

QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

General Information		
1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number 06-43-B10589	3. DUNS Number 830370800
4. Recipient Organization California Emerging Technology Fund 5 3rd St STE 520, San Francisco, CA 941033206		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> 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 Susan Walters Senior Vice President	7c. Telephone (area code, number and extension) (415) 744-2385	
	7d. Email Address susan.walters@cetfund.org	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-09-2012	

Project Indicators (This Quarter)

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

The Access to Careers in Technology (ACT) program had direct exchanges with over 485 individuals about careers, digital literacy, and broadband adoption. Over 431,231 printed and email materials were also distributed. 4,168 individuals completed courses ranging from basic digital literacy, office applications, multi-media and Information and Communications Technology (ICT) certification. Of these, 109 participants were placed in jobs utilizing their ICT skills while 135 participants earned ICT certification. Training on business applications was provided to 1,993 small business owners and entrepreneurs. Grant subrecipients assisted 438 individuals in subscribing to broadband at home.

Get Connected! Roundtables were held in Silicon Valley, Central Valley, San Francisco Bay Area and Los Angeles during the last quarter. There were a total of 71 participants from 47 organizations, 9 of which were new to Get Connected!. Topics included getting media for Digital Inclusion programs and building collaborative programs for funding proposals.

On June 28, 2012 CETF hosted a learning community workshop for ACT sub-recipients that included 3 hours of joint sessions with the CETF BAA project sub-recipients. Topics included: documenting challenges and solutions and sustaining broadband adoption activities beyond the BTOP grant period. In addition, ACT sub-recipients charted out specific activities to achieve remaining goals.

CETF has been reaching out to cable providers to learn more about their plans to implement the Connect-to-Compete program and continues to support ACT sub-recipients in helping their clients take advantage of other low-cost broadband connections such as Comcast’s Internet Essentials.

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	90	NA
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 broadband service and equipment remain as major challenges to the success of the CETF ACT program. CETF continues to work on filling gaps in these areas by assisting non-profits in pursuing agreements with wholesale resellers to enable offers at \$14.95 for cable and \$9.95 for DSL wherever possible. In partnership with CETF, iFoster launched a Get Connected! program that includes refurbished laptops and desktops beginning at \$120 for low-income families with children. iFoster has an agreement with a national refurbisher for quality products with licensed Microsoft software and no trial-ware added to the devices. CETF is also coordinating an effort with the California Broadband Council to channel more e-waste through digital inclusion programs that refurbish technology for donations and low-cost sales to their communities.

The budget cutbacks at the county and city levels in California have also challenged ACT program success in some areas. ACT program sub-grantees have developed partnerships with adult schools, libraries and community centers to deliver digital literacy classes and broadband adoption services. As municipal funding is cut, some of these centers have had to close, resulting in a delay toward achieving goals as new partners and locations for services are identified.

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.

