

ANNUAL PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

General Information

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| 1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration | 2. Award Identification Number 06-43-B10589 | 3. DUNS Number 830370800 |
| 4. Recipient Organization California Emerging Technology Fund 5 3rd St STE 520, San Francisco, CA 941033206 | | |
| 5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012 | 6. Is this the last Annual Report of the Award Period? <p style="text-align: center;"> <input type="radio"/> Yes <input checked="" type="radio"/> No </p> | |
| 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 Jennifer Riggs | 7c. Telephone (area code, number and extension) | |
| | 7d. Email Address Jennifer.riggs@cetfund.org | |
| 7b. Signature of Certifying Official Submitted Electronically | 7e. Date Report Submitted (MM/DD/YYYY): 02-19-2013 | |

| PROJECT INDICATORS | | | | |
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| <p>1. Does your Sustainable Broadband Adoption (SBA) project foster a particular broadband technology or technologies? If so, please describe this technology (or technologies) (600 words or less).</p> <p>The goal of the Access to Careers in Technology (ACT) project is to train and place students in a variety of positions in the information, communications and technology (ICT) field. The project partners integrate training and awareness about the importance of broadband at home, but not a particular broadband technology. Instead, participants learn how to shop for broadband services that is right for their needs and budget.</p> <p>The training materials used by the ACT partners provide information about the different broadband options prevalent in the market – DSL and Cable. In regions where new mobile broadband and 4G technologies that can serve as mobile hot spots, this information is provided as well.</p> | | | | |
| <p>2a. Please list all of the broadband equipment and/or supplies you have purchased during the most recent calendar year using BTOP grant funds or other (matching) funds, including any customer premises equipment or end-user devices. If additional space is needed, please attach a list of equipment and/or supplies. Please also describe how the equipment and supplies have been deployed (100 words or less).</p> | | | | |
| Manufacturer | Item | Unit Cost per Item | Number of Units | Narrative description of how the equipment and supplies were deployed |
| N/A | N/A | 0 | 0 | N/A |
| Totals | | 0 | 0 | |
| Add Equipment | | | Remove Equipment | |
| <p>2b. To the extent you distribute equipment/supplies to beneficiaries of your project, please describe the equipment/supplies you distribute, the quantities distributed, and the specific populations to whom the equipment/supplies are distributed (600 words or less).</p> <p>The supplies discussed here does qualify not under the federal definition as equipment; however, CETF wanted to share the value ACT partners see in distributing refurbished computers as effective incentives for people to subscribe to broadband. Since October 2010, ACT partners distributed 4,930 refurbished desktop computers to low-income families. In many cases the students receive a free or reduced-cost computer when they complete training and sign-up for broadband.</p> | | | | |
| <p>3. For SBA access and training provided with BTOP grant funds, please provide the information below. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. For each type of training (other than open access), please count only the participants who completed the course.</p> | | | | |
| Types of Access or Training | Number of People Targeted | Number of People Participating | Total Training Hours Offered | |
| Open Lab Access | 0 | 0 | 0 | |
| Multimedia | 9,117 | 10,138 | 148,210 | |
| Office Skills | 1,420 | 2,283 | 35,102 | |
| ESL | 0 | 0 | 0 | |
| GED | 0 | 0 | 0 | |
| College Preparatory Training | 0 | 0 | 0 | |
| Basic Internet and Computer Use | 9,795 | 9,549 | 101,767 | |
| Certified Training Programs | 1,638 | 1,788 | 236,995 | |
| Other (please specify): Small Business applications | 15,000 | 9,413 | 23,180 | |
| Total | 36,970 | 33,171 | 545,254 | |
| <p>4. Please describe key economic and social successes of your project during the past year, and why you believe the project is successful thus far (600 words or less).</p> <p>The collaboration of ACT partners, other NTIA grantees, anchor institutions and community-based organizations within their local communities not only leverages their work, but also establishes a long-term network of economic and social development organizations. Despite a difficult economic environment, ACT partners have been able to make great progress towards, and in some cases exceed, project goals. CETF expects to reach all ACT goals.</p> | | | | |

In addition to the immediate impacts of developing digital literacy and getting jobs, participants and communities also experience economic and social successes that result from other benefits of these programs. Through surveys and anecdotal evidence, we know that participants also experience benefits such as improved self-esteem, reduced social isolation, interest and ability to engage in civic participation, ability to participate in telehealth activities, and increased awareness of government and non-profit programs for financial, educational, health and employment assistance.

