QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

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

4. Recipient Organization

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

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012	**6. Is this the last Report of the Award Period?** ◯ 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 David Veneziano	**7c. Telephone (area code, number and extension)**
	7d. Email Address david@zerodivide.org
7b. Signature of Certifying Official Submitted Electronically	**7e. Date Report Submitted (MM/DD/YYYY):** 01-30-2013

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:

In November, TDV participated in a "virtual site visit" with ZeroDivide and BTOP staff. The visit was conducted through a three-way video conference call (Google Hangout) with staff located in Washington, DC, San Francisco, CA and the Palas Reservation in San Diego County. Palas Reservation community partners and members who benefit from the TDV programs and broadband services, also participated in the visit.

The first of its kind for BTOP, the virtual site visit may prove to be a standard way of doing business conjunction with physical site visits. It is a very powerful tool for learning and sharing with sub-recipients. The TDV virtual site visit provided a real-time opportunity for the BTOP officials to hear directly from staff and community partners working to make broadband accessible on the remote reservations in San Diego County. At one point during the meeting, the Youth Program Director was able to climb on to the roof of the building with an WiFi enabled iPad, broadcast live video of the surrounding 4000+ foot high mountains where broadband antenna infrastructure has been built to serve the reservation communities below. For BTOP and ZeroDivide staff who have not been to the TDV sites, they were able to better understand the remoteness and ruggedness of the environment and some of the physical challenges that have impacted TDV broadband infrastructure and adoption work.

ZeroDivide has adopted the virtual site visit as a cost effective means to bring to life the work that's happening with the TDV project. In early December, ZeroDivide conducted its monthly check in with TDV via a Google Hangout with great success. Going forward, this type of visit will be especially useful for TDV and ZeroDivide's other BTOP projects as a means to host, exchange and problem solve with project members that is not restricted by location, travel times and costs.

Other YDV accomplishments this quarter include:

- In Q4, Project Director Matthew Rantanen travelled to the International Community Wireless Summit held at the Universitat Politècnica de Catalunya in Barcelona, Spain. This Summit brought together leading technology experts, policy analysts, on-the-ground specialists, and researchers working on state-of-the-art community broadband projects. Mr. Rantanen presented some of the innovations taking place in the deployment of broadband infrastructure on the reservation lands such as solar and wind powered transmission towers.

- Mr. Rantanen also presented at panel discussion entitled, "California Indians and Technology' at the New Journeys in Collaboration being hosted by Cal State San Marcos. New Journeys is a collaboration that brings together tribal leaders and museum/cultural program representatives from throughout California for to network on community-identified topics that integral to the success of California tribal museums, cultural centers, and cultural programming.

- A third round of the TDV Shadow Project was conducted in Q4. The Shadow Project trains and mentors youth in digital technology and the deployment of the TDV wireless broadband network. This quarter's session took place on the Rincon Reservation.

-In November, TDV sponsored a iPad Giveaway drawing as an incentive for tribal members to complete the TDV Broadband Awareness survey of their broadband usage. The two raffle winners received an Apple iPad and a free training session. In December, two additional iPad units and trainings were raffled.

-- TDV continued to expand broadband efforts to the remote Los Coyotes, Rincon and Campos reservation areas. In addition to the construction of the infrastructure, key activities included Broadband Awareness Meetings and Broadband Literacy Training for residents.

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	69	See Section 3 and 4c
2.b.	Equipment / Supply Purchases	-	Progress reported in Question 4 below

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
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 Q4 TDV experienced less than expected attendance at it broadband literacy trainings. Potential training participants often showed high levels of interest during the general Broadband Awareness Meetings to receive further broadband related information and training, but this interest did not always translate in to actual attendance at offered sessions. TDV is current exploring ways to improve recruit and follow through for participants.

IN Q4, there were approximately 10 homes on the TDV waiting list throughout various reservations that were not able to be served. Access to the TDV broadband infrastructure requires that customers have a line of sight to the distribution towers located on the surrounding mountaintops. The TDV staff are working on alternative solutions to provide cost effective services for these homes through emerging technologies that do not rely on line of sight access.

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	2,005	1,736	275	11
Intermediate Broadband Training	Los Coyotes	Training: Class covering Online banking and beginning multimedia. 10.2.12	10	4	0	0
Cal State Univ. San Marcos - Presentation	San Marcos, CA	Spoke at a Tribal Librarians conference about broadband awareness. 10.4.12	35	50	0	0
International Wireless Community Summit	Barcelona, Spain	Program Director presented TDV at breakout sessions at the summit. 10.5.12	0	45	0	0
International Community Summitt	Barcelona, Spain	Program Director presented TDV at breakout sessions at the summit. 10.6.12	0	38	0	0
Broadband Awareness	Webinar	Hosted webinar on spectrum policy for NCAI Tribal Leaders	20	21	0	0
Advanced Broadband Training	Los Coyotes	Class covers, downloading, file transfer, online application stores and social networks and the risks. 10.9.12	10	6	0	0
Mobile Technologies Training	Los Coyotes	Training: Class covers the use of mobile technology with broadband, data plans, and mobile video communication. 10.16.12	10	7	0	0
BTOP/ZeroDivide Site Visit	Pala	Presentation of TDV project with ZeroDivide staff, BTOP staff and various community members	7	6	0	0
Shadow Project	Rincon	The Tribal Digital Village Shadow Project was created with a goal to mentor and train local youth in the Tribal Digital Village infrastructure and technology. The objective of this project is to educate and empower local community members by providing them with the proper tools and training. 12.4.12	18	18	0	0
Broadband	Campo	Meeting with Tribal Leaders about broadband awareness.	7	7	0	0

