

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 27-43-B10515	3. DUNS Number 828185087
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4. Recipient Organization

 C. K. Blandin Foundation 100 N Pokegama Ave, Grand Rapids, MN 557442739

5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Mary Magnuson	7c. Telephone (area code, number and extension)
	7d. Email Address memagnuson@blandinfoundation.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-28-2011
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Project Indicators (This Quarter)

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

Milestones achieved in Q3 2011:
 Offered 2 webinars for Minnesota (MN) Intelligent Rural Communities (MIRC) partners; which have been archived on MIRC intranet site.
 11 Demonstration Communities have funded a total of 71 projects; implementation and monitoring is underway.
 University of MN Extension held 27 training events involving 154 businesses, 21 technical assistance activities reaching 25 businesses, and 4 outreach events reaching 87 individuals.
 Developed a dashboard to track project outputs by MIRC partners, keyed to pre-identified deliverables.
 Approved one LightSpeed community grants totaling \$29,275 to support e-health, and three Digital Inclusion Community Partnership grants totaling \$62,000 to provide low-income people with computer equipment, training and reduced cost broadband subscriptions (for more information on the Digital Inclusion Community Partnership, see: http://broadband.blandinfoundation.org/_uls/resources/RFP_Digital_Inclusion_Community_Partnership.pdf).
 MN Department of Employment and Economic Development (DEED), in partnership with Workforce Centers and other training sites across rural Minnesota, delivered MIRC-funded digital literacy programs. The course was delivered 25 times to 304 participants. Training sites also added 569.5 hours of expanded access at 29 locations. DEED has created, and will now maintain, a calendar of the training events across the state. The calendar is at: <https://www.google.com/calendar/render?hl=en&tab=oc&pli=1>
 The MN Learning Commons knowledge worker course has been delivered 3 times to 14 learners. The course is a 16 hour online non-credit college course designed for unemployed, underemployed, dislocated workers and employees. The first four hours of the class is an instructor lead in-person session that takes place in a computer lab.
 PCs for People distributed 73 additional computers and has now completed their collection and refurbishment goal for the project of 1,000 computers to low-income families and qualified individuals across rural Minnesota. PCs for People also has developed a mobile refurbishing capability to increase its capacity to serve rural communities.
 MN Renewable Energy Marketplace (MNREM) conducted 2 webinars involving 53 learners, and 7 outreach events that reached 145 individuals.
 Continued planning for fall statewide conference on broadband utilization and access with fellow BTOP recipient Connect Minnesota.
 Hosted two NTIA conducting a case study of the MIRC project on a three-day visit to a number of MIRC communities in southern and western Minnesota.
 Blandin Foundation communications staff has written and posted to the website a MIRC Year 1 Retrospective: http://www.blandinfoundation.org/_uls/resources/MIRC_Year_1_Retrospective_Version_4_FINAL.pdf
 Blandin Foundation financial contractor began conducting annual grant monitoring site visits of MIRC subrecipients. Visits should conclude by mid-November.

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	58	Baseline: 70%. The reason for the deviation from the baseline is the slower than expected progress in making payments to subrecipients. Third quarter was a little bit slow for our project given that it was summer and our state government was shut down for several weeks. However, we feel like the project is progressing well and we will have no problem completing the project on time.
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).

Summer was a difficult time to recruit students for the Knowledge Worker and Digital Literacy classes. Classes were cancelled due to

low enrollments. However, course schedules for the fall are very full, and we anticipate good participation with the start of the school year.

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
Demonstration Community Activities and Training and Direct Technical Assistance	Benton County, Cook County, Grand Rapids/Itasca County, Leech Lake Band of Ojibwe, Kandiyohi County, City of Morris/Stevens County, Thief River Falls, Upper Minnesota Valley Region, Windom, Winona, Worthington	Steering Committees in each of the 11 Demonstration Communities have completed baseline utilization surveys, articulated goals, issued RFPs for local projects, reviewed and approved project proposals, and entered into contracts with chosen projects. Project partners have delivered 142 separate training events that reached 859 rural MN businesses and 1552 individuals. Additionally, 40 small businesses have received technical assistance.	93,579	2,501	2,862	0
MIRC Partner Workshop	St. Cloud, Minnesota	Blandin Foundation convened representatives of each of the DCs, RDCs, and statewide partner organizations 5 times. 1. Project kick-off. 2. For updates on progress. 3. Effective Collaboration Workshop. 4. To learn about and practice using Foundation staff developed project communication tools. 5. To discuss project sustainability.	141	60	0	0
Statewide Outreach	Rural Minnesota	Statewide convening including regional gatherings, small group meetings, individual meetings, etc.	12,861	3,586	1,267	0
Statewide Public Awareness	Rural Minnesota	Newspaper ads, marketing campaigns, television commercials and other mass media outreach.	863,750	240,835	13,878	0
Total:			970,331	246,982	18,007	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).