AWARENESS: The Get Connected! PSAs promote awareness of broadband and the value of being connected. The media campaign has proven successful at generating calls to 2-1-1 where callers are referred to broadband resources including job training programs such as those in the ACT program. The media from Get Connected! has resulted in the project exceeding its goal of 5 million for awareness by reaching over 14 million people. People were reached through targeted radio, television, and print media in Southern California (primarily Los Angeles, Orange and Inland Empire), Central California (Fresno, Kern, Tulare) and Northern California (San Francisco Bay Area, San José). CETF receives audience reports from valid third party research firms showing the number of impressions and people reached.

TRAINING: The training courses provided range from very basic introduction to computers (how to use a mouse and keyboard), to more intermediate skills like the Microsoft Office and other workplace programs, to certification training programs (IC3, A+, Microsoft certifications, Security+, etc...). In addition, ACT partner California Resources and Training provides free courses on broadband services and applications for entrepreneurs and small business. ACT has trained 33,171 people to date. CETF expects to reach its goal of 36,970.

Job Placements: Since the inception of this project in October 2010, in addition to ACT partners have placed 2,659 people in jobs after they completed digital literacy and/or advanced computer training. This exceeds the goal of 2,647. It is the experience of the groups who place participants in entry level information and communication technology (ICT) jobs that one or more certifications and internship experience greatly increases the likelihood of obtaining a job. ACT partners have established robust support systems to assist students with a diversity of barriers to success in achieving the life skills and professionalism. These aptitudes are needed not only for the student's initial job placement, but for their ongoing career development.

ACT partner Chrysalis works with the hardest to employ groups-long term ex convicts, mentally ill, and homeless populations. It focuses on basic digital literacy skills and helps some clients build a job history by employing eligible graduates in one of their two social enterprises, street cleaning and a janitorial service. Goodwill Industries of San Francisco, San Mateo and Marin counties uses a similar model.

In addition, partners created and retained jobs in their own organizations (please see ARRA Report).

5. Please estimate the level of broadband adoption in the community(ies) and/or area(s) your project serves, explain your methodology for estimating the level of broadband adoption, and explain changes in the broadband adoption level, if any, since the project began.

| 5a. Adoption Level (%): | Narrative description of level, methodology, and change from the level at project inception (600 words or less). |
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| 73 | <p>Since 2008, Public Policy Institute of California, the California Emerging Technology Fund and ZeroDivide have conducted an annual statewide survey to determine overall broadband adoption as well as usage among key target populations – low-income, limited-English speaking, people with disabilities and race/ethnic populations. CETF uses households making \$40,000 and under as the overall baseline for adoption which in June 2008 was 33%. In June 2009, the survey found households under \$40,000 had increased household adoption to 40%. In August 2010, 49% of these households have broadband at home. In June 2011 adoption increased to 58%, 11% points higher. The August 2012 survey showed an increase to 60%.</p> <p>The ACT project reports a portion of the increases in adoptions. Overall CETF takes a conservative approach to tracking the outcomes its reports. CETF does not claim total responsibility for all the increases in broadband adoption documented in the PPIC survey. The increases CETF and its NTIA partners are responsible for are proportional to the awareness and outreach numbers tracked as compared to the total increase in the statewide survey. Partners track outreach, training, and adoption by using random survey techniques to call back clients they have served. This enables them to logically estimate the impact of their work and CETF tracks the awareness from advertising. The number CETF counts is then divided between the two NTIA grants, Broadband Awareness and Adoption has 40% of the organizations and ACT has 60% of the organizations so the number are divided accordingly.</p> <p>Starting with the June 2011 PPIC survey, CETF counted a portion of the number of new adoptions recorded through this survey towards the CETF BAA broadband adoption outcomes. As a conservative approach, CETF in the BAA grant claimed 6% of the increase in new adopters was due to its efforts and those of its sub-recipients. This is the same rate of broadband adoption that BAA sub-recipient United Ways of California/2-1-1 found when they called back clients who expressed an interest in broadband in their initial call. In 2012, the PPIC survey showed an increase of 125,775 new subscribers. CETF counted 6% of this as the result of its statewide programs for 7,546 adoptions. ACT sub-recipients represent 60% of the sub-recipients in both grants and therefore 4,528 (60% of the 7,546) new adopters are counted</p> |

