QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	**06-43-B10013**	**830370800**

4. Recipient Organization
California Emerging Technology Fund The Hearst Building, 5 Third Street, Suite 520, San Francisco, CA 94103-3206

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Report of the Award Period?
09-30-2012	○ 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	7c. Telephone (area code, number and extension)
Luis Arteaga	
	7d. Email Address
	luis.arteaga@cetfund.org

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	11-27-2012

Project Indicators (This Quarter)

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

This last quarter CETF has been working with BAA partners to review the grant closeout process including review of financial expenditures and documentation. Only two out of the 8 BAA partners will continue after Q3 of 2012. CETF completed its annual financial audit which will be submitted to NTIA once it is accepted by the CETF Board of Directors at their meeting in late October.

Six Get Connected! Roundtables were held since June 2012, one each in the Los Angeles, Central Coast, Central Valley, San Francisco Bay Area, Silicon Valley, and Inland Empire regions. The primary focus of these Roundtables was the CETF Get Connected! Grant funding round. Outreach, including personal invitations, was extended to ensure broad participation of potential grant candidates including current BTOP grant recipients. There were a total of 154 participants from 117 organizations, 63 of which are new participants. Each session included updates about low-cost broadband and computer programs, an overview of the CETF grant proposal process, and focused networking sessions for attendees to discuss potential partnerships and grant concepts.

Results of Phase II of Club Digital were reviewed to determine the impact on household adoption and training. Based on the survey conducted after Phase II, CETF estimated that 108,434 low-income households adopted broadband for a total of 139,259. In addition, CETF added 84,594 people trained as a result of Club Digital Phase II for a total of 630,041 people trained.

Outreach, Training, and Adoption: Other BAA partners directly helped 31 people subscribe to broadband.

Referrals: 2-1-1 providers throughout the 2-1-1 California network screened and referred callers to digital literacy, training and broadband resources. During Q3 2012, 2-1-1s were able to reach 2,300 individuals and connected 277 households to digital literacy resources, including discount broadband services, computer training, low cost or free computers and Internet public access sites in their communities.

Awareness: CETF launched a Back to School media effort in the greater Los Angeles and Fresno regions. This included radio, television, a Spanish language newspaper and 214 outdoor bus shelters. This media reached 2.2 million people and resulted in over 22 million impressions this quarter.

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	96	N/A
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).

Affordable equipment and discounted broadband service remain the primary gaps for CETF grantees and NTIA Partners. These remain major challenges for the success of the grants. There also is a gap in reputable computer refurbishers and distributors in the Central Valley and Los Angeles areas. Additionally the NTIA partners have expressed the need for a help desk to refer low-income participants.

In Q3 of 2012 CETF and its partners continue to make progress in addressing all of these areas.

Affordable Equipment: CETF and United Ways of California, a BAA partner, secured an arrangement with iFoster, a national online organization, to develop a Get Connected! program that includes refurbished laptops and desktops beginning at $120. iFoster has an

agreement with a national refurbisher for quality products with licensed Microsoft software and no trialware added to the devices. In November 2-1-1s in Fresno and the Inland Empire began offering this resource to low-income families to purchase an affordable computer.

Affordable Broadband: The Comcast Internet Essentials is a welcomed affordable offer which made significant improvements in Q2 of 2012. CETF learned that 3,000 California households completed the process at the end of the year and more than 10,000 to date. BAA partners are promoting it to eligible families but find they are spending more time than expected reporting issues to Comcast and sitting with clients on the phone with Comcast to help them enroll. CETF is assisting non-profits pursue agreements with wholesale resellers to enable offers at $14.95 for cable and $9.95 for DSL where possible.

CETF has also been reaching out to other cable providers who will be participating in the Connect-to-Compete program. The information received about this program has been limited as the cable broadband programs embark on pilot programs without engaging local partners.

Help Desk: The other area is technical assistance. The Computer Help Days from Access Now have been terrific for fixing computers. There is a need for technical assistance that is available 24 hrs a day, in multiple languages, and cultural appropriate for the target consumers. San Diego Futures Foundation (SDFF) is a partner in the second NTIA grant CETF received, Access to Careers in Technology. SDFF has launched a pilot Help Desk with the students it is training and preparing for ICT certifications a needed opportunity to gain work experience. The Help Desk has served 5,777 callers from San Diego and Imperial counties to date.

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
Awareness	Sacramento, Central Valley of California with an emphasis on Fresno as well as Los Angeles Counties	This includes earned and paid media in the Central Valley, Inland Empire and Greater Los Angeles area as well as Spanish language community media in the Bay Area. (This is 266% of the stated goal).

