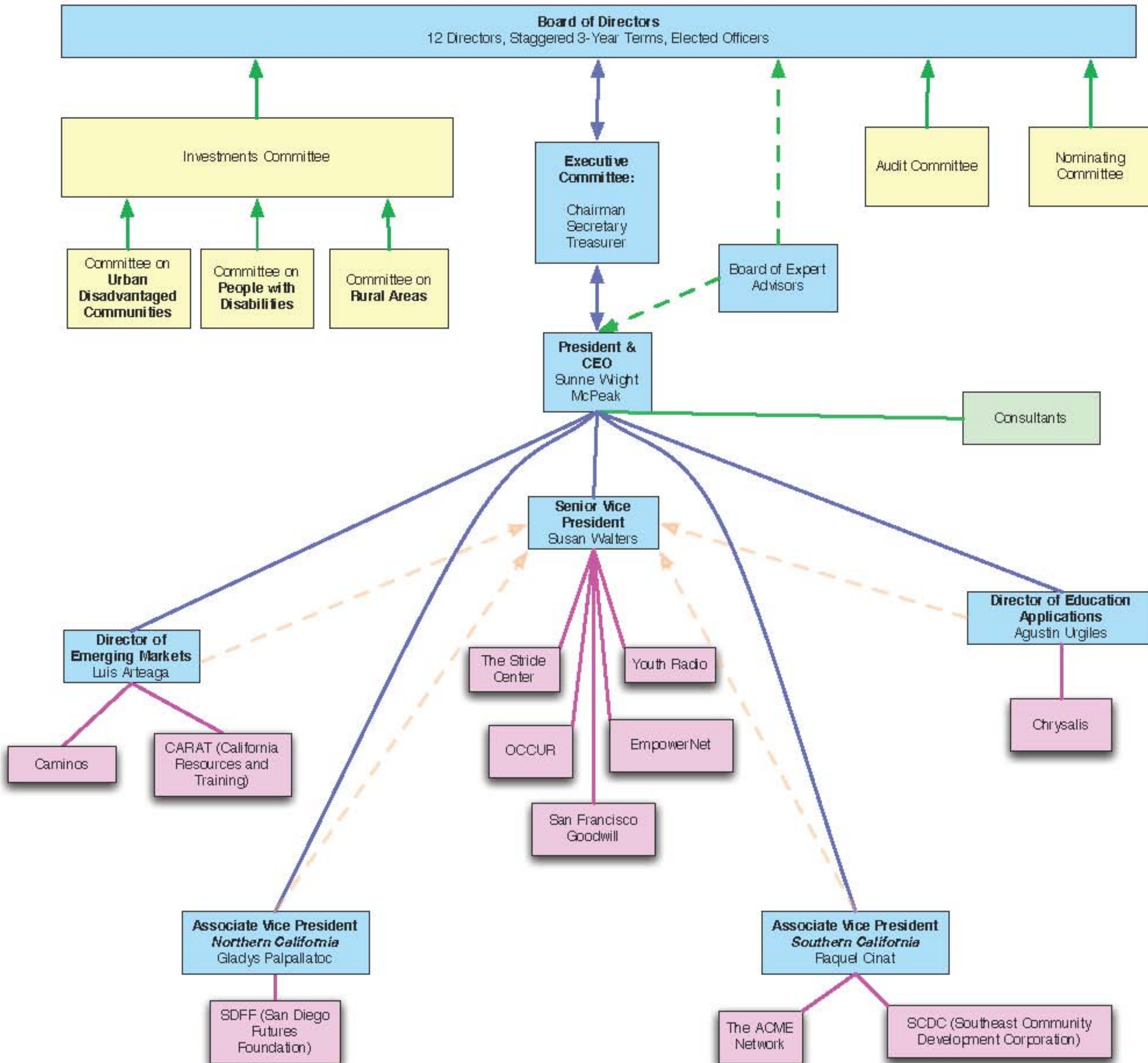


CETF Access to Careers and Technology Organizational Chart



ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

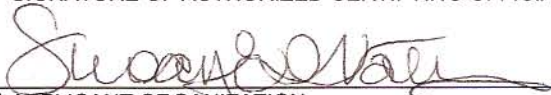
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a -1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

<p>* SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL</p> 	<p>* TITLE</p> <p>Senior Vice President</p>
<p>* APPLICANT ORGANIZATION</p> <p>California Emerging Technology Fund</p>	<p>* DATE SUBMITTED</p> <p>12 March 2010</p>



STAFF RESUMES

Ms. Sunne Wright McPeak
President and CEO

California Emerging Technology Fund

The Hearst Building, 5 Third Street, Suite 520, San Francisco, California 94103

Phone: (415) 477-CETF (2383) sunne.mcpeak@cetfund.org

Sunne Wright McPeak is the President and CEO of the California Emerging Technology Fund (CETF), a statewide non-profit organization whose mission is to provide leadership statewide to minimize the Digital Divide by accelerating the deployment of broadband and other advanced communication services to underserved communities and populations. She assumed the position as the CETF first chief executive in December 2006 after serving for three years as Secretary of the California Business, Transportation and Housing Agency for Governor Arnold Schwarzenegger.

As Secretary of the California Business, Transportation and Housing, McPeak oversaw the largest state Agency, including the Department of Transportation (Caltrans), Department of Motor Vehicles, California Highway Patrol, Office of Traffic Safety, Department of Housing and Community Development, California Housing Finance Agency, Department of Real Estate, Office of Real Estate Appraisers, Department of Financial Institutions, Department of Corporations, Department of Alcohol and Beverage Control, Department of Managed Health Care, Office of Patient Advocate, Infrastructure and Economic Development Bank, California Travel and Tourism Commission, California Film Commission, Small Business Guarantee Program, Office of Military and Aerospace Support, International Trade Promotion Program, and New Motor Vehicle Board. She was responsible for more than 42,000 employees and a budget in excess of \$11 billion. Under McPeak's leadership, performance and productivity in all departments of the Agency improved significantly—cutting average wait times at the DMV from over an hour to 21 minutes, reducing by two-thirds the time to issue real estate licenses, and generating more than \$180 million in savings. She also provided key policy leadership in support of the Governor to develop and implement major investments in infrastructure and to foster groundbreaking regional “smart growth” planning.

Before being recruited to Governor Schwarzenegger's Cabinet, McPeak served for seven years as President and CEO of the Bay Area Council, a major employer-led policy organization addressing regional economic prosperity issues. For three years prior, she served as the President and CEO of the Bay Area Economic Forum, a public-private partnership between the Bay Area Council and the Association of Bay Area Governments. In that position she pioneered the development and deployment of regional economic performance metrics to drive public policy.

Sunne McPeak served for more than fifteen years as a member of the Contra Costa County Board of Supervisors, having been first elected at age 30. When she left public office her colleagues renamed the Board Chambers in her honor. She has led numerous statewide initiatives on a variety of issues ranging from water, to housing, to child care, and served as President of the California State Association of Counties in 1984. She was named by the San Francisco League of Women Voters as “a woman who could be President.” She also served on the Boards of Directors of First Nationwide Bank and Simpson Manufacturing Company.

Sunne (whose first name is her Norwegian grandmother's family last name) grew up on a small dairy farm in the San Joaquin Valley. She earned a B.A. in an Individual Major (International Medicine) from the University of California, Santa Barbara, and a MPH in Health Education and Medical Care Administration from the University of California, Berkeley. She has been awarded two honorary doctorates from California State University East Bay and John F. Kennedy University. She and John McPeak have been married for 40 years and have two adult sons, a daughter-in-law and twin grandsons in their family.

Ms. Susan E. Walters
California Emerging Technology Fund
(415) 744-2385 susan.walters@cetfund.org

Senior Vice President, California Emerging Technology Fund, San Francisco, CA 2007-Present
The mission of CETF is to close the “digital divide” by accelerating the deployment of broadband to underserved communities and populations in a way that makes California more competitive. Responsible for developing and coordinating all programs, projects and staff for the California Emerging Technology Fund at the direction of the President and CEO.

Vice President, Community Relations, Citibank, Glendale, CA 2004-2007
Responsible for external relationships and activities needed to meet the Community Reinvestment Act (CRA) in the Greater Southern California region. A staff of five professionals managing philanthropy, strategic partnerships, issue management, and senior management positioning reported to the position.

