

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 46-41-B10548	3. DUNS Number 115077950
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4. Recipient Organization

Communication Service For The Deaf, Inc. 102 N KROHN PL, SIOUX FALLS, SD 571031800

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Dave Miller	7c. Telephone (area code, number and extension)
	7d. Email Address dmiller@c-s-d.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-14-2012
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Project Indicators (This Quarter)

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

Project Endeavor experienced tremendous growth this past quarter. The number of program participants served grew from 555 to 3710 during the last quarter. The number of program applicants grew from 3055 at the beginning of the quarter to 9756 at the end of the quarter. This expansion is attributed to several factors: our outreach campaign coming to full maturity, adjustments in program eligibility requirements and a recognition that our target population, individuals who are deaf or have significant hearing loss, were rapidly migrating from fixed to wireless broadband options. The Project Endeavor Contact Center maintained the same staffing level despite the significant pick-up in call volume. The call volume is anticipated to remain high during the next two quarters. The contact center continues to improve its workflow and quality assurance processes. We were able to resolve most of the problems experienced with abandoned or dropped incoming video calls. Processing video calls through a multiple media contact center represents emerging technology and presents unique challenges. With the addition of nine regional outreach staff, placed in various cities across the nation, there was a significant increase in outreach activity. These regional staff have greater knowledge of the local communities and are better able to reach out to the local grass roots community and enlist collaboration from local organizations in spreading the word about broadband adoption, equipment and training. During this quarter staff attended 73 events with attendance totaling 19,380. Staff collected 1,932 completed applications; 2,241 learners participated in Project Endeavor workshops and presentations at these outreach events. The project continues to install Public Access Videophones (PAV) in Community Anchor Organizations throughout the United States. To date, 114 machine have been placed (76% of our baseline goal has been met). We have 36 units yet to be placed. We have agreements with 31 locations for units leaving only five units not obligated. After completion of the installations the project will continue to provide customer service, technical troubleshooting and machine maintenance. Once the goal of 150 placements is met, there will be no further installations. Since there are no new machines planned for production we need to keep the remaining inventory for replacement parts. Project Endeavor has exceeded its goal of 2,000,000 media impressions. There was a steady increase of unique visitors to the Project Endeavor website and YouTube channel, as the digital library of educational videos continues to expand. All videos are produced in ASL,captioned and voiced; and, developed by taking into consideration the learning styles of deaf/hard of hearing individuals. This quarter, the Project Endeavor website experienced an average of 31,500 views a month, compared to an average of 20,978 views per month last quarter. Likewise, viewers on the YouTube channel averaged 13,495 a month, compared to an average of 7,223 a month last quarter. Fifty (50) video blogs were created on varying topics, from how to set up an iCloud account to how to operate an iPad2. The media team disseminated Project Endeavor Information kits to over 1,600 Community Anchor Organizations this quarter. Project Endeavor continues to post on Face book, Twitter, YouTube, LinkedIn, and Google+ to steadily build a following of prospective and current consumers. The Project continues the develop of a self-paced, interactive, online learning tool in American Sign Language for non-college bound deaf and hard of hearing individuals who are interested in either entering the workforce or looking to change jobs. The Project continues to carry out program evaluation activities. These include collection and analysis of participant demographic external peer review of training materials, customer satisfaction surveys, focus groups and review of service records.

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	Although the Project expended approximately 40% of our funding we are on track or ahead of schedule for all of our baseline milestones with the exception of new household subscribers. Our actual expenditures are slightly higher than reported since we use an accrual accounting method. Federal quarterly reports reflect the amount of funds actually reimbursed to the program year to date which is always less than what's expended. At the rate new consumers are entering the program and becoming eligible for assistance, we anticipate using approximately 58% of our available funding by the end of March 2012 and 76% by the end of June 2012.
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

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
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).