The Size of Target Audience number in this section has been modified to reflect the total goal for the project as it was included in the original proposal. This will allow for a clearer comparison of goals vs. actuals and facilitate monitoring of progress going forward.

Radio Bilingue has a number of programs airing daily about the benefits of broadband, how people can subscribe or learn how to use a computer. Programs are aired in English, Spanish, and two indigenous languages – Triqui and Mixteco. Hmong programming on broadband was added in Q3 of 2011. Their programming also includes live remote broadcasts related to events where people can learn more about broadband. Fresno and Los Angeles were the target markets in April 2011 with added media in Fresno, Sacramento and the Bay Area in Q3 of 2011. The Bay Area was the target for the PSAs in Q4 of 2011 promoting the Alameda County Office of Education Technology Expo and affordable broadband offers. In Q1 of 2012, CETF linked EITC education and outreach with the broadband message in the Central Valley, Los Angeles and the Inland Empire. Partners have also been featured in numerous local newspapers and television programs to inform people about their programs. In Q3 of 2012, CETF used a combination of print, television, radio and bus shelters for its Back to School advertising. The media stressed the importance of both a computer and broadband as critical for families with children.

Over 225 million media impressions have been tracked to date. This includes 145 million as a result of Club Digital Phase One. The Club Digital Phase Two impressions were not included in this total. | 5,000,000 | 13,296,068 | 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
Outreach	San Francisco Bay Area, Central Valley, Los Angeles, Sacramento, San Diego and Monterey Counties	This new expanded BTOP report template allows CETF to distinguish between face-to-face outreach conducted to recruit a person to attend a specific event or training (Outreach) and outreach that is more about distributing educational information (Outreach Orientation Events) such as email invitations, listserves and general broadband education materials. Both strategies are important but they are distinct and therefore will be documented and reported out separately in this report. (This is 121% of the stated goal).

BAA Partners shared information about broadband and local training opportunities at events that target working families in the Sacramento, Bay Area, Fresno, and Los Angeles. Partners used a variety of information channels to recruit participants to attend specific events and trainings. | 553,942 | 668,664 | 47,115 | 0 |
| Outreach Orientation Events | San Francisco Bay Area, Central Valley, Los Angeles, Sacramento, San Diego and Monterey Counties | This new expanded BTOP report template allows CETF to distinguish between face-to-face outreach conducted to recruit a person to attend a specific event or training (Outreach) and outreach that is more about education and sharing information (Outreach Orientation Events) such as email invitations, listserves and general broadband education materials. Both strategies are important but they are distinct and therefore will be documented and reported out separately in this report. (This is 294% of the stated goal).

BAA Partners shared information about broadband and local training opportunities at events that target working families in the Bay Area, Fresno and Los Angeles regions. The events targeted African-American, Asian and Latino families in venues that offered an opportunity to introduce the issue of broadband, share educational materials and instruct people to call 2-1-1 to locate computer training or low-cost computers. Partners used media interviews and newspapers to encourage people to attend these events where technology may not be the main focus. Photos of some of these events can be found at http://www.flickr.com/photos/getconnectedtoday/.

These events are designed as general outreach events to raise awareness about broadband and provide information about where to go for additional training or information. These include events hosted by faith based organizations, co-sponsoring existing events such as health fairs, and flyers/posters distributed to encourage people to call 2-1-1 or visit the Get Connected website for more information.

The Get Connected! Roundtables promoting broadband adoption and digital literacy among organizations and anchor institutions continued. The Get Connected! Today website has been expanded to include a "Partner Portal" which allows organizations, in addition to the BAA partners, to log-in and share resources with the network. This includes posting community events and training opportunities. A total of 641 individuals representing 161 community-based organizations and 24 anchor institutions have joined as partners. (These numbers are not included in totals.)