Three separate methodologies are being used to estimate the number of subscribers and the number of new subscribers. First, baseline surveys were conducted in each demonstration community, along with a statewide survey to estimate broadband penetration across all geographies. Second, Minnesota Cable and DSL providers have agreed to provide new subscriber information in aggregate, to assist, but still maintain provider confidentiality. And third, we have contracted with a private firm (ID Insight) to provide detailed Internet transactional data for each of the 11 demonstration areas. Using these three methods we will methodologically triangulate to derive accurate subscription estimates.

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 subscription goal for this project is 38,556 overall, with the milestone of 15,422 by quarter 3 of 2011, so we are on target. As of right now, we estimate that we are approximately at the 46% mark of our overall goal.

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

Households: 0	Businesses and CAIs : 0
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Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

Anticipated disbursement of remaining community grant funds (LightSpeed, Robust Broadband Networks Feasibility Fund and Digital Inclusion Community Partnership grant programs) .
Host statewide broadband conference with fellow BTOP grantee Connect Minnesota, Policy and Progress: Border to Border

Broadband, November 16-17, focused on how Minnesota can maximize the impacts of ARRA-funded broadband projects. PCs for People will coordinate two used computer collection and refurbishing events, one of which will be held in Duluth, in conjunction with the statewide conference. PCs for People is working towards the goal of being able to install an offline-version of DEED's digital literacy software on all computers it refurbishes. A new vendor contract to identify and share non-English language digital literacy curricula and resources and build training capacity to deliver those resources effectively among rural non-English speakers. Design and delivery of additional webinars featuring community-based projects. Hosting of a regional broadband convening in northeastern Minnesota and planning for additional regional convenings in other rural regions of the state. Minnesota Learning Commons will deliver knowledge worker courses in additional demonstration communities besides those already served through the project. DEED will create and continue to update Q&A resources for its training curricula, based on reviewers' and learners' comments. Additional training design will be completed and posted for three additional skills (keyboarding; word processing and email skills).

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	77	Baseline: 80%. MIRC project staff expects to disburse the balance of the subrecipient awards in quarter 4, 2011. However, the subawardees aren't required to provide documentation of additional match again until April 30, so our match numbers aren't likely to increase much before the end of 2011.
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).

Staff will await approval for the AAR requesting permission to add subawardees, which we anticipate submitting in early October.

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	\$211,690	\$162,790	\$48,900	\$83,044	\$25,227	\$57,817	\$94,044	\$28,227	\$65,817
b. Fringe Benefits	\$63,507	\$48,837	\$14,670	\$18,270	\$4,595	\$13,675	\$20,570	\$4,895	\$15,675
c. Travel	\$63,300	\$14,300	\$49,000	\$23,604	\$257	\$23,346	\$29,629	\$283	\$29,346
d. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Supplies	\$9,400	\$0	\$9,400	\$4,665	\$0	\$4,665	\$5,665	\$0	\$5,665
f. Contractual	\$762,450	\$77,500	\$684,950	\$459,942	\$90,442	\$369,500	\$527,442	\$102,442	\$425,000
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$5,273,649	\$1,222,350	\$4,051,299	\$3,088,829	\$429,841	\$2,658,988	\$4,254,371	\$519,889	\$3,734,482
i. Total Direct Charges (sum of a through h)	\$6,383,996	\$1,525,777	\$4,858,219	\$3,678,354	\$550,362	\$3,127,991	\$4,931,721	\$655,736	\$4,275,985
j. Indirect Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
k. TOTALS (sum of i and j)	\$6,383,996	\$1,525,777	\$4,858,219	\$3,678,354	\$550,362	\$3,127,991	\$4,931,721	\$655,736	\$4,275,985

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
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