

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 46-41-B10548	3. DUNS Number 115077950
4. Recipient Organization Communication Service For The Deaf, Inc. 102 N KROHN PL, SIOUX FALLS, SD 571031800		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2012	6. Is this the last Report of the Award Period? <div style="text-align: center;"> <input type="radio"/> Yes <input checked="" type="radio"/> No </div>	
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 Judy Morgan	7c. Telephone (area code, number and extension) <hr/> 7d. Email Address JMorgan@c-s-d.org	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-20-2012	

Project Indicators (This Quarter)

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

Project Endeavor has served 10,600 participants; 9,759 of these program participants received equipment and 841 became new subscribers. During Q3, 20,932 learners viewed educational videos or participated in one-to-one tutoring session via the contact center; 309 individuals (to date) enrolled in the online employment course, "Your Road Trip – Destination Employment;" 150,378 media impressions were created (3.2 million to date); the website experienced 26,940 unique visitors and 19,046 views on YouTube. The Project achieved its goal of installing 150 Public Access Videophones (PAV) in Community Anchor Institutions (CAIs) across the U.S. (151 units to date). As part of the wrap-up, time was spent connecting with CAIs to make sure they had the User Manuals for future reference and/or contact. Project Endeavor completed the development of the post-digital literacy survey tool using "survey monkey" in English with embedded ASL videos, captioned and voiced. In addition, consumer comments, stories and testimonials have been collected for posting on the website and for a documentary. Special Initiatives: 1) Provided 60 low-income individuals with free broadband subscriptions as a result of outreach to applicants under the poverty level. 2) Completed discussions to ensure a successful launch next quarter of the CapTel/Sprint partnership targeting low income hard of hearing seniors. These individuals will receive the new CapTel phone, a MiFi cradle and two years of discounted broadband services (data only plan). The new phone allows captions for both in-bound and out-bound calls via the Internet creating a more efficient and less frustrating experience for seniors. Caption phones are credited with reducing the ill-effects of isolation experienced by seniors with hearing loss. 3) Prepared for the VRI (Video Remote Interpreting) launch whereby an expanded number of CAIs will have an opportunity to experience remote interpreting services via broadband. This technology allows CAIs to provide accessible services and information to a wider more inclusive audience in their communities. New Partnership: Began collaborating with the Virgin Islands SBA/PCC BTOP program or "viNGN." One of their sites is the VI Rehabilitation Center for Disabilities (VIRCD). Project Endeavor has provided training and shared video library of educational videos; will next schedule ASL classes and discuss the implementation of remote interpreting services.

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	75	Project Endeavor is on track or ahead of schedule for baseline milestones with the exception of the new household subscribers. We anticipate using 86% of our available funding by December 2012.
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).

Project Endeavor tackled the backlog of consumers waiting for services, successfully identified those eager, and interested in participating in the program during Q3 2012. However, we found nearly 80% of the backlog of 9,926 applications not viable applicants. The backlog of applications misled our forecasting efforts for the outreach and advertising necessary to achieve program goals. Even though an application cut-off date was rescinded, the applications have trickled in with hopes of obtaining 12,000 instead of 16,000. Project Endeavor continues to engage as many consumers as possible by posting website messages and sending eblasts with messages in ASL. It is important to note the significant amount of time and signed video communication needed by the contact center. An average call may take 90 minutes or more. They performed exceptionally well. Since our subscriber numbers lag behind, Project Endeavor has undertaken two challenges: 1) Obtaining as many subscribers as possible through the "Free Broadband" promotion to applicants at very low-income levels. There were 250 individuals identified in the application pool. Progress has been slow, only 60 have signed up to date. 2) Building subscribers through a partnership with CapTel and Sprint to offer a captioned phone bundle that depends on a broadband connection. Project Endeavor will target hard of hearing seniors whose hearing loss presents barriers to communicating with their families or handling their own business/personal matters when using a regular phone. We anticipate adding 1,500- 2,000 new subscribers. Attending NTIA webinars is helpful in learning about sustainability planning, rural development, youth curricula, and collaborations for SBA/PCCs with CCIs, discount broadband programs and how other SBA/PCC projects are solving their issues to boost subscribership. One of the barriers with our deaf and hard of hearing consumer base is affordability. The

connectivity required to operate a videophone is not the discounted \$9.95/month service; it is necessary to purchase a higher speed connection for video communications whether the subscription is for a videophone, tablet, mini net book or hand held device. Deaf and hard of hearing consumers are also reluctant to sign up for discounted rates that eventually expire.