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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	Los Angeles County	<p>Size of Target Audience equals the cumulative of baseline targets to date.</p> <p>The ACT programs in Los Angeles County had direct exchanges with 7,089 individuals about careers, digital literacy, and broadband adoption. Additionally, over 40,947 have been printed and emailed materials distributed. Printed materials are discounted at the rates described below and combined with the direct exchanges to determine Actual Number of Participants.</p> <p>Actual numbers of Participants reached with distributed materials for Outreach are determined with the following ratio: flyers reach 20%; e-mail blasts reach 10%; personal e-mail, voicemail and hand delivered packets or flyers reach 33% of audience receiving distributed material. All person to person exchanges are counted one-to-one. ACT programs in Los Angeles County have reached a total of 12,241 with this outreach.</p> <p>Southeast Cities Development Corporation (SCDC) is working on building relationships with ISP providers and educational institutions to promote the importance getting families connected to affordable broadband services. SCDC is also promoting Information and Communication Technology (ICT) Certification programs and scholarships to high school students.</p>	51,000	12,241	0	0
Outreach	Alameda, San Francisco and San Mateo Counties	<p>The ACT programs in Alameda, San Mateo and San Francisco Counties had direct exchanges with 5,954 individuals about careers, digital literacy, and broadband adoption. Additionally, over 16,877 printed and emailed materials were distributed. Printed materials are discounted at the rates described below and combined with the direct exchanges to determine Actual Number of Participants.</p> <p>Actual numbers of Participants reached with distributed materials for Outreach are determined with the following ratio: flyers reach 20%; e-mail blasts reach 10%; personal e-mail, voicemail and hand delivered packets or flyers reach 33% of audience receiving distributed material. All person to person exchanges are counted one-to-one. ACT programs in Alameda, San Mateo and San Francisco Counties have reached a total of 14,952 with this outreach.</p> <p>During the last few months of the school year, ACT sub-recipients Goodwill, OCCUR and Youth Radio focused outreach efforts throughout their communities on families who qualify for the Comcast Internet Essentials program. Flyers about how to get assistance with the program were distributed to One Stop Centers, public housing communities, shopping malls and other areas in the San Francisco Bay Area.</p>	23,061	14,952	15	0
Outreach	San Diego County	<p>The ACT program in San Diego and Imperial Counties had direct exchanges with 3,449 individuals about careers, digital literacy, and broadband adoption. Additionally, over 11,700 printed and emailed materials were distributed. Printed materials are discounted at the rates described below and combined with the direct exchanges to determine Actual Number of Participants.</p> <p>Actual numbers of Participants reached with distributed materials for Outreach are determined with the following ratio: flyers reach 20%; e-mail blasts reach 10%; personal e-mail, voicemail and hand delivered packets or flyers reach 33% of audience receiving distributed material. All person to person exchanges are counted one-to-one. ACT programs in San Diego and Imperial Counties have reached a total of 6,335 with this outreach.</p> <p>San Diego Futures Foundation (SDFF) initiated a focused outreach campaign for schools and low-income parents of school-aged children to take advantage of the Connect-to-Compete pilot program offering home broadband services at \$9.95/month. SDFF outreach and Technical Support is conducted in English, Spanish, Vietnamese and Arabic.</p> <p>SDFF held an event inside an Elementary School to sell low-cost refurbished computers on site to parents. It was a pilot aimed at increasing home broadband adoptions. Computers were sold to 90% of attendees.</p>	9,000	6,335	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	CA Statewide	<p>The ACT programs that serve communities statewide had direct exchanges with 9,570 individuals about careers, digital literacy, and broadband adoption. Additionally, over 1,291,278 printed and emailed materials were distributed. Printed materials are discounted at the rates described below and combined with the direct exchanges to determine Actual Number of Participants.</p> <p>Actual numbers of Participants reached with distributed materials for Outreach are determined with the following ratio: flyers reach 20%; e-mail blasts reach 10%; personal e-mail, voice mail and hand delivered packets or flyers reach 33% of audience receiving distributed material. All person to person exchanges are counted one-to-one. ACT statewide programs have reached a total of 159,242 with this outreach.</p> <p>CARAT also distributes outreach materials and class schedules through its network of small business serving organizations, such as Small Business Development Centers (SBDC) and chambers of commerce.</p>	46,800	159,242	0	0
Training	Los Angeles County	<p>Size of Target Audience equals the cumulative of baseline targets to date.</p> <p>The ACT programs in Los Angeles County have provided training to 13,471 participants and 134 teachers. Training offered consists of basic, intermediate and advanced digital literacy training, media literacy, animation, media production, workforce skills and technical certifications</p>	12,600	13,605	561	0
Training	Alameda, San Francisco and San Mateo Counties	<p>The ACT programs in Alameda, San Mateo and San Francisco Counties have provided training to 4,475 participants. 389 participants in workforce training have received ICT certifications including IC3, A+, Server+, Security+, MOS and others. To address slipping certification rates, Stride adding emphasis and focus on test preparation during their workforce classes.</p> <p>Classes at the OCCUR Eastmont Technology Center have been so popular that there are about 30 people on the waiting list every month for basic digital literacy courses.</p>	60,906	4,475	532	0
Training	San Diego County	<p>The ACT programs in San Diego and Imperial Counties have provided training to 2,850 participants.</p> <p>The San Diego Futures Foundation offers training on basic digital literacy, office applications and Information and Communications Technology (ICT) professional certifications. Students on a career path get hands-on training and internships refurbishing computers that are then donated to training graduates who cannot afford to purchase a home computer.</p>	3,210	2,850	1,932	0
Training	CA Statewide	<p>EmpowerNet has trained a total of 41 individuals from 15 partner community serving organizations how to deliver the Stride Model Advanced ICT Certifications and Job Placement program. With ongoing support from EmpowerNet, those partner organizations have trained and graduated 62 participants in ICT workforce topics including A+, Server+, and Security+.</p> <p>EmpowerNet community partners Hollywood WorkSource and West Los Angeles College have graduated two classes targeted to Veterans. Shorter workshops have been added to longer certification courses to increase skills in networking and self-marketing for finding employment.</p> <p>CARAT and its statewide partners have provided training on small business development applications to 7,014 small business owners, employees and entrepreneurs. Courses have included technology applications for: strategic planning and leadership, marketing, evaluation, and financial management for small businesses.</p>	15,372	7,076	0	0
Job Placements	Los Angeles County	<p>Size of Target Audience equals the cumulative of baseline targets to date.</p> <p>ACT programs in Los Angeles County have placed 737 participants in jobs utilizing digital literacy skills.</p> <p>Strategies for job placements in the Los Angeles region include job readiness integrated into digital literacy courses, continuing case management and employer engagement.</p>	780	737	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
Job Placements	Alameda, San Francisco and San Mateo Counties	ACT programs in Alameda, San Mateo and San Francisco counties have placed 342 participants in jobs utilizing digital literacy skills. In conjunction with ongoing workforce training, OCCUR is offering 3-day intensive Office Application workshops to assist participants in securing employment.	675	342	0	0
Job Placements	San Diego County	ACT programs in San Diego County work closely with employers to ensure that their training courses address the skills that employers need. 63 participants of workforce development and digital literacy courses have been placed in jobs paying a living wage. SDFP has leveraged ACT funding to secure support for additional entry level jobs on their Help Desk. The paid work experience increases new trainees employability by establishing work history and increased skill levels	174	63	0	0
Total:			223,578	221,918	3,040	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).

