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** **11-43-B10516**	**3. DUNS Number** **829024541**

4. Recipient Organization

One Economy Corporation 1220 19th Street, NW, Suite 610, Washington, DC 20036

5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	**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 Samuel Gaillard Director of Management Info	**7c. Telephone (area code, number and extension)** 202-393-0051 X1206
	7d. Email Address sgaillard@one-economy.com
7b. Signature of Certifying Official Submitted Electronically	**7e. Date Report Submitted (MM/DD/YYYY):** 10-31-2011

Project Indicators (This Quarter)

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

In the area of affordable access, One Economy provided broadband access to 12,033 households in California, South Dakota, Atlanta, Chicago, Portland, Milwaukee, Norfolk, and Seattle. We completed housing development contract negotiations in Raleigh. Efforts continued in additional cities such as Boston, Los Angeles, Washington DC, and Philadelphia.

In the area of digital literacy training, 45 Digital Connector youth training programs graduated this quarter, and we prepared 44 programs to start in October. Our Cisco training webinars for Digital Connector instructors resulted in 28 instructors achieving Cisco Authorized status. Along with our partners, we held digital literacy trainings with over 46,308 participants in multiple states.

We held 9 Community Advisory Board meetings this quarter and launched a city-wide We Are Now Connected kick-off event in San Diego with partners.

For national awareness, along with our Broadband Opportunity Coalition (BBOC) partners, we produced and distributed television/ radio Public Service Announcements in eight languages, and established a multilingual call center. We reached 4,145,499 people through our media and outreach efforts. Internal evaluations were completed, and data collection instruments were finalized for our ten test and control cities, and national survey.

For public purpose content, our web series Los Americans completed its full episode run on pic.tv and launched on L.A. Transit's metro bus system for a one-month run that drives viewers online for full episodes. It is expected that more than 25 million viewers will see Los Americans in that span. 2011 Documentary Harvest of Dignity was featured. Our Just Think blog featured our award winning webseries "If I Were President". We released mobile app BeeLocal for finding local community resources, used by over 60,000 visitors this quarter.

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**	39	Variance is based on the delays to installations caused by challenges with Internet Service Provider (ISP) procurement, Housing developer contract delays, and unexpected ISP technical requirements.
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).

Delays in our planned progress are related to the challenges from the previous quarter as we attempted to catch up.

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
Affordable housing units/ low income households connected	California, South Dakota, Atlanta, Chicago, Detroit, Milwaukee, Norfolk, Portland, Seattle	Meraki wireless mesh networks installed at affordable housing sites and wireless modem distribution to low-income families	27,000	12,311	12,033	0
Training Programs	Nationwide	1636 youth and 183 instructors trained for Digital Connector programs, 55 Community Technology Associates/Mobile Lab Van Drivers trained, mobile lab resident trainings at 24 housing developments with 1643 participants, and additional digital literacy trainings led by OE staff, partners and Digital Connector youth with 66,505 participants	127,000	70,022	0	0
Outreach Activities	41 States	Organizations involved in our activities include members of our 16 Community Advisory Boards, BBOC partners, Digital Literacy training partners, Housing partners, Digital Connector cohorts and media/online outreach partners	374	392	0	0
Awareness Campaign	Nationwide	City-wide launch events completed in 5 cities. Along with our BBOC partners, we continued community and media outreach, with articles appearing in various outlets including Time magazine, and news stories on local TV stations in San Diego and Los Angeles. Online content on our web properties such as the Beehive and PIC.tv continue an upward trend	6,000,000	10,264,650	0	0
Total:			**6,154,374**	**10,347,375**	**12,033**	**0**

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).

The 12,033 subscribers are affordable housing units/low-income households connected with BTOP and match resources. One Economy anticipates connecting a total of 27,000 housing units/subscribers. As a result of these efforts, we estimate that an additional 123,000 subscribers will subscribe using their own or other resources. A third-party evaluator will independently determine our impact on new subscriptions.

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).

As anticipated, catching up from the challenges we experienced from the previous quarter (ISP technical and procurement, and houser contract negotiation issues) will take another quarter.

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

Households: 12,033	**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).

Through our affordable access program, One Economy plans to complete wireless network installations at affordable housing developments in Atlanta, Boston, Chicago, Raleigh, and Seattle. 4G wireless service will be distributed to residents of affordable housing developments in Boston, Philadelphia, Portland, Seattle, and Washington DC.

We plan to have We Are Now Connected city-wide launch events in Chicago, Portland and Detroit which will coincide with resident trainings and partner recognition. Additional community launch events with resident training are planned for Philadelphia, Boston, and Washington DC. Digital literacy trainings will continue in California, Chicago, Milwaukee, Norfolk, Portland, Seattle, and St. Louis with housing residents. Community Technology Associates in these areas will be offering additional resident trainings. 44 Digital Connector program will start with 660 youth enrolled.

Broadband Opportunity Coalition (BBOC) partner television and radio Public Service Announcements in various languages will be marketed and broadcast in key markets around the country, with detailed tracking available. First round evaluations will be completed at our test and control cities.

Webseries "Front Seat Chronicles", "Urban Organics", and "Everyday Tech" will start production. We will feature the first season of Craig Stokes Style Minute and develop a new longer form show Craig Stokes Experience.

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**	43	Variance is based on the delays to installations caused by challenges with Internet Service Provider (ISP) procurement, Housing developer contract delays, and unexpected ISP technical requirements.
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).

Inclement weather may pose a challenge in our efforts.

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	$7,776,540	$128,750	$7,647,790	$5,094,979	$0	$5,094,979	$5,767,377	$0	$5,767,377
b. Fringe Benefits	$1,195,539	$25,750	$1,169,789	$1,018,996	$0	$1,018,996	$1,153,475	$0	$1,153,475
c. Travel	$1,094,036	$110,000	$984,036	$681,592	$0	$681,592	$766,162	$0	$766,162
d. Equipment	$963,877	$0	$963,877	$872,860	$0	$872,860	$923,990	$0	$923,990
e. Supplies	$4,254,910	$1,989,615	$2,265,295	$218,084	$0	$218,084	$220,160	$0	$220,160
f. Contractual	$4,254,172	$940,980	$3,313,192	$3,234,655	$0	$3,234,655	$3,358,540	$0	$3,358,540
g. Construction	$0	$0	$0	$0	$0	$0	$0	$0	$0
h. Other	$27,018,960	$19,053,800	$7,965,160	$6,755,858	$3,740,114	$3,015,744	$7,284,847	$3,975,352	$3,309,495
i. Total Direct Charges (sum of a through h)	$46,558,034	$22,248,895	$24,309,139	$17,877,024	$3,740,114	$14,136,910	$19,474,551	$3,975,352	$15,499,199
j. Indirect Charges	$4,956,447	$746,104	$4,210,343	$2,448,654	$0	$2,448,654	$2,684,616	$0	$2,684,616
k. TOTALS (sum of i and j)	$51,514,481	$22,994,999	$28,519,482	$20,325,678	$3,740,114	$16,585,564	$22,159,167	$3,975,352	$18,183,815

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: $0	b. Program Income to Date: $0