

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) 03-31-2012	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): 05-15-2012
---	--

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 6,000 individuals about careers, digital literacy, and broadband adoption. Over 552,300 printed and email materials were also distributed. A variety of digital literacy courses ranging from basic digital literacy, office applications, multi-media and ICT certification were provided to 3,534 individuals. In addition, 2,177 small business owners, employees and entrepreneurs completed training. Of those trained: 12 participants earned an IT certification. 209 graduates were placed in jobs utilizing their Information and Communications Technology (ICT) skills. Grant sub-recipients assisted 409 individuals in subscribing to broadband at home.

Statewide ACT sub-recipient EmpowerNet (EPN) has been attending workforce association conferences throughout the state in order to educate those in the industry about the importance of digital literacy for 21st Century workforce preparation and to find organizations that have an interest in ICT workforce training. They have agreements with two local Workforce Investment Boards to support digital literacy initiatives for the communities that they serve.

CARAT recruited more than nine new affiliate partners to support the efforts of existing partners in their outreach to small businesses. Program staff surveyed trainers to get feedback on updating the technology training materials. CARAT is updating curricula and implementing some of the recommendations. They are also in the process of developing an online technology video platform that will allow registrants to view the training videos on demand.

Three Get Connected! Roundtables were held during this quarter, one each in the San Francisco Bay Area, Silicon Valley and Los Angeles. There were a total of 52 participants from 36 organizations, 14 of which are new participants. The Roundtables and other activities this quarter focused on collaborating with organizations providing Volunteer Income Tax Assistance (VITA) and awareness about the Earned Income Tax Credit (EIC or EITC). Acknowledging that both cost and awareness of relevance can be barriers to broadband adoption, this effort aimed to educate VITA providers and their clients about the importance of broadband adoption and digital literacy as assets in financial sustainability and as a valuable investment for tax refunds.

Get Connected! PSAs ran in the Inland Empire and Los Angeles media markets with a message about the opportunity to use EITC refunds to invest in broadband subscription. This paid media reached 4,006,522 people. Additionally, 585 newspaper supplements outlining benefits and steps to broadband subscription were distributed to VITA sites and www.getconnectedtoday.com received 4,105 unique visitors.

CETF hosted two Learning Community workshops with sub-recipients from the BAA and ACT grants, a one-day workshop on January 20 and a two-day workshop in Los Angeles on March 15-16. The main themes were documenting lessons learned and how to sustain project activities once BTOF funds are expended. One sustainability strategy explored was how to integrate digital literacy and digital inclusion work into larger program areas with greater amounts of government and foundation funding such as education, health care, community transformation or job development. CETF also shared major trends in broadband policy and mobile technology that could impact their projects.

The San Diego Futures Foundation (SDFF) Help Desk provided technical assistance to 1,079 additional individuals 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	88	On target
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 as major challenges for the success of the grants for CETF grantees and NTIA Partners. CETF continues to work on filling gaps in these areas by assisting non-profits in pursuing agreements with wholesale re-sellers to enable offers at \$14.95 for cable and \$9.95 for DSL wherever possible. CETF also started working with iFoster, a national online organization, to develop 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.