Principal, WaltersGroupUSA, Mill Valley, CA 1998-2004
Built consultancy practice in strategic communications, stakeholder management, e-philanthropy along with Internet Accessibility for People with Disabilities. Clients included corporations, non-profits and foundations such as: AOL, Freddie Mac Foundation, FoodRoutes Network, ITVS, Microsoft, and Verizon.

Director, Consumer Markets and Regional Strategy, Pacific Bell, San Francisco, CA 1991–1996
Responsibilities included supervising a department of 250+ employees with an annual budget of \$300 million. The successes included increasing the annual revenue by \$30M. The Deaf and Disabled Market Group required regular negotiation with the CPUC and community leaders.

Manager, Public Issues and Consumer Affairs Pacific Bell, San Francisco, CA 1986–1991
Responsibilities included helping to achieve the legislative and regulatory goals for deregulation through successful development and execution of communication strategies, issue and brand management, and stakeholder management. Worked successfully with key influencers at the state and federal level on issues ranging from AIDS in the workplace, telecommunications policy, diversity, consumer input on product development and disability related issues.

Senior Consultant, Speaker Willie L. Brown, Jr., California Assembly, Sacramento, CA 1983-1986
Responsibilities included managing several legislative initiatives and supporting members of the new legislative class. Key contributor to developing state AIDS policies.

Campaign Manager, Poindexter and Associates, San Francisco, CA 1981-1983
Organized and ran campaigns (Congressional, Assembly and local races) with varying levels of responsibility including fundraising, direct mail, grassroots organizing, get out the vote operations.

Education

Master of Arts	Public Policy Analysis, Claremont Graduate School 1986
Bachelor of Science	Business Administration, U. C. Berkeley 1979
Coro Fellow	Coro Foundation, San Francisco 1981
Certificate	Post-Graduate Telecom Course, University of Sussex, England 1990

Community Involvement

Board Member	Center for Accessible Technology
Board Member	Community Development Technology
Board Member	Coro Center for Civic Leadership (San Francisco)
Board Member	World Institute on Disability

Mr. Luis M. Arteaga

(510) 541-6596 luis.arteaga@cetfund.org

EMPLOYMENT

2008 – Present Director of Emerging Markets, California Emerging Technology Fund

- Manage portfolio of grants including monitoring progress, financial reporting and due diligence
- Manage projects including a multi-lingual public awareness program, media relations, telemedicine, public policy and improving broadband access for Native Americans
- Provide organizational leadership and support

2003-2007 Executive Director, Latino Issues Forum

1995-2003 Senior Policy Analyst and Associate Director

Management and Administration

- Responsible for managing staff of 15 and a \$2.3 million budget
- Extensive and documented experience in corporate, foundation and individual fundraising
- Successful at strategic planning, staff development and organizational problem solving

Corporate, Media and Community Relations

- Served on community advisory boards for Verizon, PG&E, and AT&T
- Served on numerous non-profit and advisory boards including the Regional Planning Committee of the Association of Bay Area Governments, Speaker Villaraigosa's State-Local Finance Reform Commission, Governor Schwarzenegger's Hydrogen Highway Advisory Committee, the Minority Citizens Advisory Committee of the Metropolitan Transportation Commission, Health Access and several state and local organizations
- Respected media resource in Spanish and English media with documented articles in The San Francisco Chronicle, The Los Angeles Times, New York Times and Time Magazine

EDUCATION

1987-1991 Bachelor of Arts in Politics, Princeton University

Minor in Latin American Studies

1993-1995 Master in Public Policy, Harvard University

Concentration in Housing, Urban Development and Transportation

VOLUNTEER EXPERIENCE

Vice President, Board of Directors, Pacific Forest and Watershed Lands Stewardship Council

- Appointed by the California Public Utilities Commission as a founding trustee of a \$100 million foundation. Serves as chair of the Youth Investment Committee charged with designing and implementing a giving plan for \$30 million to improve recreational opportunities for disadvantaged youth.

Mr. Agustin Urgiles M.P.P.
(310) 462-3237
agustin.urgiles@cetfund.org

EDUCATION

Masters in Public Policy
May 2003
University of Southern California

Bachelor of Arts in History May 1999
University of California, Berkeley
Emphasis on US Social & Economic History

EXPERIENCE

California Emerging Technology Fund 2008-Present
Director of Education Application
Manage portfolio of education based organizations leveraging broadband technology to support K-12 student achievement. Work with grantees to identify and leverage existing resources that support their specific program objectives. Identify potential investment opportunities that support the organizational mission to increase the level of meaningful access to broadband technologies.

P.U.E.N.T.E Learning Center 2005-Present
Academic Programs Director
Establish and maintain strategic partnerships with key local community agencies, schools, universities and elected officials to provide targeted academic support to children, youth and adults in the Boyle Heights Community. Directly oversaw the implementation of online academy in collaboration with the University of California Online College Prep (UCCP) office. Develop and conduct various “academic success” workshops for students enrolled in P.U.E.N.T.E’s academic enrichment programs and their parents. Oversee the daily operations of the youth and adult programs at the Boyle Heights campus.

Alliance for a Better Community 2003-2005
Education Policy Coordinator
Chaired a coalition of prominent community organizations, research institutions and civic leaders seeking to reform LAUSD policies in order to significantly increase the number of district’s graduates prepared to succeed in college or a skill intensive 21st century vocational career.

Collaborated with the United Way of Grater Los Angeles to develop a strategic “action roadmap” for the successful implementation of various secondary education reform objectives in “The Latino Scorecard”. Managed yearly program budget and grant reporting. Coordinated various media related aspects of strategic “A-G” public awareness campaign.

HONORS

USC Dean’s Merit Scholarship 2003
UC Berkeley Alumni Scholarship 1993

Ms. Raquel Cinat

(310) 406-6221 raquel.cinat@cetfund.org

WORK EXPERIENCE

Associate Vice President, California Emerging Technology Fund, Los Angeles, CA 2007-Present
Responsible for assisting with the development and coordination of all programs and projects for CETF at the direction of the President and CEO and in cooperation with the Senior Vice President. This responsibility includes assisting with the identification and evaluation of program investment opportunities, convening of stakeholders, and facilitation of agreement(s) among stakeholders, partners and investors to address the 3 initial priorities of focus: rural communities, urban disadvantaged communities, and disabled populations. Responsible for monitoring and evaluating grantees, and preparing summary reports on performance. Represent the organization as needed to speak in public to organizations, the media, prospective partners or investments, and stakeholders.

Program Coordinator, Resident Services, Los Angeles Community Design Center, Los Angeles, CA 2003-2007
Responsible for programmatic services for affordable housing developer in low-income, ethnically diverse communities, in areas such as health, technology, immigration issues, conflict resolution, parenting skills, and legal assistance. Line responsibility for developing and supervising computer lab programs located at properties I supervise. Responsible for recruitment and supervision of staff and outreach to educational institutions to identify volunteers and interns. Collaborated with interested stakeholders such as school districts, universities and community colleges, Boys & Girls Clubs, and art organizations to establish partnerships for the delivery of programmatic services to the residents. Assisted in development of measurable outcomes for the department to achieve efficiency, accountability, and strategic goals.

Crisis Intervention Case Manager, Beyond Shelter, Los Angeles, CA 2000-2003
Assisted homeless, at-risk families and individuals in crisis with information, referrals and case management in English and Spanish. Provided outreach services to South Los Angeles community residents. Worked in collaboration with community groups and businesses to provide the best possible services to clients.

Coordinator of Evaluation Mechanisms 2000-2001
Responsible for managing organization's database system of over 1,700 clients. Gathered, inputted, and updated information using Microsoft Access. Assisted in the creation and development of critical evaluation mechanisms for the organization and the PEW study.

