

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) 12-31-2013 | 6. Is this the last Annual Report of the Award Period? <div style="text-align: center;"> <input checked="" type="radio"/> Yes <input type="radio"/> No </div> | |
| 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) <hr/> 7d. Email Address Jennifer.riggs@cetfund.org | |
| 7b. Signature of Certifying Official Submitted Electronically | 7e. Date Report Submitted (MM/DD/YYYY): 09-05-2013 | |

| PROJECT INDICATORS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---------------------------|--------------------------------|------------------------------|---|-----------------------------|---------------------------|--------------------------------|------------------------------|---|-----|-----|---|------------|-------|---------------|---------|---------------|-------|-------|--------|-----|---|---|---|-----|---|---|---|------------------------------|---|---|---|---------------------------------|-------|--------|--------|-----------------------------|-------|-------|---------|---|--------|--------|--------|--------------|---------------|---------------|----------------|
| <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 Access to Careers (ACT) in Technology program raised awareness and trained about the benefits of broadband, helped people subscribe to broadband and get trained for Information and Communication Technology jobs. The training materials used by the ACT partners provided information about different broadband options prevalent in the market – DSL, Cable and wireless. CETF and partners are vendor and device neutral.</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> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:15%;">Manufacturer</th> <th style="width:15%;">Item</th> <th style="width:15%;">Unit Cost per Item</th> <th style="width:15%;">Number of Units</th> <th style="width:40%;">Narrative description of how the equipment and supplies were deployed</th> </tr> </thead> <tbody> <tr> <td style="text-align:center;">N/A</td> <td style="text-align:center;">N/A</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> <td style="text-align:center;">N/a</td> </tr> <tr> <td colspan="2" style="text-align:right;">Totals</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> <td></td> </tr> </tbody> </table> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <div style="border: 1px solid gray; padding: 2px 10px; background-color: #cccccc;">Add Equipment</div> <div style="border: 1px solid gray; padding: 2px 10px; background-color: #cccccc;">Remove Equipment</div> </div> | | | | | 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 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Totals | | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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 equipment discussed here does not qualify 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 and as a training tool for populations with barriers to employment to start careers in Information and Communications Technology. Since 2010, ACT partners helped distribute over 9,000 refurbished desktop computers to low-income families. Generally the families received a computer when they completed training and sign-up for broadband. The computers were both given away and sold to participants. In some cases ACT partners subsidized the computer purchase. These computers were refurbished by students studying for A+ certifications in job training and placement programs designed specifically for low-income populations. Integrating refurbished computers into the Digital Literacy and broadband adoption activities in a community completed the full circle of services.</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 <u>cumulatively</u> 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 <u>completed</u> the course.</p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;">Types of Access or Training</th> <th style="width:20%;">Number of People Targeted</th> <th style="width:20%;">Number of People Participating</th> <th style="width:25%;">Total Training Hours Offered</th> </tr> </thead> <tbody> <tr> <td>Open Lab Access</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> </tr> <tr> <td>Multimedia</td> <td style="text-align:center;">9,117</td> <td style="text-align:center;">10,149</td> <td style="text-align:center;">148,210</td> </tr> <tr> <td>Office Skills</td> <td style="text-align:center;">1,420</td> <td style="text-align:center;">2,562</td> <td style="text-align:center;">76,075</td> </tr> <tr> <td>ESL</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> </tr> <tr> <td>GED</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> </tr> <tr> <td>College Preparatory Training</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> <td style="text-align:center;">0</td> </tr> <tr> <td>Basic Internet and Computer Use</td> <td style="text-align:center;">9,795</td> <td style="text-align:center;">11,985</td> <td style="text-align:center;">78,029</td> </tr> <tr> <td>Certified Training Programs</td> <td style="text-align:center;">1,638</td> <td style="text-align:center;">1,594</td> <td style="text-align:center;">227,156</td> </tr> <tr> <td>Other (please specify): Small Business Broadband Training</td> <td style="text-align:center;">15,000</td> <td style="text-align:center;">11,103</td> <td style="text-align:center;">26,159</td> </tr> <tr> <td>Total</td> <td style="text-align:center;">36,970</td> <td style="text-align:center;">37,393</td> <td style="text-align:center;">555,629</td> </tr> </tbody> </table> | | | | | 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 | 10,149 | 148,210 | Office Skills | 1,420 | 2,562 | 76,075 | ESL | 0 | 0 | 0 | GED | 0 | 0 | 0 | College Preparatory Training | 0 | 0 | 0 | Basic Internet and Computer Use | 9,795 | 11,985 | 78,029 | Certified Training Programs | 1,638 | 1,594 | 227,156 | Other (please specify): Small Business Broadband Training | 15,000 | 11,103 | 26,159 | Total | 36,970 | 37,393 | 555,629 |
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| <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>OUTREACH - The Get Connected! PSAs promoted 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 reaching just over 15 million people. The final ACT Newsletter is attached.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

TRAINING - The project provided training on a large range of topics to help diverse target audiences get assistance relevant to where they were and where they wanted to go. Some training focused on helping homeless and transitional populations in learning first-time user and basic digital literacy along with life and job skills to assist this audience in entering, or re-entering the workforce.