CETF and its partners verify broadband subscriptions using a variety of methods including: collecting copies of subscription “welcome letters” or installation invoices, implementing pre- and post-participation surveys measuring subscription, conducting follow-up calls of statistical samples to confirm subscription projections, and counting the number of free subscriptions distributed. Email from participants using ISP vendor email accounts is also accepted when a welcome letter is not available.

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 will conduct its annual survey in partnership with ZeroDivide and the Public Policy Institute of California (PPIC) in August 2012. CETF will have additional adoption numbers to report from the survey. Overall CETF takes a conservative approach to tracking the outcomes its reports. CETF does not claim total responsibility for all the increases in broadband adoption documented in the PPIC survey. As a conservative approach, CETF claimed 6% of the increase of the number of new adoptions recorded through this survey towards the first grant for sustainable broadband adoption outcomes as a result of its efforts and those of its sub-recipients. This is the same rate of broadband adoption that the United Ways of California/2-1-1 finds when they call back clients who have express an interest in broadband. In 2012 CETF will count 60% of the new adopters under \$40,000 toward ACT’s goal of 9,237 as the ACT sub-recipients represent 60% of the sub-recipients in both grants. The remaining 40% will be counted in the first NTIA grant. These results are expected to bring the subscription numbers for the ACT program up to or past the baseline plan.

CETF and ACT Subrecipients continue to evaluate the effectiveness of broadband adoption strategies as the target audiences narrow. Initial program activities were targeted to “broadband hopefuls” individuals who needed single interventions like awareness campaigns and/or training to bring them to adopt broadband at home. As the number of home subscriptions in California has advanced (past the national average) the target audience has shifted to individuals and families who need multiple interventions to adopt broadband. Our programs are now working more and more with people for whom attaining broadband services is not just a matter of awareness, relevance and training, but for whom current pricing structures are truly out of reach.