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| <p>5a. Adoption Level (%):</p> | <p>Narrative description of level, methodology, and change from the level at project inception (600 words or less).</p> |
| | <p>toward ACT's goal of 9,237.</p> <p>ACT partners use a variety of strategies to directly confirm that a household has subscribed. For one day events, partners call back training participants within a month to determine if they have subscribed. New subscribers are asked to share their "welcome letter" confirming service or their first month's bill in order to receive discounted computers or a subsidy to help pay one month of service. Some partners use the welcome letter or confirmation email from the providers as a raffle ticket for prizes to create incentives for adoption. In some cases an email from class participants showing the provider's name demonstrates a subscription.</p> <p>ACT partners have enabled 8,194 people to adopt broadband at home to date, with 1,377, of these subscriptions being subsidized. CETF expects the project to exceed its target of 9,237 by next June through ongoing project activities and 2013 PPIC survey data.</p> |
| <p>6. Please describe the two most common barriers to broadband adoption that you have experienced this year in connection with your project. What steps did you take to address them (600 words or less)?</p> <p>A major challenge for has been the nature of the audiences with whom our project partners are working. A main component of the Access to Careers in Technology project is to assist low-income individuals get training and placement in Information and Communications and Technology (ICT) jobs. However, as the project progressed it was revealed that most of the students signing up for the ICT classes have broadband and the students who do not have broadband at home needed more assistance than originally thought to see the value of broadband. For the groups focused on this audience, it has meant developing new strategies to reach their adoption numbers. Several of the ACT partners have started a basic introduction to computers to identify the unconnected in their community, others are modifying their outreach strategies and training curriculum to appeal to the unconnected.</p> <p>Other ACT partners also underestimated the investment that would be required to bring their audiences from awareness and training all the way to home subscription (and documenting that subscription). Some partners were working with audiences that are "digitally distant", meaning they face multiple barriers such as homelessness, recently released ex-offenders, or not being a financial decision-maker in the home. ACT partners have benefited greatly from the lessons the BAA partners learned about adoption. The lessons are summarized under Question 6.</p> <p>The second major barrier to broadband adoption has been the lack of an affordable broadband rate that includes some other key features that address issues that prevent people from adopting such as no credit check or long-term contracts and reduced installation and modem costs. As partners learned more about the difficulty of choosing a provider they have been clearer about the role they can play in educating clients. Meanwhile CETF reached out to some of the largest broadband providers in the state to encourage their consideration of a special rate or discount that partners can offer their clients as incentive to subscribe. Private technology companies have not invested enough in consumer education especially in low-income communities. Comcast was the first company to offer an affordable program for families with children that qualify for free and reduced school lunch program. Several other cable providers have piloted similar programs in California through the Connect-to-Compete program. CETF has been working with ACT partners, other community groups involved in Get Conected! and the cable providers to implement changes that would result in higher adoption rates.</p> | |
| <p>7. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities. (150 words or less)</p> <p>SAESHE is a minority owned media placement firm. SAESHE handles the media for the Get Connected! program.</p> <p>Core Bookkeeping minority woman owned business that handles the bookkeeping and provides the financial reports needed for federal reporting.</p> <p>ISL is a minority owned firm that handles the internal IT for CETF, a portion which is paid for by this grant.</p> | |
| <p>8. Please describe any best practices / lessons learned that can be shared with other similar BTOP projects (900 words or less).</p> <p>CETF has continued with best practices that were identified early on in the project which have facilitated lessons being learned and shared among ACT partners and the Digital Inclusion community.</p> <p>Beginning before the grant was awarded, CETF and its partners had regular webinars and conference calls to plan, coordinate due diligence questions, training materials, media and outreach strategies. Once the grant was announced, partners used this Learning Community, online and in person, to continue this communication. Topics have included:</p> <ul style="list-style-type: none"> -Creating organizational infrastructure for increased efficiency in meeting federal reporting requirements; -Creating a practice of data collection and analysis for evaluating effectiveness of project activities; -Documenting broadband subscriptions and job placements; -Broadband adoption and other curricula; | |