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
Create and maintain call center to provide customer support.	Sioux Falls, SD	This includes purchasing, programming and installing call center equipment. Developed technology to integrate video calls. Hiring and training staff who can use American Sign Language (ASL) to support customer base	1	1	0	0
Purchase equipment for regular broadband users to access services	Sioux Falls, SD	his includes purchasing notebooks, tablets and video communications equipment, installing custom software for broadband users and providing follow-up instruction and technical assistance.	4,500	9,759	9,759	0
Purchase broadband service and distribute for end users	Sioux Falls, SD	This includes determining whether wireless, wired or wi-fi broadband best meets the consumer needs, setting up a wireless account or enrolling them in a voucher program for wired services and providing follow-up technical assistance.	16,000	841	841	0
Provision and install Public Access Videophones	Sioux Falls, SD	This includes updating and installing latest Public Access Videophone (PAV) software, selecting community anchors for PAV installations, shipping and installing PAV and follow-up technical assistance.	150	151	0	151
Plan and conduct social media campaign	Sioux Falls, SD	This involves selecting appropriate social networking outlets to post outreach information to target population (viewership).	310,520	310,520	0	0
Promote project at community events	Sioux Falls, SD	Attend deaf and hard of hearing community and professional events to educate participants and attract program participants.	0	0	0	0
Develop and assemble training materials	Sioux Falls, SD	Develop and/or identify training materials that are effective in training individuals who rely upon ASL about the services available on the web	430	430	0	0
Provide awareness and education concerning broadband access for deaf & hard of hearing population	Sioux Falls, SD	Provide the deaf and hard of hearing public with information about the benefits of broadband services and how to access Project Endeavor	2,000,000	3,234,888	0	0
Provide one-on-one technical assistance or educational workshops and self directed web training	Sioux Falls, SD	Provide one-on-one call center technical support, training and referral and web-based self-directed training to assist individuals access broadband services or Internet resources.	200,000	188,855	0	0
Evaluate factors contributing to broadband adoption by target population	Sioux Falls, SD	Gather data from project participants to determine why they do or do not utilize Internet based services, what supports increase their use of services. results are reported in quarterly updates and will be included in the project's final report.	7	5	0	0
Total:			2,531,608	3,745,450	10,600	151

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).

Household subscriber: The number of individuals for whom the project has purchased or subsidized the purchase of a broadband service account or individuals who reported independently establishing a new broadband account after receiving project services.
 Community Anchor Institution subscriber: Any CAI where the Project installs a Public Access Videophone (PAV) or provides a device

that allows an organization to access broadband services for video interpreting.

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).

Project Endeavor received approval through the Award Action process on July 6, 2011 to define new subscribers as, “any program participant who obtains new wired and/or wireless broadband services or is now able to access broadband service as a result of equipment provided by the project including WiFi access.” Until Q4 2011, the Project reported subscribers as any participant in the program receiving equipment and/or broadband services. That changed due to the request from NTIA for grantees to use the more restricted definition of new subscribers established in the NOFA (CFDA No. 11.557). Now the Project shows the numbers of new household broadband subscribers lagging behind the baseline project targets. Hence, only new subscribers are counted rather than the number of users that received new equipment and who can now maximize their broadband services. As previously explained, there are two primary reasons why the number of new household subscribers is significantly less than we projected in our grant application. First, when determining the adoption rate for the deaf/hh target population, we relied upon the 2010 FCC Broadband Adoption & Use in America Survey. This report estimated that the adoption rate among people with disabilities was approximately 42%. As stated in our application there was no research indicating the specific adoption rates of sub groups within the disabled community, i.e., deaf and hard of hearing (hh). We have since learned that the adoption rate within the deaf community was significantly higher than thought. Most recent Project Endeavor digital literacy survey data revealed 94% of participants already have broadband/Internet services at home. This is largely attributed to federally funded Video Relay Service (VRS) providers distributing free videophones to deaf/hh consumers with the requirement that they subscribe to high-speed Internet services. Without this subscription, VRS companies would not install the videophone equipment. Consequently, many deaf/hh people needing video communication to function in daily activities opted to subscribe to broadband services. The migration from the text-based TTY to videophone was rapid because this service allowed deaf/hh individuals to communicate using ASL for the first time. We underestimated how pervasive adoption of broadband service was in the deaf community. However, we learned that many of these subscribers only used their broadband access for video communication. Many have not availed themselves of the full functionality of broadband. Frequently the equipment they have was only a videophone. For financial and educational reasons many deaf individuals have been subscribers but not broadband users. The second factor affecting our low subscriber rate is the exploding growth and advancement of wireless video services. When the grant proposal was written, no one envisioned the quality, affordability and availability of wireless video today. Most of our target population is either abandoning fixed wired broadband in favor of wireless service or for the transition age youth and very low-income individuals, opting for free WiFi access as it becomes ubiquitous. For the deaf/hh community this transition is also being fueled by the affordability of notebooks, tablets and smart phones that is merging the functionality of the desktop computer and videophone in one mobile device. The significant educational and training needs remain as outlined in the grant but there is much more need and demand for mobile broadband access equipment than new household subscriptions. The Project made decisions to keep pace with what is happening with the deaf/hh target population. We anticipate meeting our goals as measured by new broadband user but substantially under achieving our goals as measured in new broadband subscribers.