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
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 19,861 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 10,132 with this outreach.</p> <p>In February 2012, Southeast Cities Development Corporation (SCDC) coordinated a Computer Repair day for residents. They served 49 clients using 8 volunteer technicians and assisted 15 people in subscribing to broadband.</p>	19,500	10,132	0	0
Outreach	Alameda, San Mateo and San Francisco Counties	<p>The ACT programs in Alameda, San Mateo and San Francisco Counties had direct exchanges with 5,469 individuals about careers, digital literacy, and broadband adoption. Additionally, over 15,829 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>Outreach strategies in the San Francisco Bay Area include offering short workshops on Internet Safety, personal flyer distribution, cross-promotion with other social services and attendance at fairs.</p> <p>Subrecipient OCCUR attended the Eastmont Job Fair in March 2012 and successfully marketed its digital literacy courses as an important step in getting a job with career potential.</p>	23,061	14,952	15	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 Diego and Imperial Counties	<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 6,700 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 5,335 with this outreach.</p> <p>ACT subrecipient SDFP leverages its many community partners and relationships with the County and San Diego School District to conduct outreach. For example, in SDFP collaborated with the County of San Diego to conduct the San Diego Successful Aging Expo/Get Connected Technology Fair. Over 1500 attendees visited the SDFP technology table where they learned more about how to receive computer training and access to broadband and technology. In addition SDFP has marketed the services of it Community Technology Centers via newspaper, radio advertisements and TV interviews.</p>	6,560	5,335	0	0
Outreach	Statewide	<p>•The ACT programs that serve communities statewide had direct exchanges with 7,861 individuals about careers, digital literacy, and broadband adoption. Additionally, over 887,181 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 wit 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 statewide programs have reached a total of 131,630 with this outreach.</p> <p>CARAT was the subject of an article in the San Francisco Examiner March 22, 2012 and a television interview on Comcast Spotlight raising awareness about its programs and the importance of broadband subscription for small businesses. http://www.examiner.com/business-insight-in-oakland/choosing-the-right-services-for-your-business-1. CARAT also distributed outreach materials and class schedules through its network of small business serving organizations, such as Small Business Development Centers (SBDC) and chambers of commerce. EmpowerNet (EPN) continued to conduct specific outreach to potential partners in its effort to increase the number of Stride model ICT certification and job placement programs by attending conferences, setting up one-on-one meetings, using social media and direct email campaigns.</p>	16,800	131,630	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 10,623 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> <p>In March 2012, SCDC began a teen girl mentorship program at a technology center in Huntington Park and a Senior Computer Health Class at South Gate Park.</p>	10,521	10,593	297	0
Training	Alameda, San Mateo and San Francisco Counties	<p>The ACT programs in Alameda, San Mateo and San Francisco Counties have provided training to 3,908 participants.</p> <p>Participation in workforce training has increased with the implementation of workshops to provide tools to increase skills and marketability in addition to the longer certification courses.</p>	6,906	3,908	290	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 Diego and Imperial Counties	The ACT programs in San Diego and Imperial Counties have provided training to 2,354 participants.	2,490	2,354	1,860	0
Training	Statewide	EmpowerNet has trained a total of 41 individuals from 12 community serving organizations how to deliver the Stride Model A+ Certification program with Job Placement program. Five partners trained by EPN have launched ICT certification and job placement programs for low-income individuals with a total enrollment of 126. The first cohort of 31 graduated and 16 participants earned A+ certifications. CARAT and its statewide partners have provided training on small business development applications to 5,021 small business owners, employees and entrepreneurs. Courses have included technology applications for: strategic planning and leadership, marketing, evaluation, and financial management for small businesses.	15,312	5,052	0	0
Job Placements	Los Angeles County	Size of Target Audience equals the cumulative of baseline targets to date. ACT programs in Los Angeles County have placed 657 participants in jobs utilizing digital literacy skills. Strategies for job placements in the Los Angeles region include job readiness integrated into digital literacy courses, continuing case management and employer engagement. For example, in March 2012, job development workshops were provided for Head Start parents in South Gate and there were a total of 138 clients served at the Bell Garden employment center, funded in part by the ACT program.	780	657	0	0
Job Placements	Alameda, San Mateo and San Francisco Counties	ACT programs in Alameda, San Mateo and San Francisco counties have placed 298 participants in jobs utilizing digital literacy skills. To address the continued challenge of assisting clients in finding jobs, Goodwill devotes significant staff resources to widen their referral network with other CBO's, integrating the regular presence of Employer Engagement representatives into digital literacy classes and researching new internship opportunities. They also regularly attend business networking events to connect with local employers including: Launching job clubs, hosting visitors to discuss resources for Limited English Proficiency participants and meeting with local employers such as California Check Cashing, Salvation Army, The Body Shop, Green Leaf, Lucky Stores, Bauer's Transportation, Virgin America, Granite Rock, Alliant Insurance, MBS Staffing and LearnUp.	572	298	0	0
Job Placements	San Diego and Imperial Counties	ACT programs in San Diego and Imperial Counties 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.	174	63	0	0
Total:			102,676	184,974	2,462	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).

The number of documented new subscribers remains below the target, but the rate of adoptions continues to increase. CETF and ACT subrecipients have conducted localized promotion and assistance with the application process for the Comcast Internet Essentials program which has resulted in 200 Internet Essentials subscriptions in Northern California. CETF is working with ACT subrecipient SDFP to infuse the lessons learned from the deployment of the Internet Essentials program to the COX Connect2Compete program pilots. In addition CETF is working with iFoster to promote low-cost computers starting at \$150 for

families with children.