Project Endeavor experienced a dramatic increase in applications for services and consumer determined eligible for assistance. During Q4 2011, the Contact Center processed twice as many applications as all previous quarters combined. We qualified for services nearly four times as many consumers for services during the same time frame. This increase put significant stress on our call center to keep up with the work flow. At the end of the quarter we had more than 2000 qualified consumers waiting for service and 4000 applications in process to determine eligibility for assistance. This created delays in delivery of service which cannot be avoided. The available work force pool with signing skills abilities is finite in our labor market. For reasons related to sustaining the project, we don't want to staff up for a surge in applications that will scale back later. The eligibility process requires a significant amount of information from applicants. In addition, we need to determine the broadband access needs of qualified consumers, answer questions about available technologies and obtain informed consent to participate in our evaluation efforts. As a result, there is a significant amount of time expended and signed video communication exchanged during the qualification process. We anticipate we will carry a backlog of waiting consumers into Q2 2012. At that time, we will discontinue outreach activity which will result in getting current during Q3 2012. We also need to calibrate these activities to occur in proportion to the amount of funding available for subsidized services. The Contact Center continues to refine its workflow and quality assurance processes to increase production. In moving program participants through the qualification process as rapidly as possible, we experienced difficulty in gathering all the program participant data for research and program evaluation purposes. We have taken steps to to make more data fields required within the scope of our evaluation plan approved by the IRB. As stated previously, the number of Public Access Videophone (PAV) installations failed to meet expectations set for the Q4 2011 largely due to the number of locations confirming before the site was actually prepared to take the PAV. Several sites needed approval from boards, construction to accommodate the PAV or installation of broadband service. This has delayed the completion of installations with 150 Community Anchor Organizations.

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
Create and maintain call center to provide customer support.	Sioux Falls SD	This includes purchasing, programming and installing call center equipment. Developed technology to integrating video calling. Hiring and training staff who can sign to customer base.	1	1	0	0
Purchase equipment for regular broadband users to access services	Sioux Falls SD	This includes purchasing notebooks, tablets and video communications equipment, installing custom software for eligible broadband users and providing follow up instruction and technical assistance	4,500	3,710	0	0
Purchase broadband service and distribute for end users	Sioux Falls SD	This includes determining whether wireless, wired or wi-fi broadband best meets their needs, setting up a wireless account or enrolling them in a voucher program for wired service and providing follow up and technical assistance	16,000	362	362	0
Provision and install Public Access Video Phones	Sioux Falls SD	This includes updating and installing latest PAV software, selecting community anchor for PAV, shipping and installing PAV and follow-up technical support.	150	114	0	114
Plan and conduct social media campaign	Sioux Falls SD	This involves selecting appropriate social networking outlets to post information to outreach to target population (viewership)	213,729	213,729	0	0
Promote project at community events	Sioux Falls SD	Attend deaf & hard of hearing community and professional event to educate participants and attract program participant	191	191	0	0
Develop assessable training materials	Sioux Falls SD	Develop and or identify training materials that are effective in training individuals who rely upon sign language about services available on the web.	77	77	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
Provide awareness and education concerning broadband access for deaf & hard of hearing population	Sioux Falls SD	Provide the deaf and hard of hearing public with information about the benefits of broadband services and how to access Project Endeavor.	2,000,000	2,309,987	0	0
Provide one on one tech assistance, education workshop and self directed web training	Sioux Falls SD	Provide one on one call center technical support, training and referral and web passed self direct training to assist individuals to access broadband services or internet resources.	200,000	92,748	0	0
Evaluate factors contributing to broadband adoption by target population	Sioux Falls SD	Gather data from project participants to determine why the do or do not utilize internet based services, what supports increase their use of services. Results are reported in quarterly updates and will be including in the projects final report.	7	5	0	0
Total:			2,434,655	2,620,924	362	114

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).