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

Households: 1,392

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, the ACT program will conduct outreach to over 5,150 people. ACT sub-recipients plan to train approximately 4,101 in digital literacy, broadband adoption, ICT certifications and small business applications. We aim to place 263 participants in jobs utilizing ICT skills and assist 625 households in subscribing to broadband.

ACT subrecipients CARAT and Stride will collaborate to create a continuum of services for Stride graduates who want to start their own businesses. All Stride students will be able to take an introductory course from CARAT. After students graduate and become certified, they may apply to attend a series of free seminars on how to start a business. There has already been strong interest expressed by students to participate in this program. In addition, CARAT will release on-demand videos of their training series. A state-wide media campaign will advertise access to these resources as another benefit of broadband subscriptions.

Several ACT subrecipients will be engaging youth interns to promote broadband adoption within their communities. These students

DATE: 08/09/2012

and others will be a part of back-to-school campaigns that will align with any Connect-To-Compete or other discount broadband programs for families with children who are eligible for free lunch at school.

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	95	NA
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 that continues is the lack of information from the cable companies about their plans for Connect- to-Compete. CETF would like to be a partner to increase the effectiveness of outreach and the sustainability of subscriptions, yet this lack of information is problematic for planning.

Based on the Connect-to-Compete (C2C) pilot with Cox Communications in San Diego, CETF has identified some opportunities and challenges with this program as it relates to BTOP grants. San Diego Futures Foundation (SDFF), a sub-recipient on the ACT program is a well-established and trusted community organization that provides digital literacy, workforce training, internships in computer refurbishing and free or low-cost computers to low income communities throughout San Diego. The \$9.95/month rate offered by Cox through the C2C is an essential component of sustainable broadband adoption for residents. As expected with a pilot, there were many communications and logistical challenges to coordinating existing digital inclusion efforts with the new program. Unfortunately many opportunities were missed to fully explore the best practices for an outside organization to implement a program with local schools and parents that had been previously working with the existing local partner. As a result, SDFF, a non-profit, was put in direct competition with a national corporation for its refurbishing social enterprise which helps train and employs local, low-income program participants. And though it was advertised as a pilot, parents of children eligible for free lunch are still coming forward to explore the opportunity. The phone number advertised on the C2C flyers has been disconnected and there was no post-pilot contact information for C2C offered via print media. This has created confusion and suspicion from community members adding another barrier to broadband adoption that SDFF and other local digital inclusion organizations must address.

Affordable broadband services are crucial as we approach populations for which other interventions have not been sufficient. CETF will continue efforts to promote open collaborations between local partners and national programs for the most effective broadband adoption solutions for California.

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.

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		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Personnel	\$409,610	\$244,000	\$165,610	\$357,781	\$233,123	\$124,657	\$383,695	\$238,562	\$145,134
b. Fringe Benefits	\$125,525	\$72,312	\$53,213	\$84,281	\$54,971	\$29,310	\$104,903	\$63,642	\$41,261
c. Travel	\$17,255	\$0	\$17,255	\$20,497	\$0	\$20,497	\$20,497	\$0	\$20,497
d. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Supplies	\$42,574	\$1,674	\$40,900	\$6,948	\$0	\$6,948	\$24,761	\$837	\$23,924
f. Contractual	\$91,970	\$0	\$91,970	\$55,909	\$0	\$55,909	\$73,939	\$0	\$73,939
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$10,295,870	\$3,626,637	\$6,669,233	\$9,316,141	\$3,495,483	\$5,820,658	\$9,806,006	\$3,561,060	\$6,244,946
i. Total Direct Charges (sum of a through h)	\$10,982,804	\$3,944,623	\$7,038,181	\$9,841,557	\$3,783,577	\$6,057,979	\$10,413,801	\$3,864,101	\$6,549,701
j. Indirect Charges	\$100,000	\$30,000	\$70,000	\$100,000	\$30,000	\$70,000	\$100,000	\$30,000	\$70,000
k. TOTALS (sum of i and j)	\$11,082,804	\$3,974,623	\$7,108,181	\$9,941,557	\$3,813,577	\$6,127,979	\$10,513,801	\$3,894,101	\$6,619,701

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: \$993,823 b. Program Income to Date: \$440,467