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

Households: 841

Businesses and CAIs : 151

Project Indicators (Next Quarter)

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

By the end of Q4 2012, we anticipate serving an additional 1,200 deaf and hard of hearing participants as we wind down processing applications for equipment. The Project intends to distribute Free Broadband subscriptions to approximately 100 or more low-income individuals by the end of Q4. The goal of 200,000 of learners will be met or exceeded by the end of Q4. The post-digital literacy survey that began in Q3 as part of program evaluation is expected to yield a 20% response rate from the 9,000 participants receiving the survey. The data gathered will be compared to the data provided in the demographic profile for computer/Internet use in the participant’s applications by the end of Q4. Through the CapTel /Sprint initiative, the Project intends to add another 1,500 subscribers or more by the end of Q1 2013. During Q1 and Q2 2013, the Project intends to launch Video Remote Interpreting (VRI) services to Community Anchor Organizations in order for them to learn how to use the technology to reduce interpreting service costs and to improve services to deaf/hh consumers.

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	86	Project Endeavor is on track or ahead of schedule for baseline milestones with the exception of the new household subscribers. We anticipate using 86% of our available funding by December 2012.

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).

Our major challenge is workforce management as the contact center winds down operations by the end of Q4. Staffing levels are reduced as qualified staff are transitioned elsewhere within CSD or choose to accept a job outside of CSD. Everything depends on the nexus of having enough qualified applications as we have funds to subsidize equipment and broadband services. The projected numbers suggest that we will fall short of the combined project milestones of 16,000 subscribers and 4,500 pieces of equipment by roughly 7,100. The Project will continue to offer one-on-one tutoring via video to program participants wishing to understand the iPad or other equipment as time allows. In addition, the one-on-one assistance will be provided to participants completing the post-digital literacy surveys. As stated previously, the CapTel/Sprint Initiative will be launched in Q4 and final plans for the VRI launch in Q1 2013 will be determined. Our collaboration with the viNGN will conclude by the end of Q4. The Project Endeavor website resources, employment curriculum and Video Library will remain intact and transition to Human Services Division. Lastly, the task of completing the processing of pending initiatives will determine the exact date of Project Endeavors closeout plan for which we will seek Technical Assistance from the BTOP program.

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	\$4,417,984	\$453,000	\$3,964,984	\$3,542,090	\$316,274	\$3,225,816	\$4,135,000	\$335,000	\$3,800,000
b. Fringe Benefits	\$1,147,793	\$117,690	\$1,030,103	\$763,059	\$62,532	\$700,527	\$842,500	\$67,500	\$775,000
c. Travel	\$296,500	\$0	\$296,500	\$293,101	\$0	\$293,101	\$296,500	\$0	\$296,500
d. Equipment	\$1,746,469	\$900,000	\$846,469	\$1,586,832	\$883,122	\$703,710	\$1,728,122	\$883,122	\$845,000
e. Supplies	\$189,826		\$189,826	\$120,898	\$0	\$120,898	\$160,000	\$0	\$160,000
f. Contractual	\$601,745		\$601,745	\$482,676	\$1,188	\$481,488	\$526,188	\$1,188	\$525,000
g. Construction	\$74,800	\$74,800	\$0	\$74,842	\$74,842	\$0	\$74,842	\$74,842	\$0
h. Other	\$9,196,989	\$3,025,649	\$6,171,340	\$6,583,974	\$3,098,093	\$3,485,881	\$7,710,000	\$3,210,000	\$4,500,000
i. Total Direct Charges (sum of a through h)	\$17,672,106	\$4,571,139	\$13,100,967	\$13,447,472	\$4,436,051	\$9,011,421	\$15,473,152	\$4,571,652	\$10,901,500
j. Indirect Charges	\$1,887,690		\$1,887,690	\$1,244,694	\$0	\$1,244,694	\$1,499,850	\$0	\$1,499,850
k. TOTALS (sum of i and j)	\$19,559,796	\$4,571,139	\$14,988,657	\$14,692,166	\$4,436,051	\$10,256,115	\$16,973,002	\$4,571,652	\$12,401,350

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: \$3,025,649

b. Program Income to Date: \$3,129,328