- Increasing Information and Communication Technology (ICT) certification rates;
- Collaborating for increased impact; and
- Sustainability for Digital Literacy and broadband adoption activities past the NTIA grant funding.

From this Learning Community, collaborations have been established that will last past the ACT grant. For example, the ACME Network is now working with the San Diego Futures Foundation to provide computers and software to some of ACME's school partners. California Resources and Training (CARAT) has created a bridge program for students who have earned ICT certifications from ACT partners. CARAT provides entrepreneur training for interested students during their certification training and offers small business development training for those who receive certification and want to start their own computer repair business.

The Learning Community also serves as a way for partners to hold each other accountable to meeting the overall project goals. During meetings and trainings ACT partners review overall progress and recognize each other for their accomplishments. The Learning Community includes numerous online tools such as employing BaseCamp for messaging and overall project management, iCal and EditWrite for calendar and contact information, and Drop Box for file sharing.

The lessons that ACT partners have earned about workforce development and Digital Inclusion have been articulated in the Solutions and Challenges which will be finalized and submitted with the final ACT report.

During the first year of the project, ACT partners identified common assumptions about increasing broadband adoption including:

- Train them and they will adopt.
- Most participants are not subscribed.
- ICT students will readily adopt.
- Information leads to knowledge leads to action.
- Time-limited discounts on service will increase adoption.
- Low monthly price will automatically increase adoption.

Another "best practice" are the Get Connected! Roundtables, CETF launched in Q4 2010, to accelerate broadband adoption. The Roundtables serve as a place to work with California NTIA grantees, local anchor institutions, schools, park and recreation departments, libraries and other community-based organizations to close the Digital Divide. The Roundtables have been held in 6 regions – Central Coast, San Joaquin Valley, Inland Empire, Los Angeles, San Francisco Bay And Silicon Valley. The Roundtables were well-received with participants giving high ratings on the evaluation forms and wanting to continue meeting to work on tangible next steps. To date, a total of 26 regional Get Connected! Roundtables have been organized statewide with 230 unique organizations.

| Region | # Participants | # Unique Organizations | # of Roundtables |
|--------------------|----------------|------------------------|------------------|
| Central Coast | 34 | 26 | 1 |
| San Joaquin Valley | 124 | 34 | 6 |
| Inland Empire | 100 | 62 | 4 |
| Los Angeles | 102 | 38 | 5 |
| SF Bay Area | 171 | 49 | 6 |
| Silicon Valley | 83 | 21 | 4 |
| Totals | 614 | 230 | 26 |

As another best practice, CETF and its partners designed and administered an online survey for training participants in order to assess the technology needs and capacity of clients served. ACT partners surveyed a total of 2,783 clients which informed them how best to refine the curriculum as well as the overall approach to training and broadband adoption. For example, 94% of the clients reported incomes under \$40,000. This is the threshold definition for low-income and one of the targeted population for this grant and consider below poverty for the cost of living in California. In addition, 81% percent were unemployed so broadband training on searching for employment and how to save money were very important to this population.