QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	**06-43-B10538**	**829939854**

4. Recipient Organization

ZERODIVIDE 425 BUSH ST STE 300, San Francisco, CA 941083721

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Report of the Award Period?
09-30-2012	◯ Yes ⦿ No

7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.

7a. Typed or Printed Name and Title of Certifying Official	7c. Telephone (area code, number and extension)
David Veneziano	
	7d. Email Address david@zerodivide.org

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	11-29-2012

Project Indicators (This Quarter)

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

ZeroDivide's Tribal Digital Village (TDV) Broadband Adoption Program was designed to increase broadband adoption from the 17% baseline usage to 70% (4,800 new broadband users) among members of 19 Native American tribes in rural So. California. This will be accomplished through outreach, public awareness, digital literacy training, content creation, and establishment of a sustainable business model for a broadband network. Chief accomplishments this quarter include:

- TDV expanded broadband deployment efforts to the remote Los Coyotes and Santa Ysabel Reservations. In addition to the construction of the infrastructure, key activities include Broadband Awareness Meeting and a Broad Literacy Training for residents.

- A second round of the TDV Shadow Project was conducted in Q3. The Project's goal is to train and mentor youth in the deployment and operation of the TDV wireless broadband network. This quarter's session took place on the Pala Reservation and focused on Wireless Technology. Youth Participants were taught the basics building and maintaining communication towers, network antennas, and configuring network routers.

- TDV Staff attended ZeroDivide's 3-day convening in San Francisco. The convening brought together BTOP's TDV, GenerationZD, and ZeroDivide's Community Enterprise grantees for the first time. The theme and purpose of the convening was for these cohorts to explore the leveraging of their networks, social enterprise development and sustainability strategies for their programs beyond the current ZeroDivide/BTOP funding cycle.

• Both GenZD and TDV organizational representatives attended; a total of 23 staff.

• BTOP specific convening sessions included evaluation, disability planning and curriculum development and well as sessions focused on community enterprise business planning, intellectual property and youth employment law.

• In addition to ZD staff, the convening was facilitated by a roster of 32 speakers, advisors and specialized trainers.

• All meeting notes, presentations, and transcriptions are archived available the online wiki site http://zdtraining.pbworks.com/w/page/12110221/Home%20Page

• This convening also featured Live streaming for remote viewing.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline report, please insert them at the bottom of the table. Figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.a.	Overall Project	59	See Section 3 and 4c
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).

In Q3, the road to the tower servicing the Los Coyotes Reservation was damaged by severe weather system. Earlier in the year the road had been compromised by a wildfire. Currently, the road is not accessible by 4x4 vehicles and the tower can only be reach by smaller ATV vehicles. The more difficult routes and the smaller vehicle load capacity of the ATVs has caused delays in the tower upgrades that are necessary to maintain current subscribers and bring on new subscribers.

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
All Activity in Previous Quarters	Various	See Previous PPRs - Section 4a Detail TDV	1,963	1,684	220	7
TDV Shadow Project	Pala	The Tribal Digital Village Shadow Project mentors and trains local youth in the TDV broadband infrastructure.	2	1	0	0
Broadband Awareness Meeting	Los Coyotes Reservation	Broadband Awareness Campaign 8/19/12	30	45	10	0
Broadband Literacy Training	Los Coyotes Reservation	Online communications, online safety and broadband terminology	10	6	0	0
Broadband Adoption - Subscribers	All Sites	Subscription for broadband services offered through TDV	0	0	45	4
Total:			**2,005**	**1,736**	**275**	**11**

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).

TDVNet has a customer service management system, WHMCS, through which a total number of subscribers can be obtained by running reports. The TDV methodology assumes that each household subscription represents 3.5 individual broadband users and that each business subscription represents eight individual broadband users.

Using this methodology, TDV calculates a total of 963 individuals accessing broadband service through household subscription and a total of 68 individuals accessing broadband services through business subscriptions as of Q3 2012. This method for determining subscription/adoption has been consistent over the life of the TDV BTOP Program.