EDUCATION

B.A. in Psychology- Minor: Spanish, California State University Dominguez Hills, Carson, CA 2002
Graduated with Honors -Summa Cum Laude

Public Allies Apprenticeship Program, Los Angeles, CA 2000
Associate in Arts in Liberal Arts, Santa Monica College, Santa Monica, CA 1996
Dean's List, Member, Alpha Gamma Sigma Honor Society, Graduated with Honors

Gladys N. Palpallatoc

• W (415) 744-2387 • gladys.palpallatoc@cetfund.org

SKILLS SUMMARY

- Works well independently and in a team environment, collaboratively
- Excellent interpersonal, verbal and written communication skills
- Ability to maintain several projects and sustain productivity under pressure, with grace and poise
- Very organized, ability to prioritize, with proven analytical and decision-making skills
- Committed to excellence, quality, creativity, with a high standard of integrity and business ethics
- Highly dedicated, enthusiastic and self-motivated

ACCOMPLISHMENTS

Management and Administration

- Develop and coordinate programs and projects, including workplans and budgets, prioritization of goals and meeting objectives on schedule
- Identify, evaluate and administer grants ranging from \$10,000–\$2.9 million
- Plan, facilitate and coordinate conferences, summits, special events, focus groups and meetings
- Assist in overseeing office operations
- Coordinate successful sponsorship solicitation of \$1000–\$10,000 for program development

Communications

- Interact and foster effective working relationships with diverse groups
- Experience with coalition building and public/private partnerships: coordinating corporate partners, non-profit organizations, civic leaders, government entities, foundations and various other stakeholders
- Develop communications concepts and execute them in a clear, enthusiastic and assertive manner
- Create and produce conference, summit and meeting materials: brochures, advertisements, flyers, programs, posters, press releases, presentation materials and agendas

Technology

- Familiarity with wireline and wireless broadband technologies
- Proficient in Microsoft Office Suite, Adobe Acrobat Suite and database applications.

PROFESSIONAL EXPERIENCE

2008 to Present California Emerging Technology Fund
Associate Vice President

2004 to 2007 Bay Area Council
Director – Education and Workforce Development

2000 to 2003 Bay Area Council
Program Coordinator – Education and Workforce Development
Program Coordinator – Sustainable Development

1998 to 2000 California Foundation on the Environment and the Economy (CFEE)
Consultant – Regional Telecommunications Project

1995 to 1999 Bay Area Economic Forum
Program Assistant – Telecommunications Infrastructure Partnership
Program Assistant – Bay Area Multimedia Partnership
Program Assistant – Environmental Technology Partnership

EDUCATION

1991 University of California, Santa Barbara – Bachelor of Arts, Political Science

DARREN SANDFORD



SENIOR STRATEGIC AND TECHNICAL EXECUTIVE

Accomplished executive with an exhaustive chronicle of success optimizing the finances and deploying technical solutions for industry-leading and highly respected corporations. An extensive and diverse background in telecommunications, information technology and systems, networking, security and Internet applications combined with a deep understanding of the intersection between technology, business, and corporate operational needs.

QUALIFICATION HIGHLIGHTS

Information Technology	Executive Management	Project Management	Network Engineering
M&A Integration	Technical Marketing	Sales Engineering	Software Engineering
Product Development	Relationship Building	Internet Technology	Customer Support

PROFESSIONAL EXPERIENCE

Vice President for Technology Deployment, California Emerging Technology Fund, San Francisco, CA, USA. Jan 2009 - Present

A non-profit foundation providing leadership state-wide to minimize the digital divide by accelerating the deployment and adoption of broadband and other advanced communications services to underserved and underserved communities.

Member of the Board of Directors, Via Services, Santa Clara, CA, USA. Mar 2008 - Present

A nonprofit health and welfare organization that helps children and adults with disabilities achieve greater self-sufficiency.

Senior Executive Advisor, Independent Consulting, Union City, CA, USA. Dec 2008 - Present

Volunteer or equity-based direct advisor to CEOs of public or private technology and/or service provider companies in the San Francisco Bay area.

Vice President of Engineering, Vidtel, Sunnyvale, CA, USA. Nov 2008 - May 2009

Start-up video telephony organization seeking to introduce simple, cost-effective and standalone video and audio telephone units with excellent picture quality into businesses and homes.

Director of Network Planning, Design and Analysis, Covad Communications, San Jose, CA, USA. Oct 2006 - Sep 2008

A national Internet service provider offering wholesale and retail wireless and wireline voice and data communication solutions for businesses.

Director of Network Planning and Strategy, Pac-West Telecomm, Stockton, CA, USA. Feb 2005 - Oct 2006

A national competitive local exchange carrier offering traditional and VoIP voice solutions and Internet transport to wholesale and/or large service providers.

Director of Technology, Primus Telecommunications, Toronto, Ontario, Canada. Jan 2000 - Feb 2005

The nation's largest competitive local exchange carrier offering cellular, fixed wireless, telephone, DSL Internet, dial-up Internet, private line, transport, and long distance services to consumers and businesses.

Vice President of Technology, Infinity Online, Toronto, Ontario, Canada. Nov 1993 - Jan 2000

Regional Internet service provider and Internet content provider, acquired by Primus Telecommunications in January 2000.

Principal Consultant, TCA, Toronto, Ontario, Canada. Jan 1990 - May 1995

Networking and programming consulting for very small enterprise and bulletin board systems.

EDUCATION

Honors B.Sc. Certificate	Trent University, Peterborough, Ontario, Canada.	Biology and Environmental Science
Certificate	Michigan State University, East Lansing, Michigan, USA.	Nonprofit Leadership & Management
Certificate	University of Delaware, Newark, Delaware, USA.	Project Management

**CALIFORNIA EMERGING TECHNOLOGY FUND
AUDITED FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED
JUNE 30, 2008**

HCA & CO.

Management consulting and certified public accountancy firm

**CALIFORNIA EMERGING TECHNOLOGY FUND
AUDITED FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED
JUNE 30, 2008**

CALIFORNIA EMERGING TECHNOLOGY FUND

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT on Financial Statements	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6

INDEPENDENT AUDITOR'S REPORT

Board of Directors
California Emerging Technology Fund (CETF)
San Francisco, California

We have audited the accompanying statements of financial position of California Emerging Technology Fund (CETF) (a California nonprofit public benefit organization) as of June 30, 2008, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of California Emerging Technology Fund as of June 30, 2008, and the changes in its net assets, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

HCA & Co.

HCA & CO., CPA
San Francisco, California

December 1, 2008

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
STATEMENT OF FINANCIAL POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

ASSETS

Cash	\$	32,773,896
Prepaid expense		12,972
Property and equipment, net		44,157
TOTAL ASSETS	\$	<u>32,831,025</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$	25,039
Grants payable		11,271,970
TOTAL LIABILITIES		<u>11,297,009</u>

NET ASSETS

Unrestricted:		<u>5,864,797</u>
TOTAL UNRESTRICTED		5,864,797

Temporarily restricted:

Grant commitments		15,669,220
TOTAL TEMPORARILY RESTRICTED		<u>15,669,220</u>

Permanently restricted:		<u>-</u>
-------------------------	--	----------

TOTAL PERMANENTLY RESTRICTED		-
-------------------------------------	--	----------

TOTAL NET ASSETS		<u>21,534,017</u>
-------------------------	--	--------------------------

TOTAL LIABILITIES AND NET ASSETS	\$	<u>32,831,025</u>
---	-----------	--------------------------

The accompanying notes are an integral part of these financial statements

**CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>REVENUES AND SUPPORT</u>				
Contributions	\$ 375,200	\$ -	\$ -	\$ 375,200
Grants	-	12,000,000	-	12,000,000
Miscellaneous	250	-	-	250
Investment income and gains	1,030,389	-	-	1,030,389
Net assets released from restrictions	15,525,137	(15,525,137)	-	-
TOTAL REVENUES AND SUPPORT	<u>16,930,976</u>	<u>(3,525,137)</u>	<u>-</u>	<u>13,405,839</u>
<u>EXPENSES</u>				
Program services				
Accessibility and community outreach	1,058,276	-	-	1,058,276
Information technology	84,611	-	-	84,611
Grant awards	14,382,250	-	-	14,382,250
Total program services	15,525,137	-	-	15,525,137
Supporting services				
Management and general	537,453	-	-	537,453
TOTAL EXPENSES	<u>16,062,590</u>	<u>-</u>	<u>-</u>	<u>16,062,590</u>
Change in net assets	868,386	(3,525,137)	-	(2,656,751)
Net assets, beginning of year	4,996,411	19,194,357	-	24,190,768
NET ASSETS, END OF YEAR	<u>\$ 5,864,797</u>	<u>\$ 15,669,220</u>	<u>\$ -</u>	<u>\$ 21,534,017</u>