Other Access to Careers in Technology (ACT) project partners trained clients who needed basic office skills and Microsoft Office or other Digital Literacy certifications to help them secure jobs. Recognizing the opportunity available in the Information and Communication Technologies career path, ACT partners also offered certification training and job training for advanced ICT certifications such as A+, and Security +. Small business owners and entrepreneurs were also provided training in broadband technologies that could create efficiencies and increase sales resulting in the creation of new jobs. All ACT sub-recipients provided their clients training on the importance and the process of adopting broadband at home.

As a result, CETF exceeded its training target of 36,970 with 37,393 participants having completed training.

JOB PLACEMENT - Chrysalis works with the hardest to employ groups-long term ex convicts, mentally ill, and homeless populations. Chrysalis operates two social enterprises, street cleaning and a janitorial service where it can offer clients first time employment opportunities and build employment histories. Another ACT partner, The Stride Center, also works with populations that have barriers to employment such as parolees, people with low or no technical skills, chronically unemployed populations. Stride Center runs a program that immersed students in a culture of high expectations throughout their training to prepare them for a professional work environment. Internship opportunities and multiple certifications resulted in a placement rate of almost 90% at this partner

As a result, CETF exceeded its job placement target of 2,647 with 2,745 participants placed in jobs.

ADOPTION - Assisting clients from learning Digital Literacy skills and the importance of broadband adoption all the way through to actual subscription, installation and maintenance of broadband service was much more difficult for ACT project partners than anticipated.

ACT partners developed specific training to help the target audience understand how to be smart broadband shoppers. The partners are trusted messengers with public agencies and non-profits to provide the necessary training and be a resource for the hardest to serve. In many cases, ACT partners needed to assist clients on an individual basis through the process of calling the broadband service provider to help ensure that extra charges were not incurred. Through this process there were resources developed that remain available to assist organizations working with clients who need broadband to access benefits and resources online such as health care insurance through the Affordable Care Act.

As a result, CETF exceeded its broadband adoption target of 9,237 with 9,331 participants subscribed to broadband at home.

Some families already had broadband at home through bundled telephone or cable services, but they had no way to utilize it either because they didn't have a computer or Digital Literacy skills, or either. ACT partners assisted over 1,400 individuals in becoming new users of broadband at home by providing a free or low-cost computers and Digital Literacy skills for these families.

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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|---|--|
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| <p>53</p> | <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 race/ethnic populations and geographic regions. CETF uses households making \$40,000 and under as the overall baseline target 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. CETF uses 6% as the proportionate rate for its work. This is the same rate of broadband adoption that Broadband Awareness and Adoption (BAA) sub-recipient United Ways of California/2-1-1 (UWCA)found when they called back clients who expressed an interest in broadband in their initial call. UWCA tracks the results of referrals for 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. CETF counted the 6% of the increased adoption from PPIC and then divided the number between the two NTIA grants. Since BAA has 40% of the organizations and ACT has 60% of the organizations the adoptions 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. ACT had only recently started so a corresponding portion was not assigned to ACT. In 2012, the PPIC survey showed an increase of over 111,000 new households subscribing to broadband in California. CETF counted 6% of this as the result or 6,692 adoptions. ACT sub-recipients represent 60% of the sub-recipients in both grants and therefore 4,015 (60% of the 6,692) new adopters are counted 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 limited cases an email from class participants showing the provider’s name demonstrates a subscription.</p> <p>ACT partners have enabled 9,331 people to adopt broadband at home to date, with 1,377, of these subscriptions being subsidized.</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>The biggest barrier of the grant was helping partners go the distance to help clients understand how to buy broadband that benefits their clients. Many anchor institutions and non-profits don’t see this as their role. Traditionally their role has been to train clients how to use the computer. This project asked partners to go the distance. As partners have stepped up to this challenge they learned the value of making it easy for the client to get everything from them—training, education about computers and broadband, a low-cost computer, and help buying a broadband service. When this happens success follows.</p> <p>The next biggest barrier is the lack of an affordable total package which includes an affordable home broadband rate and a computer. The ideal rate includes other key features that prevent people from adopting such as a 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 unsuccessfully reached out to some of the largest broadband providers in the state to request a special rate that partners could offer their clients as incentive to subscribe.</p> <p>Affordability was especially an issue during the last few years with the amount of unemployment and the recession. CETF and the ACT partners worked with the low-income population to increase job placements which support more sustainable broadband adoptions. With high unemployment rates, placing candidates with barriers to employment was even more challenging. Partners found that multiple ICT certifications along with internships considerably raised placement 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>Three firms CETF does business with qualify as socially and economically disadvantaged small businesses:</p> <p>SAESHE is a minority owned media placement firm.</p> <p>Core Bookkeeping is a minority woman owned business that handled the bookkeeping and provided the financial reports needed for</p> |