The actual number includes an estimated 452,690 of total people who received printed materials, including the La Opinion supplement, multiplied by the average Hispanic household (4.06 people per Hispanic household in California) for a total of 1,837,921 reached. Only the 452,690 is included in the totals. | 500,000 | 1,471,562 | 141,655 | 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
Training	San Francisco Bay Area, Central Valley, Los Angeles, Sacramento, San Diego and Monterey Counties	BAA partners offer basic digital literacy training in a variety of venues including health clinics, community-based organizations, adult schools, and senior centers. The training curriculum includes computer basics and incorporates web training designed to help families understand the benefits of being online. It also incorporates information on how to choose a broadband provider. Trainings have been well-received with frequent requests for additional classes. A portion of the subscriptions was moved to referrals to reflect the subscriptions from 211. (This is 106% of the stated goal). The Accessible Technology Coalition (ATC) uses webinars and their website to teach librarians, community organizations, and other resource centers about assistive technology for people with disabilities (www.atcoalition.org). ATC now reaches organizations and individuals nationally. The training number includes 1,238 people, representing anchor institutions and non-profit organizations, who attended the ATC webinars and in-person trainings. The training numbers also include 85,518 people trained in the City of Los Angeles to use One-e-App to apply for and manage their own public benefit programs online. The 2-1-1 network providers also reported that 4,318 people said they attended training after being referred to a training program. This number includes those who read at spent 1.5 hours reading the articles in Club Digital and 3 hours or more in Club Digital Two for a total of 630,041 trainings. BAA partners continued existing training and searched for new partners and venues to train non-subscribers.	678,000	718,741	2,466	0
Training	San Francisco Bay Area, Los Angeles and 2-1-1 locations	This training is the training of the staff charged with implementing the project. Specifically this includes the One-e-App assistors, 2-1-1 staff, community-based organizations hosting the trainings and staff responsible for documenting people trained and new subscribers. The 2-1-1 counties include Alameda, Contra Costa, Fresno, Kern, King, Los Angeles, Marin, Mendocino, Monterey, Napa, Nevada, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Luis Obispo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sonoma, Solano, Stanislaus, Tulare and Ventura. One-e-App is currently used in Alameda, Fresno, Humboldt, Los Angeles, Los Angeles, Napa, Orange, Sacramento, San Diego, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, and Sonoma counties.	137	137	0	0
Referrals	The 2-1-1 counties listed in the Descriptions of Activities. The One-e-App includes the counties of Fresno, Los Angeles, San Diego, San Mateo and Santa Clara	The 2-1-1 counties listed in the Descriptions of Activities. The One-e-App includes the counties of Fresno, Los Angeles, San Diego, San Mateo, and Santa Clara. (This is 154% of the stated goal). The total number includes 59,496 calls screened and referred by 211 and 222,204 who used the One-e-App and clicked the "Learn more about broadband" link after using their online application. It also includes the people screened for employment training opportunities in the City of Los Angeles	176,233	282,655	7,478	0
Project Sponsored Websites	Statewide with some national usage	CETF and its partners developed new or expanded their existing websites as part of the BAA project. CETF expanded its broadband education portal called Get Connected! Today with a resource map and more information as well adding a partner portal (http://www.getconnectedtoday.com/). The Center for Accessible Technology's developed a new website to serve as a clearinghouse and training portal about Accessible Technology for people with disabilities (http://atcoalition.org/). Radio Bilingue expanded its website to include broadband information and resources as well as archiving all broadcasts funded by this grant (http://conectate.radiobilingue.org/). A total of 26,742 RB programs have been downloaded. Together these websites reported 384,587 unique visitors. This total is included above in the Outreach total.	345,000	384,587	0	0
Total:			**7,253,312**	**16,822,414**	**198,714**	**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).

BAA partners use a variety of strategies to directly confirm that a household has subscribed. For one day events, partners call back training participants within a month to determine if they have subscribed. New subscribers are asked to share their "welcome letter" confirming service or their first month's bill in order to receive discounted computers or a subsidy to help pay one month of service. The 2-1-1 staff call back 1% of those that are referred to training and broadband providers. Some partners use the welcome letter or confirmation email from the providers as a raffle ticket for prizes to create incentives for adoption. In some cases an email from class participants showing the provider's name demonstrates a subscription.

CETF conservatively estimates that 44,705 new adopters between 2010 and 2011 can be credited to the efforts of BAA based on a 6% rate of the total number of new adopters under $40,000 based on the PPIC Statewide Survey. This is the same rate of broadband adoption that United Ways of California/2-1-1 finds when they call back clients who have expressed an interest in broadband. CETF decided not to include the increases from the 2012 PPIC Statewide survey since CETF exceeded its goals for adoption and wants to be conservative in how it counts broadband adoption.