The accompanying notes are an integral part of these financial statements

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	Program Services			Total Program Services	Total Supportive Services	Total Expenses
	<u>Accessibility and Community Outreach</u>	<u>Information Technology</u>	<u>Grant Awards</u>		<u>Management and General</u>	
<u>Personnel Costs</u>						
Salaries and other compensations	\$ 409,149	37,195	\$ -	\$ 446,344	\$ 297,563	\$ 743,907
Payroll taxes	20,915	1,901	-	22,816	15,211	38,027
Employee benefits	22,025	2,003	-	24,028	16,018	40,046
	<u>452,089</u>	<u>41,099</u>	-	493,188	328,792	821,980
<u>Other Expenses</u>						
Reimbursed employee expenses	14,523	1,321	-	15,844	10,562	26,406
Board cultivation and meetings	-	-	-	-	35,559	35,559
Professional services	-	-	-	-	108,926	108,926
Insurance	9,304	846	-	10,150	6,767	16,917
Occupancy	21,288	1,935	-	23,223	15,482	38,705
Telephone	10,397	945	-	11,342	7,561	18,903
Supplies	1,394	126	-	1,520	1,014	2,534
Printing and reproduction	5,640	513	-	6,153	4,102	10,255
Postage and delivery services	2,814	256	-	3,070	2,046	5,116
Equipment lease and maintenance	3,219	293	-	3,512	2,342	5,854
Miscellaneous	2,921	266	-	3,187	2,124	5,311
Depreciation	-	-	-	-	12,177	12,177
Consultants and outside services	109,992	-	-	109,992	-	109,992
Broadband mapping and related expenses	424,695	-	-	424,695	-	424,695
Information technology	-	37,011	-	37,011	-	37,011
Grant awards	-	-	14,382,250	14,382,250	-	14,382,250
TOTAL EXPENSES	<u>\$ 1,058,276</u>	<u>\$ 84,611</u>	<u>\$ 14,382,250</u>	<u>\$ 15,525,137</u>	<u>\$ 537,453</u>	<u>\$ 16,062,590</u>

The accompanying notes are an integral part of these financial statements.

**CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets \$ (2,656,751)

**ADJUSTMENTS TO RECONCILE CHANGE IN NET
ASSETS TO NET CASH PROVIDED (USED) BY
OPERATING ACTIVITIES**

Depreciation	12,177
Prepaid expense	9,397
Accrued employees' vacation	23,027
Employee retirement contributions payable	(26,447)
Grants payable	11,271,970
Accrued expenses	2,011
Accounts payable	(94,873)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>8,540,511</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Furniture and equipment (1,740)

**NET CASH (USED) BY
INVESTING ACTIVITIES** (1,740)

CASH FLOWS FROM FINANCING ACTIVITIES

**NET CASH PROVIDED BY
FINANCING ACTIVITIES** -

NET INCREASE IN CASH 8,538,771

Cash, beginning of year 24,235,125

CASH, END OF YEAR **\$ 32,773,896**

The accompanying notes are an integral part of these financial statements

**CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

1. ORGANIZATIONAL HISTORY AND PROGRAMS SUMMARY

The California Emerging Technology Fund (CETF) was established and funded through the SBC/AT&T and Verizon/MCI merger agreements approved by the California Public Utilities Commission (CPUC) in November 2005 to help bridge the Digital Divide. It became a qualified public benefit entity in May 2006.

As a condition of approval of the mergers, CPUC required the surviving companies, AT&T and Verizon, to collectively provide a total of \$60 million over a 5-year period to CETF in shareholder contributions to the fund “for the purpose of achieving ubiquitous access to broadband and advanced services in California, particularly in underserved communities, through the use of emerging technologies by 2010”. AT&T and Verizon are required to contribute \$9 million and \$3 million each per year respectively. Funds dedicated to CETF will be used to attract matching funds in like amounts from other organizations.

The primary purpose of establishing CETF is to fund deployment of broadband facilities in underserved communities, defined as communities without broadband service, communities with access to only one broadband service provider other than satellite, or below average broadband adoption rates. Communities with below average adoption rates primarily include low-income households, ethnic minority communities, disabled citizens, seniors, small businesses, and rural or high-cost geographic areas. The CETF will also focus on deployment of broadband facilities to bring critical advanced services to high cost and rural areas, such as telemedicine and online education. Underserved communities include, but not limited to, individuals, groups, and organizations that face telecommunications challenges or disadvantages due to disabilities, low incomes, inadequate telecommunications infrastructure, language and cultural differences, lack of technological understanding and/or equipment, and other constraints.

The stated mission of CETF is to provide leadership statewide to minimize the Digital Divide by accelerating the deployment and adoption of broadband and other advanced communication services to un-served and underserved communities. As stated herein, these tasks and initiatives would be accomplished by making investments in programs and projects to improve access, applications, affordability, accessibility and assistance to broadband – the “5As” of the Digital Divide – while utilizing its core paradigm of Communicate, Connect, and Compete.

The initial priority consumer communities for project focus are:

- Rural communities that lack the broadband infrastructure.
- Urban poor and disadvantaged communities that lack the computers and affordable connections to the Internet with relevant applications.
- Disabled populations that lack technology accessibility.

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

A. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues during the reporting periods. Actual results could differ from those estimates.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recorded when rights to receive them are earned, or when services have been provided, and expenditures are recorded when obligation to pay is incurred.

C. Financial Statement Presentation

The accompanying financial statements are presented on the basis of unrestricted, temporarily restricted, and permanently restricted net assets.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of CETF and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of CETF and/or passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Total temporarily restricted net assets appropriated for grant commitments by the board of directors as of June 30, 2008 was \$15,669,220.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions that stipulate that they be maintained permanently by CETF. Generally, the donors of these assets permit CETF to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets at June 30, 2008.

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 (continued)

D. Revenue Recognition and Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting. Contribution income is recognized when there is an unconditional promise to give.

Revenues are reported as increases in unrestricted net assets unless their use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Appreciation or depreciation in market value of investments and gains and losses on other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of temporary restrictions on net assets is reported as net assets released from restrictions. Grant income is recognized when the service is provided and related conditions satisfied.

E. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, CETF considers all unrestricted highly liquid investments with original maturities of three months or less to be cash equivalents.

F. Comparative Financial Information

As this is the Organization's inaugural audit, no comparative financial information by net asset class is presented herein for the year ended June 30, 2008.

G. Functional Allocation of Expenses

Costs of providing programs and other activities are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated to the programs and supporting services by a method which best measured the relative degree of benefit. Accordingly, certain costs have been allocated between the program and supporting services in reasonable ratios determined by management.

H. Contributed Goods and Services, Unconditional Promises to Give

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Contributions to be received after one year are presented at their discounted value. CETF received approximately \$12.4 million in corporate grants during the fiscal year ended June 30, 2008. In addition, CETF secured matching funds of approximately \$24 million.

A substantial number of unpaid volunteers and board of director members have made significant contributions of their time and other resources to support the Organization's activities. The value of these services is not reflected in these statements since it is not susceptible to objective measurement or valuation.

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 (continued)

I. Grant Commitments and Payments

CETF made grant commitments (grant agreements and contracts) of approximately \$14.4 million, to various grantees, out of the total Board-approved grants of \$18.8 million during the audit period. Board-approved grant solicitation requests are not recognized as liabilities until management conclude due diligence and suitability analysis; and, then execute grant agreements evidencing the commitments. Total grant payments during the year was approximately \$3.1 million, with the remaining commitments of \$11.3 million accrued as a liability as of June 30, 2008.

J. Contingent Liabilities

Conditions contained within various contracts and grants awarded to CETF are subject to the funding organizations' criteria and regulations, as well as CPUC enabling Order, under which expenditures may be charged against and may be subject to audits under such regulations and criteria. Occasionally, such audits may determine that certain costs incurred against the contracts or grant awards may not comply with the established criteria that govern them. In such cases, CETF could be held responsible for repayments to the funding organizations and/or oversight public agencies for the costs or be subject to the reductions of future funding in the amount of the costs. Management does not anticipate any material questioned costs for the contracts administered and/or grants received and/or awarded during the audit period.

K. Income Taxes and Exempt Status

CETF is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, and California Revenue and Taxation Code Section 23701d. Accordingly, CETF does not pay federal or state income taxes and thus, no provision for income taxes has been made in these financial statements. In addition, CETF qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

L. Property, Equipment, Rights and Tenant Improvements

Property and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful life in accordance with Statement of Financial Accounting Standards, No. 93. Major additions are capitalized, and repair and maintenance that do not improve or extend the life of the assets are expensed. Computers and small furniture and fittings purchased during the fiscal year as applicable, were expensed.

