home. Broadband adoption is lower than the state average among low-income households, rural residents, and residents age 65 or older.

Technical Assistance Major Activities for Next Quarter (Q1 2014):

Release 2013 residential survey results publicly
Initiate 2014 business survey research

4. Provide any other information that you think would be useful to NTIA as it assesses this project's progress.

In Q4 2013, Connect Iowa released a report on technology adoption trends among women-owned businesses in the state. Nearly two-thirds (65%) of women-owned businesses in the state use broadband for business purposes. When researching ways to make their businesses more efficient, women-owned businesses are seven percentage points higher in using the Internet than privately held businesses that are not owned by women. Women-owned Iowa businesses that subscribe to broadband and maintain a website report median annual revenues that are \$200,000 higher than businesses that do not use broadband at all. More than four out of ten (43%) women-owned businesses that do not use broadband believe that their business can do everything they need without broadband.

14 b_Project Attachment_Planning Teams

2. Describe your progress meeting each major activity/milestone approved in the Project Plan for this project; any challenges or obstacles encountered and mitigation strategies you have employed; planned major activities for the next quarter; and any additional project milestones or information.

Planning milestones for Year 4, Quarter 4 per approved project plan:

Milestone: Assist in development and implementation of local regional technology growth strategies

This milestone has been met. Program staff continues working with communities across the state helping to facilitate broadband visioning efforts via the Connected community engagement program.

Black Hawk County has finalized their county assessment and reached certification status. This community will be the first to be recognized in Q1 2014. Other communities actively involved in the assessment process are the cities of Grimes, Muscatine, and Manning, as well as Story County and Union County. The Connect Iowa Community Tech Team Specialist continues correspondence with many communities including the Quad Cities; however, there was no forward movement of this community team during the quarter due to community scheduling conflicts. In an effort to utilize project time to the fullest extent possible, it is anticipated that in Q1 2014, those communities which have had some past activity in the Connected process, but have not moved forward, will be closed out so that resources can be focused on communities more vested in the planning process.

Year 4 Annual Planning Outcomes per Approved Project Plan:

Annual Milestone 2013: Assist in development and implementation of local regional technology growth strategies by helping to track local Broadband projects, add to regional database, and bring awareness to projects through Connect Iowa website, blog, press releases, reports, or as required by local regional team and providing technical assistance (research data) and mapping tools to assist teams in implementation of local initiatives. Document meetings with teams.

This milestone was met. Program staff has been working with Iowa communities in the development and implementation of local regional technology growth strategies through the use of the Connected

community engagement program. Through these efforts, greater awareness on a local, state, and national level has been demonstrated including local broadband projects being publicized through various communication channels such as the program website, blog postings, press releases, or reports. Research data has been provided to communities and Community Tech Team Specialists have offered technical assistance and mapping tools to assist teams in the implementation of local initiatives.

Throughout 2013, community broadband planning meetings were held with the following communities: West Des Moines, Indianola, Webster City, Muscatine, Grimes, Urbandale, Manning, Pella, Clinton, Black Hawk County, Story County, Union County, and Boone County.

During the Connected assessment process, communities identify technology action items to focus on to help increase broadband access, adoption, and use. Iowa's first certified community, Indianola, identified the EMERGE@Simpson College Entrepreneurial Development Initiative as one of the community's priority action items and launched the initiative during 2013. The goal of this initiative is to bring together mentors, students, and existing businesses to create a business incubator for new enterprises, products, and services. This is an effort to grow new businesses in Indianola. Simpson College, located in Indianola, is home to an entire group of potential entrepreneurs who can find support for their efforts there and hopefully someday choose to locate their businesses in Indianola. The business incubator addresses a need to nurture how technology, talent, and ideas can assimilate into the business community. Per comment by an Indianola Connected Community team member, "The Connected community process tied Indianola's technology outreach efforts to Indianola Municipal Utilities' efforts to expand broadband access. The designation demonstrates to our citizens and businesses that our local efforts fit within those valued by the state and its economic development partners. The EMERGE@Simpson College program is being supported by all in part because we understand that we are all working to attract tech-oriented talent to Indianola, be it through superior broadband access, entrepreneurs who can use that access to help grow our economic base, or retaining a workforce that will support those entrepreneurs."

Additionally, Iowa's second certified city, Webster City, has acted on one of their assessment priority projects and has developed a new, more efficient city website and will begin accepting payment of taxes, permits, etc. by credit card in early 2014.

Connect Iowa presented a webinar on November 13, 2013 for the Iowa Association of Community College Trustees, focusing on economic effects of broadband in the state.

Planning Planned Major Activities Next Quarter (Q1 2014)

Assist in development and implementation of local regional technology growth strategies.

4. Provide any other information that you think would be useful to NTIA as it assesses this project's progress.

Recognizing the importance of broadband planning to communities, at his weekly press conference on October 3, 2013, the Iowa Governor publicly endorsed the Connected community engagement program as a component of the "Connect Every Iowan" initiative, and has pledged support and recognition to the communities that complete their assessment process. At that same event, the Governor awarded the city of West Des Moines the honor of becoming Iowa's third certified Connected community. Also participating in the event were representatives from Iowa's two other Connected communities, Indianola and Webster City.

Due in part to the increased exposure, several new communities have demonstrated strong interest in participation in the Connected program in 2014. These include the cities of Urbandale and Waukee, as well as Ida, Howard, and Bremer Counties. A Kick-Off meeting for Howard County has been scheduled for January 2014.

In Q1 2014, program staff is looking forward to presenting several new technology action plans around the state as well as engaging new communities. With 49 engaged communities, including three certified Connected communities, and a total of 314 planning team members active in the Iowa Connected community engagement program through the end of the fourth quarter, staff is well on its way of engaging all 99 counties in the state at some level.

Multi-sector technology planning teams participating in the Connected community engagement program have identified the following technology assets within their own communities:

Public computer centers: 188

Digital literacy programs: 115

Broadband awareness programs: 157

Broadband programs focused on vulnerable populations: 130

These assets are inventoried during each community's assessment of local broadband access, adoption, and use and can be leveraged to develop locally relevant digital inclusion strategies during the community team's action planning process.