CETF required a pre and post Club Digital survey to determine broadband adoption and training numbers. The research was conducted on behalf of impreMedia by Simmons Research according to widely acceptable research standards for random surveys during the first three weeks of September 2011. It measured the impact the Club Digital Phase One that ran in California from August 1 to August 31, 2011 by asking how many hours were spent reading the lessons and how much was learned as well as how many people subscribed to broadband in the seven weeks ending in October when the survey was conducted. A third survey was conducted by Simmons media in June and July 2012 to assess the impact of the Club Digital Phase Two which ran in May 2012. CETF estimates that 30,825 immediately adopted after Phase One and 108,434 from October 2011 to April 2012. The total number has been reduced from the previously reported adoption number to reflect a more conservative approach on counting the number of broadband adoptions from Club Digital in Phase One and Two.

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).

CETF has exceeded its goal of 133,000 new broadband adoptions. The PPIC survey released in August 2012 confirmed that California is now at 73% overall broadband at home increasing from 70% in 2010. This is as compared to a national rate of 66% according to the latest Pew data. Among low-income Californians earning less than $40,000, broadband adoption increased from 49% to 60% and Latinos increased from 50% to 58%. Spanish speaking Latinos, a key demographic targeted by BAA partners, increased their broadband at home from 25% to 46% during this time frame. In addition, California has seen dramatic increases in its residents using the Internet, especially among low-income and Latinos. In 2012, 79% of low-income and 78% of Latinos are online vs. 66% and 65% respectively in 2010. CETF is encouraged by this increase in Internet usage as it can serve as a pipeline to increase adoption in the future once people experience the value and ease of being online.

4d. Please provide the number of households and the number of businesses and CAIs receiving discounted broadband service as result of BTOP funds.

Households: 85	**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).

Next quarter, CETF will be working with BAA partners to close out their individual grants. Similarly, CETF will be working to close out the ARRA grant and preparing the final reports. One of the reports CETF will be finalizing is a comprehensive report on the challenges and solutions partners encountered in both NTIA grants since the projects began. CETF mined the collective thinking of all 19 of its partners in preparing the report. CETF will make the report available to government agencies, Internet service providers, foundations and community based organizations to inform their efforts to reach those who have not adopted broadband at home. The report also includes lessons learned and recommendations about effective job training, recruitment and placement.

The Center for Accessible Technology will be finishing the work with BAA partners to spend their Accessibility grants. These grants are designed to improve website accessibility as well as supporting software and hardware investments in community computer labs.

CETF will continue to plan for its final paid media for the Inland Empire. CETF decided not to invest in media for this region last quarter since there was not a low-cost broadband offer available. CETF will continue to monitor the Connect-to-Compete program and determine how best to assist with outreach and enrollment. There is more public information about the program lately but the specifics and timing remain largely unknown. CETF reached out to the one applicant for the FCC Broadband Adoption Pilot Program from California to determine ways to collaborate if they are awarded the pilot. As of the writing of this report, they have not been notified about the status of their application.

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**	99	N/A
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).

One challenge has been the lack of information from the cable companies about their plans for Connect-to-Compete. CETF would like to be a partner as it is with Comcast on their program yet this lack of information is problematic for planning. This is especially problematic as many BAA partners have completed their projects and do not have funding to continue.

The challenging part for BAA partners will be preparing for final reports when some of the staff have left the organizations.

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	$128,483	$29,527	$98,956	$128,277	$30,469	$97,808	$128,277	$30,469	$97,808
b. Fringe Benefits	$41,304	$7,181	$34,123	$41,304	$7,158	$34,145	$41,304	$7,158	$34,145
c. Travel	$5,841	$1,168	$4,673	$5,841	$1,168	$4,673	$5,841	$1,168	$4,673
d. Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0
e. Supplies	$19,559	$1,015	$18,544	$7,222	$1,072	$6,150	$9,178	$1,860	$7,318
f. Contractual	$53,443	$11,200	$42,243	$53,309	$11,195	$42,114	$53,309	$11,195	$42,114
g. Construction	$0	$0	$0	$0	$0	$0	$0	$0	$0
h. Other	$9,053,182	$2,047,514	$7,005,668	$9,041,727	$2,371,413	$6,670,314	$9,063,903	$3,045,754	$7,018,149
i. Total Direct Charges (sum of a through h)	$9,301,812	$2,097,605	$7,204,207	$9,277,680	$2,422,475	$6,855,204	$9,301,812	$3,097,604	$7,204,207
j. Indirect Charges	$58,860	$11,722	$47,088	$58,860	$11,772	$47,088	$58,860	$11,772	$47,088
k. TOTALS (sum of i and j)	$9,360,672	$2,109,327	$7,251,295	$9,336,540	$2,434,247	$6,902,292	$9,360,672	$3,109,376	$7,251,295

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