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 (continued)

M. Operating Lease and Shared Cost Commitments

CETF is a party to a three-year non-cancelable operating lease for its principal office facility located in a commercial building in San Francisco, CA, requiring average monthly rent of \$1,991. The lease agreement expires on April 30, 2010 but provides renewal options.

During the audit period, CETF also maintains a satellite office facility in Southern California requiring no monthly rent payment. The fair market value of this office facility is approximately \$10,200. This amount was recognized as in-kind contributions during the year. While there were no lease payment requirements at the Southern California satellite office facility, CETF, is however, required to pay shared costs associated with the operation of the facility and other occupancy-related common costs based on a prorated allocation formula. CETF also leases certain equipment under monthly operating leases.

Total operating lease and facilities-related expenses for fiscal year ended June 30, 2008 was \$38,705. The approximate minimum future rental commitments and operating lease shared costs under all such noncancelable and potentially renewable operating leases are as follows:

<u>Year Ending June 30:</u>	
2008	\$38,705
2009	53,602
2010	55,280
2011	56,280
2012	<u>56,780</u>
	<u>\$260,647</u>

N. Property and Equipment

Property and equipment consist of the following as of June 30, 2008:

Furniture and fixtures	\$28,188
Computers and peripherals	<u>34,214</u>
	62,402
Less accumulated depreciation	<u>(18,245)</u>
Net book value	<u>\$44,157</u>

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 (continued)

O. Concentration of Grant Revenue and 10-Year Goal to Close the Digital Divide

As a relatively new entity, the Organization's support and revenue activities for the first five years are derived primarily from corporate grants provided by AT&T and Verizon, pursuant to the CPUC merger approval Order. Though the Organization plans to leverage these corporate grants through grant-matching efforts, there are no assurances that CETF would be successful in other fundraising initiatives and grant-matching efforts. Corporate grant funding obligation is subject to economic viability of the corporate donors amidst distressed prevailing economic and financial conditions. There is no indication about the renewability of the corporate grants after the initial 5-year period. However, management has proposed, and the board has adopted a 10-year goal to close the Digital Divide within the requisite constraint of not expending more than \$5 million annually of the seed grant resources for each of the remaining 8 years.

P. Concentration of Credit Risk

CETF maintains its cash balances at one financial institution. Accounts at the institution are insured by the Federal Deposit Insurance Corporation. At June 30, 2008, bank balances before reconciling items were approximately \$33 million of which \$100,000 was insured for during the year. It is the opinion of the management that the solvency of the financial institution is not of particular concern at this time.

Q. Pension Plan

CETF has established a 401(k) retirement plan to provide eligible employees with retirement benefits. All employees are eligible except for leased and hourly paid employees. CETF contributed 10% of active participants' compensation in the amount of \$60,493 for the year ended June 30, 2008.

R. Compensated Absences

CETF encourages its employees to take their vacation during the year that it is earned. When this is not possible, employees may accumulate time up to the limits according to their length of service in the organization. The employees do not gain a vested right to accumulated sick leave. The accumulated employee sick leave benefits are not recognized as liabilities of CETF, since payment of such benefits are recorded as expenditures in the period sick leave is taken. Vacation accrued as of June 30, 2008 was \$23,027. This amount has been included in accrued payroll and related liabilities.

S. Contributed In-Kind Support

Contributed services and costs are recognized at fair market value. The financial statements reflect \$10,200 for in-kind rental expense support for the Southern California office.

CALIFORNIA EMERGING TECHNOLOGY FUND (CETF)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 (continued)

T. Active Third-Party Grant and Project Administrator

Pursuant to applicable Statement of Financial Accounting Standards and in concert with the provisions of the CPUC enabling order, CETF acts as a pass-through, third-party grant administrator. Accordingly, CETF is authorized to receive grants from all permissible sources, solicit donation and grant-matching opportunities, administer and monitor grant awards to various third-party entities to achieve stated mission, priorities and objectives. CETF is primarily responsible for all aspects of grant administration, procurement, compliance with applicable terms and agreements, monitoring and ensuring the deliverable of desirable and aspirational outcomes. As a third-party grant administrator and pass-through entity, grant receipts pursuant to the CPUC order are recognized as revenues. Unpaid grant award commitments are properly accrued as liabilities.

In addition to previous \$24 million grant receipts, as of June 30, 2008, CETF received over \$12 million from AT&T and Verizon. The board of directors approved approximately \$18.8 million of grant proposals. The agency entered into grant agreements in the amount of \$14.4 million and paid out \$3.1 million. The remaining unpaid grant commitments of \$11.3 million were properly accrued as liabilities. Grant payments to grantees are subject to verifiable and quantifiable deliverables pursuant to various grant agreements.

In addition to setting up its operational infrastructure, the Organization was actively pursuing, soliciting, procuring, reviewing, recommending and approving grant proposals during the fiscal year that ended on June 30, 2008. The Organization expects ongoing grant-making activities during the coming years.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

(A California Not-for-Profit Public Benefit Corporation)

FINANCIAL STATEMENTS

JUNE 30, 2009 AND JUNE 30, 2008

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

**TABLE OF CONTENTS
JUNE 30, 2009 AND 2008**

Independent auditors' report	2
Statement of financial position	3
Statement of activities	4 - 5
Statement of functional expenses	6 - 7
Statement of cash flows	8
Notes to financial statements	9 - 15



Independent Auditors' Report

Board of Directors
California Emerging Technology Fund

We have audited the accompanying statement of financial position of the California Emerging Technology Fund, a California not-for-profit public benefit corporation, as of June 30, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of CETF's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of CETF as of June 30, 2008, were audited by other auditors whose report dated December 1, 2008, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the California Emerging Technology Fund as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

RINA accountancy corporation

Certified Public Accountants

San Francisco, California
October 6, 2009

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>	<u>June 30, 2009</u>	<u>June 30, 2008</u>
CURRENT:		
Cash and cash equivalents	\$ 26,333,226	\$ 32,773,895
Investments	9,992,700	0
Prepaid expenses	4,365	12,973
TOTAL CURRENT ASSETS	36,330,291	32,786,868
PROPERTY AND EQUIPMENT, net	39,370	44,157
	\$ 36,369,661	\$ 32,831,025
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT:		
Accounts payable and accrued expenses	\$ 59,092	\$ 25,039
Grants payable	9,819,154	11,271,970
TOTAL CURRENT LIABILITIES	9,878,246	11,297,009
NET ASSETS:		
Unrestricted	5,789,015	5,864,796
Temporarily restricted	20,702,400	15,669,220
Permanently restricted	0	0
TOTAL NET ASSETS	26,491,415	21,534,016
	\$ 36,369,661	\$ 32,831,025

See notes to financial statements.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

STATEMENT OF ACTIVITIES

	For the Year Ended June 30, 2009			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:				
Grants	\$ 0	\$ 12,000,000	\$ 0	\$ 12,000,000
Investment income	229,971	0	0	229,971
Miscellaneous	13,494	0	0	13,494
Net assets released from restrictions	6,966,820	(6,966,820)	0	0
TOTAL SUPPORT AND REVENUE	7,210,285	5,033,180	0	12,243,465
EXPENSES:				
Program services	6,966,820	0	0	6,966,820
Management and general	319,246	0	0	319,246
TOTAL EXPENSES	7,286,066	0	0	7,286,066
INCREASE (DECREASE) IN NET ASSETS	(75,781)	5,033,180	0	4,957,399
NET ASSETS, beginning of year	5,864,796	15,669,220	0	21,534,016
NET ASSETS, end of year	\$ 5,789,015	\$ 20,702,400	\$ 0	\$ 26,491,415

See notes to financial statements.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

STATEMENT OF ACTIVITIES

	For the Year Ended June 30, 2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:				
Grants	\$ 0	\$ 12,000,000	\$ 0	\$ 12,000,000
Contributions	375,200	0	0	375,200
Investment income	1,030,389	0	0	1,030,389
Miscellaneous	250	0	0	250
Net assets released from restrictions	15,525,137	(15,525,137)	0	0
	16,930,976	(3,525,137)	0	13,405,839
EXPENSES:				
Program services	15,525,137	0	0	15,525,137
Management and general	537,454	0	0	537,454
	16,062,591	0	0	16,062,591
INCREASE (DECREASE) IN NET ASSETS	868,385	(3,525,137)	0	(2,656,752)
NET ASSETS, beginning of year	4,996,411	19,194,357	0	24,190,768
NET ASSETS, end of year	\$ 5,864,796	\$ 15,669,220	\$ 0	\$ 21,534,016

