

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION**

General Information		
<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  78-43-B10569	<b>3. DUNS Number</b>  789438293
<b>4. Recipient Organization</b>  Virgin Islands Public Finance Authority 32-33 Kongens Gade, St. Thomas, VI 00802-0430		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2011	<b>6. Is this the last Report of the Award Period?</b>  <div style="text-align: center;"> <input type="radio"/> Yes    <input checked="" type="radio"/> No                     </div>	
<b>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.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Vicky Johnson	<b>7c. Telephone (area code, number and extension)</b>  <hr/> <b>7d. Email Address</b>  vjohnson@usvipfa.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  02-24-2012	

**Project Indicators (This Quarter)**

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

The U.S. Virgin Islands Public Finance Authority/Virgin Islands Next Generation Network (VIPFA/viINGN) team successfully met the requirement for submitting a Corrective Action Plan which was accepted, and a unilateral lifting of the stop work was issued on October 17, 2011, which permitted VIPFA/viINGN to resume work. During the remaining ten weeks of Quarter 4, CY 2011, the new management team mobilized and restarted the following implementation activities.

The goal of VIPFA/viINGN's Sustainable Broadband Adoption (SBA) Program is to foster the adoption of a wide range of broadband technologies by encouraging the use of high speed, broadband communication and information services through training and conducting outreach activities to promote the significant individual and community benefits of the technology. Through the combination of its SBA, Public Computer Centers (PCC) and Comprehensive Community Infrastructure (CCI) Broadband Technology Opportunities Program (BTOP) grant-funded projects, the VIPFA/viINGN team will be positioned to encourage broader adoption of high speed, broadband technology throughout the U.S. Virgin Islands. VIPFA/viINGN expects to foster broader broadband technology adoption through a variety of outreach activities and training which will be deployed through its Public Computer Centers (PCC) throughout the U.S. Virgin Islands. Further, through the build out of a "middle mile" network under its CCI project, VIPFA/viINGN will connect the U.S. Virgin Islands to the most important business centers in the world through a scalable and flexible network platform which will provide reliable and more affordable high speed internet connectivity to support private sector and public sector efforts to drive economic growth; encourage service providers to offer more affordable, nationally competitive and reliable service offerings to customers throughout the Territory; expand access to educational opportunities for the Territory's under served populations; and, support local and national efforts in health and public safety.

The VIPFA/viINGN team restarted negotiations with CyberLearning which will develop and deliver general and specialized training under VIPFA/viINGN's Sustainable Broadband Adoption (SBA) and Public Computer Centers (PCC) programs. This training will include a "Train the Trainers" program for viINGN's staff, staff from the PCCs and volunteers. Through the partnership with CyberLearning, VIPFA/viINGN expects to leverage an estimated \$1,150,749 of in-kind match contribution from the National Education Foundation (NEF), in the form of more than 1,400 computer-based and online courses. By providing access to a wide range of courses, from basic computer literacy to nationally recognized certification training, VIPFA/viINGN expects to encourage broader broadband technology awareness and adoption.

VIPFA/viINGN has also re-engaged with BetterWorld Telecom to discuss approaches to optimize the impact of the SBA program and the most effective methods for providing training and community outreach programs. Contract negotiations are expected to conclude during Quarter 1, CY 2012.

The team also restarted planning and implementation discussions with key U.S. Virgin Islands government partners, including the Department of Education; Department of Labor; Department of Planning and Natural Resources, Division of Libraries; and, the Housing Authority. These partners are expected to support VIPFA/viINGN's efforts to provide information about the economic, social and overall community development benefits that will be derived from broadband adoption. viINGN plans to collaborate with the Department of Education in an effort to recruit youth volunteers from local schools. Local policy requires that high school students complete 150 hours of volunteer service within the community.

The collaborations with CyberLearning, the National Education Foundation and BetterWorld Telecom are examples of VIPFA/viINGN's focus on working with strategic partners who have demonstrated track records of delivering quality training and ancillary services to their clients and beneficiaries.

Further, the Vice President of Project and Program Administration was hired. He acted as the interim Program Manager for the PCC/SBA Program on St. Thomas to cover St. Thomas, St. John and Water Island until one was hired. Also, a Program Manager for St. Thomas/St. John/Water Island was hired, with responsibility for managing the PCC and SBA programs. The PCC/SBA Program Managers will work with the staff of the various PCCs, the viINGN Logistics Technicians and viINGN's information technology (IT) team to ensure that training is effectively conducted, PCC assets are maintained, system software is provided, networking resources are in working order, and technical assistance is effectively provided to support the SBA project implementation.

