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** **50-43-B10511**	**3. DUNS Number** **137761792**

4. Recipient Organization

Vermont Council on Rural Development 43 State Street, Montpelier, VT 05602

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 Paul Costello Executive Director	**7c. Telephone (area code, number and extension)** 802-223-5763
	7d. Email Address pcostello@vtrural.org
7b. Signature of Certifying Official Submitted Electronically	**7e. Date Report Submitted (MM/DD/YYYY):** 11-04-2011

Project Indicators (This Quarter)

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

VCRD continues to coordinate all activities in e-Vermont communities and convene statewide leaders to address challenges associated with rural broadband adoption and utilization. A full listing of activities selected by Round 1 communities is available in the first year report at e4vt.org (under "About") and an update on one Round 2 communities will be available in early 2012. Projects towns have selected to complement subrecipient activities (see below) include digitizing historic documents, improving public access TV stations' ability to stream online, helping local residents access state benefits online, creating greater public Internet access (including through wireless zones), supporting local farmers through online sales platforms, launching a local digital literacy campaign, putting community news online, and building portal pages to finding town services, businesses and events.

Front Porch Forum take rates continue to climb, with Round 2 towns coming close to Round 1 rates at 20% of households. This forum proved a particularly useful community organizing tool in Moretown, which was hit by severe flooding in August following Tropical Storm Irene and saw take rates jump from 27% to 47% over the quarter.

Comcast matches of free 2-year Internet subscriptions are starting to be installed in e-Vermont towns. The Bridgewater Historical Society and Grange received access and, using this subscription, they were able to become a local center of relief following Irene, both providing Internet access to displaced residents and organizing volunteers through a new Facebook page.

Vermont State Colleges have expanded their work to include recruiting "Internet Interns" to assist patrons at e-Vermont towns' public libraries. VSC has also started a major project to train state employees, town librarians, and community organizations' staff who assist clients with accessing information online. The goal is to help these service providers also provide basic digital literacy concepts.

Snelling Center for Government continues to educate municipal officers in best practices for town websites. A webinar was offered in September and social media added to the existing web template. SCG is now organizing the 3rd e-Vermont regional workshop for November.

During the last quarter, school was not in session and so Digital Wish was not in classrooms. Work during this quarter focused on standardizing 6 curriculum units, transferring everything to electronic form, and strengthening the mentorship program. All DW equipment has now been distributed. DW's tech support specialist provided free assistance rewiring the Moretown school after Irene.

The Small Business Development Center presented 4 in-person workshops to 48 participants, 3 webinars to 40 participants, advised 9 new clients in addition to follow up with existing clients, and designed materials for an online toolkit to help small businesses increase use of the Internet.

The Department of Libraries completed distribution of equipment to all 13 public libraries and started review of equipment requests for Round 2 libraries. Libraries proved a key access point for local citizens after Irene flooding. Residents without power (many without homes) needed to get online to communicate with family members and also find out about disaster assistance programs. At the end of the quarter, Department of Libraries was working with the Moretown library to quickly expand their capacity for Internet access as Irene-affected citizens continue to require Internet access to research available disaster assistance.

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	Two primary factors reduced the % complete - one subrecipient fell significantly behind on drawing down their funds for staff, but that has since been remedied and will be up to date in the next quarter, and a significant Microsoft match is being realized later in the school year than previously planned.
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).

We have had a delay in realizing the Microsoft match in the Digital Wish subrecipient category, due primarily to employee turnover at Microsoft. However, Digital Wish has established their new contacts and we are back on track. Also, severe flooding due to Tropical Storm Irene at the end of August delayed some projects due to refocusing of non-profit and state organizational efforts. We anticipate local and statewide projects to be back on track in the next quarter (none had deadlines in this quarter).

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
Business Workshop	Dover	Google Tools for Small Business	12	18	0	0
Business Workshop	Dover	Social Media Marketing	12	12	0	0
Business Workshop	Castleton	Google Tools for Small Business	12	10	0	0
Business Workshop	Hardwick	Google Tools for Small Business	8	8	0	0
Webinar	Virtual	Managing Municipal Information Online	15	17	0	0
Basic Skills Workshop	Middletown Springs	Basic Internet Skills	6	9	0	0
Webinar	Virtual	Savvy Searching	15	20	0	0
Total:			**80**	**94**	**0**	**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).