Name of the SBA Activity	Location of SBA Activity	Description of Activity (600 words or less)	Size of Target Audience	Actual Number of Participants	New Subscribers: Households	New Subscribers: Businesses and/or CAIs
Awareness Meeting						
iPad Give Away and Training	Pala	Training: Class covers the use of mobile technology with broadband, data plans, and mobile video communication. 12.6..12	2	2	0	0
Regional Basic Trainnig	Rincon	Training: Origins of online communications, terminology, common communications, online safety… 12.11.12	10	1	0	0
Regional Intermediate Trainnig	Rincon	Training: Class covering Online banking and beginning multimedia. 12.13.12	10	1	0	0
Regional Advance Trainnig	Rincon	Class covers, downloading, file transfer, online application stores and social networks and the risks. 12.18.12	10	1	0	0
Regional Mobile Training	Rincon	Training: Class covers the use of mobile technology with broadband, data plans, and mobile video communication. 12.20.12	10	1	0	0
New Broadband Subscribers	Various	New subscribers this quarter to service include 44 household (154 adoptees)	0	0	44	0
Total:			**2,164**	**1,944**	**319**	**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).

As previously reported 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 1,117 individuals accessing broadband service through household subscriptions and a total of 88 individuals accessing broadband services through business subscriptions as of Q4 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).

 In Q3 2012, 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. Many of the homes previously not served by TDV broadband service, are now within its built out service area. However, with lack of BIP funding to build the infrastructure in a timely manner to keep pace with demand, many of the potential subscribers in these areas chose not to wait for the roll out to reach their tribal community and have adopted broadband service through other means (3g wireless cards, satellite, or other WISP services).

As in previous quarters, TDV continues to struggle to keep up with demand for subscription deployment. As a result, they are continuing to lose many potential subscribers to consumer satellite services and 3G modem services offered by other commercial service providers. In many cases, TDV's broadband awareness campaign is on schedule, and generates a high interest among residents, but TDV has found themselves unable to serve communities due to a 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.

The discounted portion of the broadband service covered by BTOP funds this quarter is installation cost at $100/new installed home. This enables the customer to acquire broadband services at no additional cost other than the monthly subscription service rate. Customer Premise Equipment (CPE) is subsidized by TDV funds.

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

Households: 44	**Businesses and CAIs :** 0

Project Indicators (Next Quarter)

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

In Q1 2013, the Shadow Project will graduate 14 area youth for the Winter Session. Also scheduled for the first quarter of 2013, is the launch a a Shadow Project focus on a community youth group known as "Young Native Story Tellers." These youth will attend the Shadow Project and learn about content creation, broadband distribution, cloud services management for audio and video. Curriculum and production methods will include the introduction of the MoJo (mobile journalism) Kit.

- The TDV staff also plans to attend the "Dream the Impossible " Southern California native youth conference hosted at California State University San Marcos. At the conference TDV will conduct broadband awareness and media production activities.

- As part of TDV's ongoing education and advocacy work, Project Director Rantanen will attend the National Congress of American Indians Winter Executive Session in March 2012. In early spring, Mr. Rantanen will also plan to attend the Native Nations Day host by the Federal Communications Commission and the annual board meeting of Native Public Media in Washington, DC.

- TDV staff will attend the Consumer Electronics Show in Las Vegas to learn and then inform their customers about innovations in broadband technologies and usage.

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**	90	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 winter, severe storm activity in San Diego County can create havoc havoc for the installation, maintenance and upgrading of the TDV broadband infrastructure. Washed out dirt roads and trails that provide access to tower sites located on the highest peaks will create delays in maintenance and service. In addition, cloud formations at higher elevations will impact the solar arrays that provide power to the towers. TDV is currently increasing battery storage capacity at one of its mountain towers to try and survive the winter cloud and storm conditions. In addition, TDV staff has entered negotiations to "light up" a fiber connection in eastern part of its service area as a redundancy measure to support that region during any outages this winter

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	$117,904	$47,100	$70,804	$143,790	$54,165	$89,625
b. Fringe Benefits	$43,144	$6,462	$36,682	$30,526	$6,462	$24,064	$36,998	$7,431	$29,567
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	$378,926	$4,388	$374,538	$461,344	$11,138	$450,206
g. Construction	$0	$0	$0	$0	$0	$0	$0	$0	$0
h. Other	$12,900	$0	$12,900	$123	$123	$0	$2,058	$123	$1,935
i. Total Direct Charges (sum of a through h)	$786,369	$100,212	$686,157	$534,664	$59,804	$474,860	$652,620	$74,836	$577,784
j. Indirect Charges	$199,691	$199,691	$0	$133,666	$133,666	$0	$163,620	$163,620	$0
k. TOTALS (sum of i and j)	$986,060	$299,903	$686,157	$668,330	$193,470	$474,860	$816,240	$238,456	$577,784

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: $486,550	b. Program Income to Date: $374,538