See notes to financial statements.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2009

	Program Services	Supporting Services	Total
Personnel Costs:			
Salaries and other compensation	\$ 830,940	\$ 146,637	\$ 977,577
Payroll taxes	53,288	9,404	62,692
Employee retirement	76,504	13,500	90,004
Employee benefits	53,910	9,513	63,423
	<u>1,014,642</u>	<u>179,054</u>	<u>1,193,696</u>
Other Expenses:			
Grant awards	4,982,250	0	4,982,250
Consultants and outside services	767,628	0	767,628
Regional roundtables and outreach	31,196	0	31,196
Information technology	42,696	0	42,696
Board leadership and meetings	0	54,557	54,557
Professional services	0	65,096	65,096
Insurance	17,320	3,057	20,377
Occupancy	41,205	7,271	48,476
Telephone	19,842	3,502	23,344
Supplies	3,214	567	3,781
Printing and reproduction	7,876	1,390	9,266
Postage and delivery services	1,312	231	1,543
Equipment lease and maintenance	5,229	923	6,152
Depreciation	11,471	2,024	13,495
Media relations and communications	12,020	0	12,020
Miscellaneous	8,919	1,574	10,493
	<u>6,966,820</u>	<u>319,246</u>	<u>7,286,066</u>
Total expenses	\$ 6,966,820	\$ 319,246	\$ 7,286,066

See notes to financial statements.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2008

	Program Services	Supporting Services	Total
Personnel Costs:			
Salaries and other compensation	\$ 410,048	\$ 273,366	\$ 683,414
Payroll taxes	22,816	15,211	38,027
Employee retirement	36,296	24,197	60,493
Employee benefits	39,872	26,580	66,452
	509,032	339,354	848,386
Other Expenses:			
Grant awards	14,382,250	0	14,382,250
Broadband mapping and related expenses	424,695	0	424,695
Information technology	37,011	0	37,011
Board cultivation and meetings	0	35,559	35,559
Professional services	0	108,926	108,926
Insurance	10,150	6,767	16,917
Occupancy	23,223	15,482	38,705
Telephone	11,342	7,561	18,903
Supplies	1,520	1,014	2,534
Printing and reproduction	6,153	4,102	10,255
Postage and delivery services	3,070	2,046	5,116
Equipment lease and maintenance	3,512	2,342	5,854
Depreciation	0	12,177	12,177
Consultants and outside contractors	109,992	0	109,992
Miscellaneous	3,187	2,124	5,311
	\$ 15,525,137	\$ 537,454	\$ 16,062,591
Total expenses	\$ 15,525,137	\$ 537,454	\$ 16,062,591

See notes to financial statements.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

STATEMENT OF CASH FLOWS

	<u>Year Ended June 30, 2009</u>	<u>Year Ended June 30, 2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 4,957,399	\$ (2,656,751)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation expense	\$ 13,495	\$ 12,177
Realized gain on sale of investments	(144,352)	0
Unrealized gain on investments	(7,374)	0
Loss on disposal of property and equipment	1,848	0
Changes in operating assets and liabilities:		
Prepaid expenses	8,607	9,396
Accounts payable and accrued expenses	34,054	(96,282)
Grants payable	(1,452,816)	11,271,970
	<u>(1,546,538)</u>	<u>11,271,970</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,410,861	8,540,510
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(10,556)	(1,740)
Proceeds from sale of marketable securities	37,719,767	0
Purchases of marketable securities	<u>(47,560,741)</u>	<u>0</u>
NET CASH USED BY INVESTING ACTIVITIES	(9,851,530)	(1,740)
CASH FLOWS FROM FINANCING ACTIVITIES	0	0
NET INCREASE (DECREASE) IN CASH	(6,440,669)	8,538,770
CASH AND CASH EQUIVALENTS, beginning of year	32,773,895	24,235,125
CASH AND CASH EQUIVALENTS, end of year	<u>\$26,333,226</u>	<u>\$32,773,895</u>

See notes to financial statements.

CALIFORNIA EMERGING TECHNOLOGY FUND

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2009 AND JUNE 30, 2008

Note 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of business:

The California Emerging Technology Fund (CETF) was established and funded through the SBC/AT&T and Verizon/MCI merger agreements approved by the California Public Utilities Commission (CPUC) in November 2005 to help bridge the Digital Divide. It became a qualified public benefit entity in May 2006.

As a condition of approval of the mergers, CPUC required the surviving companies, AT&T and Verizon, to collectively provide a total of \$60 million over a 5-year period to CETF in shareholder contributions "for the purpose of achieving ubiquitous access to broadband and advanced services in California, particularly in underserved communities, through the use of emerging technologies by 2010". AT&T and Verizon are required to contribute \$9 million and \$3 million each per year, respectively. Funds dedicated to CETF will be used to attract matching funds in like amounts from other organizations.

The stated mission of CETF is to provide leadership statewide to minimize the Digital Divide by accelerating the deployment and adoption of broadband and other advanced communication services to un-served and underserved communities. These tasks and initiatives will be accomplished by making investments in programs and projects to improve access, applications, affordability, accessibility and assistance to broadband - the "5As" of the Digital Divide - while utilizing its core paradigm of Communicate, Connect and Compete.

The initial priority consumer communities for project focus are:

- Rural communities that lack the broadband infrastructure.
- Urban poor and disadvantaged communities that lack the computers and affordable connections to the Internet with relevant.
- Disabled populations that lack technology accessibility.

Financial statement presentation:

CETF prepares its financial statements following the provisions of Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, CETF is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. A description of the three net asset categories follows:

Unrestricted net assets:

The portion of net assets that is neither temporarily restricted nor permanently restricted by donor imposed stipulations.

Temporarily restricted net assets:

The portion of net assets whose use by CETF is limited by donor imposed stipulations that either will be fulfilled or expire by passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

CALIFORNIA EMERGING TECHNOLOGY FUND

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2009 AND JUNE 30, 2008

Note 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Permanently restricted net assets:

The portion of net assets whose use by CETF is limited by donor imposed stipulations that the net assets are held in perpetuity and its income be used for the stipulated purposes. Generally, the donors of these assets permit CETF to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets at June 30, 2009 and 2008.

Basis of Presentation:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recorded when rights to receive them are earned, or when services have been provided, and expenditures are recorded when an obligation to pay is incurred.

Revenue Recognition:

Contribution income is recognized when there is an unconditional promise to give. Revenues are reported as increases in unrestricted net assets unless their use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Appreciation or depreciation in market value of investments and gains and losses on other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of temporary restrictions on net assets is reported as net assets released from restrictions. Grant income is recognized when the service is provided and conditions are satisfied.

Cash and Cash Equivalents:

CETF considers all unrestricted highly liquid investments with original maturities of three months or less to be cash equivalents.

Investments:

CETF reports investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Realized gains and losses on sales of securities are determined on the specific-identification method.

CETF invests in US Treasury Bills. Investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment, it is at least reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

FASB Statement No. 157, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2009 AND JUNE 30, 2008

**Note 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued):**

The three levels of the fair value hierarchy under FASB Statement No. 157 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data, by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

All of CETF's investments are valued using Level 1 measurements.

Contributions and Unconditional Promises to Give:

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Contributions to be received after one year are presented at their discounted value. CETF received approximately \$12 million and \$12.4 million in corporate grants during the years ended June 30, 2009 and 2008, respectively.

A substantial number of unpaid volunteers and board of director members have made significant contributions of their time and other resources to support the Organization's activities. The value of these services is not reflected in these statements since it is not susceptible to objective measurement or valuation.

Property and equipment:

Property and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful life. Major additions are capitalized, and repair and maintenance that do not improve or extend the life of the assets are expensed.

CALIFORNIA EMERGING TECHNOLOGY FUND

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2009 AND JUNE 30, 2008

Note 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Contributions In-Kind:

Contributed services and costs are recognized at fair market value. The financial statements reflect \$0 and \$10,200 for in-kind rental expense support for the Southern California office during the years ended June 30, 2009 and 2008, respectively.