Households subscriber: The number of individuals for whom the project has purchased or subsidized the purchase of a broadband service account or individuals who reported independently establishing a new broadband account after receiving project services.
Community Anchor subscriber: Any CAI where the project installs a Public Access Videophone or provides a device that allows an organization to access broadband services for video interpreting.

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).

The Q4 report represents a net reduction of new household broadband subscribers. This is a result of the request from NTIA for grantees to use the more restricted definition established in the NOFA (CFDA No. 11.557). Previously Project Endeavor was reporting the number of "users." There are two primary reasons why the number of new household subscribers is significantly less than projected in our grant application. First, to determine the adoption rate for the CSD target population we relied upon the 2010 FCC Broadband Adoption & Use in America Survey. This report estimated that the adoption rate among people with disability was approximately 42%. As stated in our application there was no research indicating the specific adoption rates of sub groups within the disabled community, i.e., deaf and hard of hearing. We have now found that the adoption rate within the deaf community was significantly higher than thought. Over the past decade, companies that provide federally funded Video Relay Services (VRS) have distributed free videophones to deaf/hh customers with the requirement that they subscribe to high-speed Internet services. Without this subscription, VRS companies would not install the videophone equipment. As a consequence, many of deaf and hard of hearing people needing video communication to function in daily activities opted to subscribe to broadband services. The migration from the text-based TTY to videophone was rapid because this service allowed deaf/hh individuals to communicate using American Sign Language (ASL) for the first time. We underestimated how pervasive adoption of broadband service was in the deaf community. What we found is that many of these subscribers were only using their broadband access for video communication and not availing themselves of the full functionality of broadband. Frequently the equipment they had was only a videophone. For financial and educational reasons many deaf individuals were subscribers but not broadband users. The second factor impacting our low subscriber rate is the exploding growth and advancement of wireless video services. At the time the grant proposal was written no one envisioned the quality, affordability and availability of wireless video today. Most of our target population is either abandoning fixed wired broadband in favor of wireless service or for the transition age youth and very low income individuals, opting for free WiFi access as it becomes more ubiquitous. For the deaf and hard of hearing community this transition is also being fueled by the affordability of notebooks, tablets and smart phones which is merging the functionality of the desktop computer and videophone in one mobile device. The educational and training needs remain as outlined in the grant but there is much more need and demand for mobile broadband access equipment than new household subscriptions. The Project is trying to keep pace with what's happen with the target population. We anticipate meeting our goals as measured by new broadband user but substantially under achieving our goals as measured in new broadband subscribers. Our original estimate of the adoption rate within our target populations was in error and broadband technology developments are creating unanticipated service demands.

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

Households: 362	Businesses and CAIs : 114
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Project Indicators (Next Quarter)

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

We anticipate serving an additional 2,900 deaf and hard of hearing program participants next quarter. We have established an internal audit group to monitor program eligibility decisions and the integrity of our program data collection procedures. Starting Q1 the Project will distribute free broadband equipment and wireless service to approximately 250 very low income deaf and hard of hearing individuals. We will be developing policy to ensure these services are distributed equitable across the United States. During Q1 we will also be adding the iPhone 4s to the list of available equipment offered through the program and we should complete the installation of Public Access Videophones in Community Anchor Organizations. Pending NTIA approval, we plan to introduce remote video interpreting services to community anchor institutions during Q1. This technology allows service organizations to obtain real time sign language interpreting services to communicate with their deaf consumers. Project Endeavor will provide subsidized equipment and video interpreting service to Community Anchor Organizations so they can learn how to use this technology to reduce service cost and better serve their deaf consumers. Each community anchor will be limiting to no more than 250 hours of subsidized service. Program evaluation activities will continue throughout Q1 2012. These include gathering demographics and obtaining a digital literacy baseline on participants as they enter the program and conducting individual consumer and community anchor customer satisfaction surveys. Project Endeavor will complete the development of a self-paced, interactive, online learning tool in American Sign Language for non-college bound deaf and hard of hearing individuals who are interested in either entering the workforce or looking to change jobs. The online learning tool is web-based using interactive activities such as games, puzzles, multiple choice questions, videos and cartoons to engage participants to apply English/grammar skills to employment related learning activities. Each activity has a measurement tool for the participant to gauge their progress or the need for improvement. Existing employment related resources or "web links" are embedded in the training materials. For example, learners are directed to watch existing Project Endeavor and other organization's training videos on related topics. We will use a Learning Management Systems (LMS) to support this effort.