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).

TDV's focus for Q3 2012 continued to be on "middle mile" upgrades and adding more bandwidth capacity to each reservation in order to add subscribers. In Q3, TDV made new broadband service available to two of the most remote reservations in San Diego County - Los Coyotes and Santa Ysabel. In addition, TDV also made significant upgrades to existing portions of the network to allow for more users.

To date, TDV has deployed to 275 households and 11 businesses with a total yield of 1031 actual users. The baseline projection for the period ending Q3 2012 was set at 1980 new household and 20 business subscriptions.

TDV continues to struggle to keep up with demand for subscription deployment. As a result, they are losing potential subscribers to consumer satellite services and 3G modem services from cell phone providers. In many cases, even when TDV's broadband awareness campaign is on schedule, they find themselves unable to serve communities because of the lack of distribution tower upgrades, solar power units, bandwidth capacity, and distribution access points. This has been an ongoing struggle over the life of the project and stems from the lack of anticipated BIP funding to supplement BTOP funding.

BIP funds would have made possible the necessary infrastructure upgrades to the network and would have helped accelerate subscriptions to member homes and businesses. In light of this ongoing constraint, and the desire to continue to reach more remote and underserved areas, TDV continues to retool and adjust its broadband awareness trainings in order to increase adoption rates. As an additional measure, TDV is now exploring avenues for private, state and federal funds to address this infrastructure issue.

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

Households: 55   **Businesses and CAIs :** 4

Project Indicators (Next Quarter)

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

In Q4 2012:

- TDV will launch another Shadow Project Training series for local area youth

- TDV will be on a panel entitled, "California Indians and Technology' at the New Journeys in Collaboration being hosted by Cal State San Marcos

- Project Director Matthew Rantanen will travel to Barcelona Spain to speak at the International Community Wireless Summit

- In coordination with BTOP representatives, ZeroDivide will conduct a site visit to the Tribal Digital Villages Project in November

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**	74	See Section 3
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).

During the early fall northern San Diego County is susceptible to high winds and temperature in its remote mountaintop areas. This combination of factors makes for wildfire conditions in proximity to TDV towers and power generating equipment. In the past, the TDV network has suffered losses to its critical infrastructure due to unpredictable fires. As the season progresses towards winter, severe storm activity also moves through these areas and can wash out dirt roads and trails that provide access to tower sites . These kinds of events can create havoc for the installation, maintenance and upgrading of the TDV broadband infrastructure. For example, in Q3 2012 a thunderstorm with massive electrical activity cause damaged to equipment that led to 11 homes being without broadband services for a period of time.

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.

Cost Classification	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		
	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Personnel	$172,575	$47,100	$125,475	$106,933	$47,100	$59,833	$132,819	$54,165	$78,654
b. Fringe Benefits	$43,144	$6,462	$36,682	$29,053	$6,462	$22,591	$35,525	$7,431	$28,094
c. Travel	$6,300	$1,650	$4,650	$7,104	$1,650	$5,454	$8,049	$1,898	$6,151
d. Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0
e. Supplies	$2,000	$0	$2,000	$81	$81	$0	$381	$81	$300
f. Contractual	$549,450	$45,000	$504,450	$319,491	$1,333	$318,158	$401,909	$8,083	$393,826
g. Construction	$0	$0	$0	$0	$0	$0	$0	$0	$0
h. Other	$12,900	$0	$12,900	$87	$87	$0	$2,022	$87	$1,935
i. Total Direct Charges (sum of a through h)	$786,369	$100,212	$686,157	$462,749	$56,713	$406,036	$580,705	$71,745	$508,960
j. Indirect Charges	$199,691	$199,691	$0	$115,687	$115,687	$0	$145,641	$145,641	$0
k. TOTALS (sum of i and j)	$986,060	$299,903	$686,157	$578,436	$172,400	$406,036	$726,346	$217,386	$508,960

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: $318,158	b. Program Income to Date: $486,550