Grant Commitments and Payments:

CETF made grant commitments of approximately \$5 million and \$14.4 million out of the total cumulative board-approved grants of \$20.2. Board-approved grant solicitation requests are not recognized as liabilities until management concludes due diligence and suitability analysis and then executes grant agreements evidencing the commitments. Total grant payments was approximately \$6.4 million and \$3.2 million, with the remaining commitments of \$9.8 million and \$11.3 million accrued as a liability as of June 30, 2009 and 2008, respectively. CETF requires most grant recipients to obtain matching funds. Matching funds of approximately \$22.5 million and \$24 million were secured during the years ended June 30, 2009 and 2008, respectively.

Functional Allocation of Expenses:

Costs of providing programs and other activities are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated to the programs and supporting services by a method which best measured the relative degree of benefit. Accordingly, certain costs have been allocated between the program and supporting services in reasonable ratios determined by management.

Contingent Liabilities:

Conditions contained within various contracts and grants awarded to CETF are subject to the funding organizations' criteria and regulations, as well as CPUC enabling order, under which expenditures may be charged against and may be subject to audits under such regulations and criteria. Occasionally, such audits may determine that certain costs incurred against the contracts or grant awards may not comply with the established criteria that govern them. In such cases, CETF could be held responsible for payments to the funding organizations and/or oversight public agencies for the costs or be subject to the reductions of future funding in the amount of the costs. Management does not anticipate any material questioned costs for the contracts administered and/or grants received and/or awarded during the audit period.

Income tax status:

CETF is a not-for-profit organization, exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and the applicable code section of the State of California Revenue and Taxation Code. In addition, CETF qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2009 AND JUNE 30, 2008

**Note 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued):**

Recent Pronouncements:

Accounting for uncertain tax provisions:

In June 2006 the FASB issued Interpretation No. 48 (“FIN 48”), “Accounting for Uncertainty in Income Taxes.” FIN 48 provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions, recognized in an enterprise’s financial statements in accordance with SFAS No. 109, “Accounting for Income Taxes.” FIN 48 requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination by a taxing authority. On December 30, 2008, the FASB issued FASB Staff Position FIN 48-3 which deferred the effective implementation date of FIN 48 to the Organization’s annual financial statements ending on December 31, 2009 and the Company has elected to defer application of FIN 48. The Organization does not expect that the adoption of FIN 48 will have a material effect on its financial position, results of operations or cash flows.

Note 2. NATURE OF ESTIMATES:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and disclosures. Accordingly, actual results could differ from those estimates.

Note 3. CONCENTRATIONS OF CREDIT RISK:

Financial instruments that potentially subject CETF to concentrations of credit risk consist principally of cash and cash equivalents and marketable securities. Cash and cash equivalents were held in financial institutions in the United States of America. Non-interest bearing deposits in these financial institutions are fully insured by the FDIC until December 31, 2009. Cash and cash equivalents in interest bearing accounts were held in financial institutions in amounts exceeding the guaranteed amounts of the Federal Deposit Insurance Corporation. Marketable securities were held by brokerage firms in amounts exceeding the guaranteed amounts of the Securities Investor Protection Corporation. CETF is exposed to credit loss for amounts in excess of insured limits in the event of non-performance by the institutions. However, management does not anticipate non-performance by these institutions and has not experienced any losses on deposits of cash.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2009 AND JUNE 30, 2008

Note 4. INVESTMENTS:

The investment portfolio is managed based on guidelines established by the CETF's Board of Directors. Investments, stated at fair value, are comprised of US Treasury bills with various maturities.

Investment income shown on the Statement of Activities consists of the following:

	June 30,	
	2009	2008
Interest and dividend income	\$ 124,273	\$ 32,756
Unrealized appreciation in fair value	7,374	0
Realized gains on sales of investments	144,352	997,633
Investment fees	(46,028)	0
Totals	\$ 229,971	\$ 1,030,389

Note 5. PROPERTY AND EQUIPMENT:

Property and equipment and accumulated depreciation consist of the following:

	June 30,	
	2009	2008
Furniture and fixtures	\$ 30,184	\$ 28,188
Computers and peripherals	39,654	34,214
Totals	69,838	64,402
Less accumulated depreciation	(30,468)	(18,245)
Balances	\$ 39,370	\$ 44,157

Note 6. RETIREMENT PLAN:

CETF has established a 401(k) retirement plan to provide eligible employees with retirement benefits. Eligible employees include all employees, except for leased and hourly paid employees. The CETF contributes 10% of active participants' compensation to the plan. For the years ended June 30, 2009 and 2008, contributions to the plan amounted to \$90,004 and \$60,493, respectively.

**CALIFORNIA EMERGING
TECHNOLOGY FUND**

NOTES TO FINANCIAL STATEMENTS – JUNE 30, 2009 AND JUNE 30, 2008

Note 7. GRANT REVENUE:

CETF's support and revenue activities for the first five years are derived primarily from corporate grants provided by AT&T and Verizon, pursuant to the CPUC merger approval Order. Though CETF plans to leverage these corporate grants through grant-matching efforts, there are no assurances that the CETF would be successful in other fundraising initiatives and grant-matching efforts. Corporate grant funding obligation is subject to economic viability of the corporate donors amidst distressed prevailing economic and financial conditions. There is no indication about the renewability of the corporate grants after the initial 5-year period. However, management has proposed, and the board has adopted a 10-year goal to close the Digital Divide within the requisite constraint of not expending more than \$5 million annually of the seed grant resources for each the remaining 8 years.

Note 8. LEASE COMMITMENTS:

CETF is a party to a three-year non-cancelable operating lease for its principal office facility located in a commercial building in San Francisco, CA. The average monthly rent is \$1,991. The lease agreement expires on April 30, 2010, but provides renewal options.

CETF also maintained a satellite office facility in Southern California that required no monthly rent payments during the year June 30, 2008. The fair market value of this office facility was approximately \$10,200. This amount was recognized as in-kind contributions during the year June 30, 2008. Effective July 1, 2008 to June 30, 2009 the CETF entered into a lease at the satellite office in Southern California. The lease will convert to month to month thereafter. CETF is required to pay shared costs associate with the operation of the facility and other occupancy related common costs based on a prorated allocation formula. CETF also leases certain equipment under monthly operating leases.

CETF's future minimum rental commitments and operating lease shared costs under all such non-cancellable operating leases are approximately as follows:

Year Ending <u>June 30,</u>	
2010	<u>\$ 38,608</u>

Total operating lease and facilities related expenses for the years ended June 30, 2009 and 2008 was \$48,476 and \$38,705, respectively.

**U.S. Department of Commerce
Broadband Technology Opportunities Program
Authentication and Certifications**

1. I certify that I am the duly Authorized Organization Representative (AOR) of the applicant organization, and that I have been authorized to submit the attached application on its behalf.
2. I certify that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. §1001 and civil violations of the False Claims Act.
3. I certify that the entity(ies) I represent have and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.
4. I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements ("DOC Pre-Award Notification"), published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); the Department of Commerce American Recovery and Reinvestment Act Award Terms (Apr. 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award.
5. I certify that any funds awarded to the entity(ies) I represent as a result of this application will not result in any unjust enrichment of such entity(ies) or duplicate any funds such entity(ies) receive under federal universal service support programs administered by the Universal Service Administrative Corporation (USAC).
6. I certify that the entity(ies) I represent has secured access to pay the 20% of total project cost or has petitioned the Assistant Secretary of NTIA for a waiver of the matching requirement.