CETF will conduct its Annual Survey in partnership with ZeroDivide and the Public Policy Institute of California (PPIC) in Summer 2012 which will contribute to achieve the baseline targets. 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.

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 15,000 people. ACT sub-recipients plan to train approximately 5,000 in digital literacy, broadband adoption, ICT certifications and small business applications. We aim to place 200 participants in jobs utilizing ICT skills and assist 3,000 households in subscribing to broadband.

ACT Subrecipient CARAT will conduct a survey of over 5,000 training participants to determine how many jobs were generated within their small businesses as a result of the training.

CETF will host a Learning Communities workshop for BTOP grant subrecipients on June 28. During this workshop ACT partners will refine a compilation of specific practices that resulted in adoptions, training completions, ICT certifications and job placements. ACT partners will also be exploring opportunities to build financial sustainability into broadband adoption and digital literacy programs before the end of the grant funding.

Next quarter CETF will host four regional Get Connected! Roundtables in Los Angeles, Silicon Valley, Bay Area and Central Valley. Presentations will cover marketing digital literacy programs to funders, strategies for working with schools and engaging county offices of education in broadband adoption efforts. An update on Internet Essentials will be provided by Comcast representatives. CETF will also provide any updates available on Connect to Compete and the Lifeline Pilot.

The Lifeline Pilot guidelines are expected to be announced by the Federal Communications Commission (FCC) in May. CETF co-hosted a meeting with telecommunications providers on April 3, 2012 to discuss the pilot and outline a possible approach for California. CETF is hopeful about the pilot as it can fill a major void in the broadband marketplace by reaching low-income households without children including seniors. The lifeline pilot can also build upon the broadband awareness and digital literacy training completed and its major referral partners in One-e-App and 2-1-1. CETF will work collaboratively with any provider from California to assist with enrollment, digital literacy and program design as needed to ensure a successful pilot

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	94	On target
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 to increase the effectiveness of outreach and the sustainability of subscriptions, yet this lack of information is problematic for planning.

To ensure continuity of services, partners must plan for the financial sustainability of current broadband adoption and digital literacy programs. The funding environment for these types of programs is difficult and there is a critical need for educating philanthropic organizations and government agencies about how digital literacy and access to broadband are at the core of success for any type of program whether it is aimed at health, education, jobs, financial development or environmental outcomes.

CETF continues to work with providers and resellers to develop new programs that reach across all of California and for which any low-income individuals and families without children could qualify. However, there remains a lack of affordable broadband subscription programs without other barriers for many who are left to adopt.

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	\$299,958	\$191,121	\$108,837	\$354,784	\$217,560	\$137,224
b. Fringe Benefits	\$125,525	\$72,312	\$53,213	\$72,849	\$45,666	\$27,183	\$99,187	\$58,989	\$40,198
c. Travel	\$17,255	\$0	\$17,255	\$15,583	\$0	\$15,583	\$16,419	\$0	\$16,419
d. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Supplies	\$40,900	\$0	\$40,900	\$5,892	\$0	\$5,892	\$23,396	\$0	\$23,396
f. Contractual	\$91,970	\$0	\$91,970	\$36,072	\$0	\$36,072	\$64,021	\$0	\$64,021
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$10,295,870	\$3,942,949	\$6,669,233	\$9,311,940	\$3,494,895	\$5,817,045	\$9,803,905	\$3,560,766	\$6,243,139
i. Total Direct Charges (sum of a through h)	\$10,981,130	\$4,259,261	\$7,038,181	\$9,742,294	\$3,731,682	\$6,010,612	\$10,361,712	\$3,837,315	\$6,524,397
j. Indirect Charges	\$100,000	\$30,000	\$70,000	\$38,060	\$30,000	\$70,000	\$100,000	\$30,000	\$70,000
k. TOTALS (sum of i and j)	\$11,081,130	\$4,289,261	\$7,108,181	\$9,780,354	\$3,761,682	\$6,080,612	\$10,461,712	\$3,867,315	\$6,594,397

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: \$310,099
---	--------------------------------------