federal reporting.

ISL is a minority owned firm that handled the internal IT for CETF, a portion which is paid for by this grant.

8. Please describe any best practices / lessons learned that can be shared with other similar BTOP projects (900 words or less).

In previous Annual Reports CETF has described several best practices. In this Final Annual Report below are excerpts from the report "Lessons Learned from the Field", that CETF published based on its work with the Broadband Awareness and Adoption (BAA) and Access to Careers in Technology (ACT) partners, the two federal grants awarded in 2010 to CETF by the National Telecommunications and Information Administration (NTIA). The report was compiled from information shared at quarterly in-person meetings and in interviews conducted by the Glen Price Group. Through these meetings, the 19 BAA and ACT partners formed Learning Communities for each grant, and as a combined group, with the intention of sharing their challenges and the subsequent solutions and Lessons Learned. The major lessons and key factors for success are summarized here and elaborated on the full report which can be found at http://www.cetfund.org/investments/overview/Get_Connected. Both grants had stretch goals yet achieved the intended outcomes.

The Four Major Lessons

1. Leverage Everyday Activities into Broadband Training and Curricula: How to engage participants with relevant training topics that will help drive new, sustainable home broadband adoptions.
2. Secure Job Placements in the Growing ICT Field: Strategies that have successfully helped program participants find jobs in Information and Communications Technology (ICT).
3. Drive Broadband Adoption by Offering Affordable Full Services: Service and resource combinations that are effective at driving (and securing!) adoptions along with affordable broadband and computing devices.
4. Pursue Sustainable Programs: How to integrate broadband adoption into other activities, such as health, education, financial literacy and community development.

Key Factors Needed for Success

1. Grantee Executive Leadership and Staff Management Capacity Are Essential
Executive leadership and management capacities make a significant difference in the ability of an organization to achieve results. Many grantees realized they needed to do a better job assessing their own capacity to manage a large grant. The key assessments leading to this conclusion included staff Digital Literacy skills, project management experience, and fundraising abilities. "Hire the best people", one grantee advised. It is important for partners to assess staff training needs before the start of a major new grant. If an organization is not hiring for new positions, think about how to help current staff members improve their skills with training, both at the outset of a new project and through ongoing coaching.
2. CETF Coaching and the Learning Community Were Essential to Reaching Goals
CETF, as an investment partner, regularly supported BAA and ACT partners by providing educational opportunities; project monitoring; coaching; and course correction management, which proved a critical factor in reaching success. CETF also strongly supported collaboration and active Learning Communities among grantees and other partners to help leverage resources and overcome challenges.
3. Thoughtful Work Plans in Advance Lead to Faster Recognition of Challenges
A successful work plan must be focused on results and accountability; accountability is essential to meeting program goals on time.
4. Anchor Institutions and Community Organizations Need to Revise How They Work to Ensure Clients Actually Obtain Broadband (Not Only Provide Information and Encouragement)
Often, organizations readily share information about how to subscribe to broadband service, however, they typically do not provide sufficient follow-up to ensure clients are prepared to complete the complex subscription process. Organizations must recognize the challenges inherent in purchasing broadband and obtaining a computer in order to effectively serve their program participants, regardless of any specific product or service.
5. Internships and Multiple Certifications Increase Job Placement Rates
Working with populations that have barriers to employment, especially in a difficult job market requires that they be well prepared and have additional value added to the job preparation. Internships allow candidates to establish a work history, acclimatize to a professional work environment and practice skills like networking. Multiple certifications give job training students value added over other candidates that they may need to overcome their barriers to employment.
- 6.. Integrating Digital Literacy and Broadband Adoption Training into Existing Programs Is the Best Way to Ensure Sustainability and Continually Narrow the Digital Divide
Technology is not a stand-alone solution. However, it is a powerful tool to gain opportunity, be it access to better health care, key financial information, a higher-paying job, or improved educational options. Teaching Digital Literacy in the context of seeking the core organizational outcomes will lead to sustainable adoption.