Because e-Vermont is a community based approach, we track subscription changes across the community, not by individuals participating in the project. For that reason, individual households / businesses are left blank above. The Vermont Department of Public Service collects subscriber information for e-Vermont towns and reports the percentage of household with broadband access who subscribe at the end of the quarter.

Round One (Year One Numbers)
Grand Isle Cty 35%
Newport City 36%
Canaan 69%
Island Pond 31%
Cambridge 91%
Bristol 37%
Middlesex 52%
W. Rutland 45%
Ludlow 31%
Poultney 42%
Sunderland Arlington 45%
Pownal 31%

Round Two
Bridgewater 22%

Calais 47%
Castleton 51%
Dover 28%
Fairfield 50%
Hardwick 29%
Jay/Westfield 47%
Middletown Springs 7%
Moretown 61%
Morristown 31%
Richford 39%
Vergennes 53%

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 Vermont Department of Public Service is an excellent partner in collecting take rate data. However, it is difficult to obtain accurate data from providers. We continue to have only one year's worth of data from Round 1 towns, not ongoing take rate increases in year two of the project, and may not be able to get accurate comparison data for year two. Rapid build out in some e-Vermont towns further confuses the data, as the number of households with one or more broadband subscriptions available changes dramatically across the quarter and different providers have different accuracy / lag time in their data. We continue to see an overall positive trend in take rates, which matches our goals.

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

Households: 0	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).
Over the next quarter we anticipate:

Resumption of Digital Wish activities in schools, including teacher trainings and Microsoft training.

Identification of equipment going to public libraries (although the orders & distribution may not be complete).

Presentation of third e-Vermont Regional Conference at Lyndon State College, Nov. 19th.

Selection of date, place and agenda for second e-Vermont statewide conference.

Launch of two new toolkits at e4vt.org

Pilot presentation of "Teaching Basic Internet Skills" workshops with the Vermont State Colleges. Completed placement of library internet interns by Vermont State Colleges.

Continued presentations of VtSBDC and VSC in-community workshops; continued presentation of webinars.

Continued launch of municipal websites through the Snelling Center for Government, with a goal of having all Round 1 town sites fully launched.

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**	79	This estimate is conservative based on turnover at Microsoft that has affected draw down of their match (although we are not concerned about completion by the end of the school year). We are also in the process of adjusting staff timelines based on identified needs in communities and will be in contact with our BTOPs officer on that issue. We will not require an extension, but are simply readjusting workloads across quarters.
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).
No challenges anticipated at this time.

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	$449,050	$292,480	$156,570	$327,392	$213,458	$113,934	$403,177	$265,714	$137,463
b. Fringe Benefits	$125,200	$87,770	$37,430	$65,017	$35,774	$29,243	$79,369	$44,605	$34,764
c. Travel	$20,000	$0	$20,000	$13,721	$0	$13,721	$15,221	$0	$15,221
d. Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0
e. Supplies	$1,411,377	$500,182	$911,195	$1,268,760	$551,162	$717,598	$1,333,338	$565,738	$767,600
f. Contractual	$274,517	$27,517	$247,000	$122,761	$27,517	$95,244	$147,767	$27,517	$120,250
g. Construction	$0	$0	$0	$0	$0	$0	$0	$0	$0
h. Other	$1,469,668	$316,188	$1,153,480	$794,579	$63,564	$731,015	$985,000	$85,000	$900,000
i. Total Direct Charges (sum of a through h)	$3,749,812	$1,224,137	$2,525,675	$2,592,230	$891,475	$1,700,755	$2,963,872	$988,574	$1,975,298
j. Indirect Charges	$0	$0	$0	$0	$0	$0	$0	$0	$0
k. TOTALS (sum of i and j)	$3,749,812	$1,224,137	$2,525,675	$2,592,230	$891,475	$1,700,755	$2,963,872	$988,574	$1,975,298

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