**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)

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.a.	Overall Project	3	<p>The methodology for calculating the "Percent Complete" was modified from the one used for Quarter 3, CY 2011, based on guidance provided by the National Telecommunications and Information Administration (NTIA)/National Institute of Standards and Technology (NIST)-assigned SBA team to all Broadband Technology Opportunities Program (BTOP) SBA grant recipients during a January 13, 2012 Webinar. The "Percent Complete" is now based solely on grant expenditures incurred to date, rather than on a combination of spending of grant funding and other actions accomplished.</p> <p>Under performance against this baseline is due to 1) the simultaneous transition of the implementation of the VIPFA/viNGN's four BTOP projects to a new management team, the majority of whose members are new to the VIPFA and viNGN, and 2) restarting the projects during an implementation period that was shorter by nearly three weeks due to the stop work order that was not lifted until October 17, 2011. Despite these challenges, the team has mobilized and made progress towards meeting the baseline targets. The combination of the accomplishments that are outlined in Item #1 above and total expenditures incurred to date document the achievements made by the new management team during a very short period of time. As PCC sites are launched as locations to host training and outreach activities for the SBA program, significant progress is expected during the next two quarters. The team is positioned to increase broadband awareness amongst residents across the U. S. Virgin Islands and to support efforts to increase broadband adoption during the remaining grant funding period.</p>
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).

Please refer to the "Narrative" for Milestone 2.a. above.

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
Not Applicable during Quarter 4, CY 2011	Not Applicable during Quarter 4, CY 2011	Not Applicable during Quarter 4, CY 2011	0	0	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
<b>Total:</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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).**

Not Applicable during Quarter 4, CY 2011; During Quarter 1, CY 2012, the Project Team expects to begin to develop and refine tools and methodologies for capturing relevant performance data.

**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 total number of new subscribers does not vary from the baseline indicator target of 0 for Quarter 3 of Year 2.

**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

**Project Indicators (Next Quarter)**

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

Significant project accomplishments planned for completion during Quarter 1, CY 2012 are the following:

- Finalize the contract with CyberLearning and related agreement with the National Education Foundation (NEF) for providing training and training tools;
- Begin to coordinate with CyberLearning, the National Education Foundation and the active PCC partners to arrange for training;
- Hire one PCC/SBA Program Manager for St. Croix;
- Hire one Administrative Assistant to support the PCC/SBA program management team on a part-time basis;
- Refine the multi-pronged media campaign for the SBA program, in conjunction with the development of a comprehensive community outreach plan for the BTOP program as a whole, both of which are designed to increase public awareness of the significant economic and social development benefits of using broadband technology, encourage broadband adoption, promote training opportunities, and provide positive exposure for the BTOP projects as a whole;
- Prepare to launch the first phase of the media campaign, in conjunction with ground breaking activities associated with Phase I of the PCC program launch;
- Conduct more in depth discussions with BetterWorld, one of the project's planned, key strategic partners, for providing specialized job skills training and related support services; and,
- Begin to develop survey tools and methodologies for collecting data on the impact of the SBA program.

**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		3	<p>The methodology for calculating the "Percent Complete" was modified from the one used for Quarter 3, CY 2011, based on guidance provided by the National Telecommunications and Information Administration (NTIA)/National Institute of Standards and Technology (NIST)-assigned SBA team to all Broadband Technology Opportunities Program (BTOP) SBA grant recipients during a January 13, 2012 Webinar. The "Percent Complete" is now based solely on grant expenditures incurred to date plus those anticipated for the next quarter, rather than on a combination of spending of grant funding and other actions accomplished.</p> <p>As PCC sites are launched as locations to host training and outreach activities for the SBA program, significant progress is expected during the next two quarters. Under performance against this baseline has been due to 1) the simultaneous transition of the implementation of the VIPFA/viNGN's four BTOP projects to a new management team, the majority of whose members are new to the VIPFA and viNGN, and 2) restarting the projects during an implementation period that was shorter by nearly three weeks due to the stop work order that was not lifted until October 17, 2011. Despite these challenges, the team has mobilized and made progress towards meeting the baseline targets. The combination of the accomplishments that are outlined in Item #1 above and total expenditures to date document that progress has been made by the new management team during a very short period of time, and the team is positioned to increase broadband awareness amongst residents across the U.S. Virgin Islands and support efforts to increase broadband adoption during the remaining grant funding period.</p>
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).**

VIPFA/viNGN team does not foresee any challenges or issues that will impede the implementation of training and outreach activities.

**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	\$574,754	\$0	\$574,754	\$273	\$0	\$273	\$579	\$0	\$579
b. Fringe Benefits	\$165,351	\$0	\$165,351	\$2	\$0	\$2	\$4	\$0	\$4
c. Travel	\$125,625	\$0	\$125,625	\$350	\$0	\$350	\$700	\$0	\$700
d. Equipment	\$31,350	\$0	\$31,350	\$0	\$0	\$0	\$0	\$0	\$0
e. Supplies	\$40,000	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0
f. Contractual	\$1,372,002	\$0	\$1,372,002	\$110,025	\$0	\$110,025	\$110,025	\$0	\$110,025
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$1,376,749	\$1,150,749	\$226,000	\$0	\$0	\$0	\$0	\$0	\$0
i. Total Direct Charges (sum of a through h)	\$3,685,831	\$1,150,749	\$2,535,082	\$110,650	\$0	\$110,650	\$111,308	\$0	\$111,308
j. Indirect Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
k. TOTALS (sum of i and j)	\$3,685,831	\$1,150,749	\$2,535,082	\$110,650	\$0	\$110,650	\$111,308	\$0	\$111,308

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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