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	60	The Project is on line to accomplish all milestones, expend all funds and submit its final report by February 1, 2013. This is approximately five month longer than the original work plan but well within the grant period.
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).

Our most significant challenge in the next quarter will be managing our incoming work load. Early indications are that the work volume for the Q1 2012 will be as large as the last quarter of 2011. We are entering the quarter with a backlog of approximately 4,000 qualified applicants for services. We plan to hire additional staff in our call center and authorize some overtime to deal with the ongoing work load. We are also looking at temporarily assigned other CSD staff to Project Endeavor to help us work through the backlog. Workforce management will be critical to avoiding long wait time for services. Not all applicants become eligible so calibrating when and where to discontinue outreach efforts (accepting applications) will be challenging. The ideal situation is to have on hand only as many qualified applications as we have money to spend for each State. Our close out plan is to complete outreach activities in Q2 2012. We will need media production staff for training materials through the end of the Q3 2012 and call center, program evaluation and project administrative support staff through the end of Q4 2012. The current budget will support this close out plan. As their work is completed qualified project staff will be transitioned to other programs and products within CSD. This process has already started with some of Project Endeavor's staff accepting positions within other departments and service lines. In December we requested permission to expand the scope of the Project to include video remote interpreting for community anchor organizations. We believe this product line has the most potential for creating sustainable jobs within CSD. Delays in approving this request make it more difficult to develop a plan for closing down the Project.

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.

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		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Personnel	\$4,417,984	\$453,000	\$3,964,984	\$2,327,105	\$259,905	\$2,067,200	\$2,900,000	\$300,000	\$2,600,000
b. Fringe Benefits	\$1,147,792	\$117,689	\$1,030,103	\$487,832	\$53,912	\$433,920	\$600,000	\$60,000	\$540,000
c. Travel	\$224,500	\$0	\$224,500	\$179,485	\$0	\$179,485	\$250,000	\$0	\$250,000
d. Equipment	\$1,805,000	\$900,000	\$905,000	\$1,594,279	\$894,483	\$699,796	\$1,625,000	\$900,000	\$725,000
e. Supplies	\$195,000	\$0	\$195,000	\$98,875	\$0	\$98,875	\$140,000	\$0	\$140,000
f. Contractual	\$8,829,729	\$3,025,649	\$5,804,080	\$1,819,875	\$740,048	\$1,079,827	\$4,300,000	\$1,800,000	\$2,500,000
g. Construction	\$74,800	\$74,800	\$0	\$74,842	\$74,842	\$0	\$74,842	\$74,842	\$0
h. Other	\$977,300	\$0	\$977,300	\$359,545	\$3,862	\$355,683	\$403,862	\$3,862	\$400,000
i. Total Direct Charges (sum of a through h)	\$17,672,105	\$4,571,138	\$13,100,967	\$6,941,838	\$2,027,052	\$4,914,786	\$10,293,704	\$3,138,704	\$7,155,000
j. Indirect Charges	\$1,887,690	\$0	\$1,887,690	\$708,161	\$0	\$708,161	\$1,030,950	\$0	\$1,030,950
k. TOTALS (sum of i and j)	\$19,559,795	\$4,571,138	\$14,988,657	\$7,649,999	\$2,027,052	\$5,622,947	\$11,324,654	\$3,138,704	\$8,185,950

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: \$3,025,649	b. Program Income to Date: \$741,718
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