10 March 2010
Date


Authorized Organization Representative Signature

Susan E Walters
Print Name

Senior Vice President
Title

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
5. Totals		\$	\$	\$	\$	\$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)		
a. Personnel	\$	\$	\$	\$	\$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)					
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)	\$	\$	\$	\$	\$

7. Program Income	\$	\$	\$	\$	\$
-------------------	----	----	----	----	----

Authorized for Local Reproduction

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	\$	\$	\$	\$
9.				
10.				
11.				
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	\$	\$	\$
14. Non-Federal					
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	\$	\$	\$	\$
17.				
18.				
19.				
20. TOTAL (sum of lines 16-19)	\$	\$	\$	\$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

**BTOP Public Computer Center and Sustainable Broadband Adoption
Detailed Budget Template**
4 aug 2010 Version 4

Easy Grants ID: 5047
Applicant: California Emerging Technology Fund
Project Title: Access to Careers and Technology

SF-424A Object Class Category	General			Detail					
	Position	Federal Support	Matching Support	Total	# of Positions	Salary	% Time Spent on Project	Quarters Employed	Total
a. Personnel - List position, number of staff, annual salaries, % time spent on project	President and CEO	\$0.00	\$9,600.00	\$9,600.00	1	\$240,000.00	2.00%	8.00	\$9,600.00
	Senior Vice President	\$0.00	\$27,900.00	\$27,900.00	1	\$155,000.00	9.00%	8.00	\$27,900.00
	Director of ARRA Projects (Investment Manager)	\$90,000.00	\$0.00	\$90,000.00	1	\$90,000.00	50.00%	8.00	\$90,000.00
	Director of Emerging Markets	\$0.00	\$23,000.00	\$23,000.00	1	\$115,000.00	10.00%	8.00	\$23,000.00
	Associate Vice President (Investment Officer)	\$112,000.00	\$48,000.00	\$160,000.00	1	\$80,000.00	100.00%	8.00	\$160,000.00
	Communication Manager	\$94,500.00	\$40,500.00	\$135,000.00	1	\$90,000.00	75.00%	8.00	\$135,000.00
	COLA in year 2 at 5% of salaries	\$17,904.00	\$4,476.00	\$22,380.00	1	\$22,380.00	100%	4.00	\$22,380.00
Subtotal		\$314,404.00	\$153,476.00	\$467,880.00					

b. Fringe Benefits - Include salaries and fringe rate.										
	Position	Federal Support	Matching Support	Total	# of Positions	Salary	% Time Spent on Project	Quarters Employed	Fringe Rate	Total
	President and CEO	\$0.00	\$2,650.00	\$2,650.00	1	\$240,000.00	2.00%	8.00	27.60%	\$2,650.00
	Senior Vice President	\$0.00	\$7,700.00	\$7,700.00	1	\$155,000.00	9.00%	8.00	27.60%	\$7,700.00
	Director of ARRA Projects (Investment Manager)	\$17,388.00	\$7,452.00	\$24,840.00	1	\$90,000.00	50.00%	8.00	27.60%	\$24,840.00
	Director of Emerging Markets	\$0.00	\$6,348.00	\$6,348.00	1	\$115,000.00	10.00%	8.00	27.60%	\$6,348.00
	Associate Vice President (Investment Officer)	\$30,912.00	\$13,248.00	\$44,160.00	1	\$80,000.00	100.00%	8.00	27.60%	\$44,160.00
	Communication Manager	\$26,082.00	\$11,178.00	\$37,260.00	1	\$90,000.00	75.00%	8.00	27.60%	\$37,260.00
	COLA in year 2 at 5% of salaries	\$4,323.00	\$1,854.00	\$6,177.00	1	\$22,380.00	100%	4.00	27.60%	\$6,177.00
Subtotal		\$78,705.00	\$50,430.00	\$129,135.00						

c. Travel - For significant costs, include details such as:							
	Purpose of Trip	Federal Support	Matching Support	Total	# of Trips	Cost per Trip	Total
	Average cost of travel: \$485=\$250 airfare and \$125 hotel, \$50 transportation, \$60 food	\$6,790.00	\$0.00	\$6,790.00	14	\$485.00	\$6,790.00
	Mileage average: 133 miles per month for 10 months for 3 people	\$1,554.00	\$666.00	\$2,220.00	30	\$74.00	\$2,220.00
				\$0.00			\$0.00
Subtotal		\$8,344.00	\$666.00	\$9,010.00			

d. Equipment Costs - List equipment with # of Applicant Equipment							
	Equipment Description	Federal Support	Matching Support	Total	#Units	Unit Cost	Total
	2 laptops for new staff	\$3,600.00	\$0.00	\$3,600.00	2	\$1,800.00	\$3,600.00
	2 cell phones for a new person	\$200.00	\$0.00	\$200.00	2	\$100.00	\$200.00
	2 desk phones for a new person	\$250.00	\$0.00	\$250.00	2	\$125.00	\$250.00
				\$0.00			\$0.00
User Equipment	Assistive Technology for partners with approved Accessibility Plans	\$23,100.00	\$9,900.00	\$33,000.00	11	\$3,000.00	\$33,000.00
		\$0.00	\$0.00	\$0.00			\$0.00
Subtotal		\$27,150.00	\$9,900.00	\$37,050.00			

e. Supplies - List costs associated with							
	Description	Federal Support	Matching Support	Total	#Units (If Applicable)	Unit Cost (If Applicable)	Total
	Windows Professional	\$300.00	\$400.00	\$700.00	2	\$350.00	\$700.00
	Adobe Acrobat	\$1,000.00	\$448.00	\$1,448.00	2	\$785.00	\$1,448.00
				\$0.00			\$0.00
Subtotal		\$1,300.00	\$848.00	\$2,148.00			

f. Contractual - List contractors with	Contractor	Federal Support	Matching Support	Total	# Hours (If Applicable)	Hourly Rate (If Applicable)	Total Contract
	Consultant to manage the learning community process	\$30,500.00	\$0.00	\$30,500.00			\$30,500.00
	Intern	\$5,636.00	\$0.00	\$5,636.00			\$5,636.00
		\$0.00		\$0.00			\$0.00
	Subtotal	\$36,136.00	\$0.00	\$36,136.00			

g. Construction - If applicable, list construction costs	Description	Federal Support	Matching Support	Total
		\$0.00	\$0.00	\$0.00
	Subtotal	\$0.00	\$0.00	\$0.00

h. Other - List costs associated	Description	Federal Support	Matching Support	Total	#Units (If Applicable)	Unit Cost (If Applicable)	Total
	Best Practices Training	\$7,000.00	\$3,000.00	\$10,000.00			\$0.00
	Training for partners on accessibility for people with disabilities	\$21,000.00	\$9,000.00	\$30,000.00			\$0.00
	media purchased for GetConnected! awareness in the Central Valley	\$350,000.00	\$150,000.00	\$500,000.00			\$0.00
							\$0.00
	ACME NETWORK	\$896,000.00	\$454,000.00	\$1,350,000.00			\$0.00
	CALIFORNIA RESOURCES AND TRAINING	\$660,000.00	\$285,000.00	\$945,000.00			\$0.00
	CAMINOS-PATHWAYS LEARNING CENTER	\$360,000.00	\$130,000.00	\$490,000.00			\$0.00
	CHRYSALIS	\$275,306.00	\$119,486.00	\$394,792.00			\$0.00
	EMPOWERNET CALIFORNIA/STRIDE CENTER-	\$260,000.00	\$155,010.00	\$415,010.00			\$0.00
	GOODWILL INDUSTRIES OF SAN FRANCISCO, SAN MATEO AND MARIN COUNTIES	\$410,000.00	\$176,001.00	\$586,001.00			\$0.00
	OCCUR	\$125,000.00	\$75,000.00	\$200,000.00			\$0.00
	SAN DIEGO FUTURES FOUNDATION	\$1,675,000.00	\$1,048,960.00	\$2,723,960.00			\$0.00
	SOUTHEAST COMMUNITY DEVELOPMENT CORPORATION	\$349,953.00	\$120,000.00	\$469,953.00			\$0.00
	THE STRIDE CENTER	\$1,054,900.00	\$947,172.00	\$2,002,072.00			\$0.00
	YOUTH RADIO	\$127,983.00	\$55,000.00	\$182,983.00			\$0.00
				\$0.00			\$0.00
	Subtotal	\$6,572,142.00	\$3,727,629.00	\$10,299,771.00			

i. Total Direct Charges (sum of a-h)	\$7,038,181.00	\$3,942,949.00	\$10,981,130.00
j. Indirect Charges	\$70,000.00	\$30,000.00	\$100,000.00
Total Eligible Project Costs	\$7,108,181.00	\$3,972,949.00	\$11,081,130.00
Match Percentage	35.9%		

Explanation of Indirect Charges	Items included are: allocated expenses for finance, auditing, rent, telecommunications and IT support.
--	--

Additional Budget Notes	Personnel: Year 2 includes and 5% cola adjustment to salaries. Fringe: consists of Payroll Taxes 7.00%, Health 10.60%, Retirement 10.00%; Equipment: There is money to purchase assistive for partners centers so they better serve clients with disabilities. Other: The money for paid education ads will also generate earned (no charge) media coverage in addition to users and students.
--------------------------------	--