QUARTERLY PERFORMANCE PROGRESS REPORT FOR PUBLIC COMPUTER CENTERS

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** 78-42-B10568	**3. DUNS Number** 789438293

4. Recipient Organization

Virgin Islands Public Finance Authority 32-33 Kongens Gade, St. Thomas, VI 00802-0430

5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2012	**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 Vicki Johnson	**7c. Telephone (area code, number and extension)** 3407141635
	7d. Email Address vjohnson@usvipfa.com
7b. Signature of Certifying Official Submitted Electronically	**7e. Date Report Submitted (MM/DD/YYYY):** 05-24-2012

Project Indicators (This Quarter)

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

The U.S. Virgin Islands Public Finance Authority/Virgin Islands Next Generation Network (VIPFA/viNGN) continued to focus on completing activities under the first phase of its Public Computer Centers (PCC) program implementation schedule.

viNGN concluded a competitive procurement to contract with a vendor to supply and install computer and peripheral supplies for the first five PCCs. A purchase order for the needed supplies was issued during Quarter 1, CY 2012, and based on Memoranda of Agreement (MOA), Memoranda of Understanding (MOU) or Hosting Agreements which the VIPFA/viNGN team signed with five (5) strategic partners, VIPFA/viNGN purchased for and installed computers and peripherals at the 5 PCCs and completed renovations at some locations. The status of the first five (5) PCCs is as follows:

1) The Louis E. Brown Villas PCC is located on St. Croix and is managed by the U.S. Virgin Islands Housing Authority (VIHA); 100% of the renovation is completed;
2) The Virgin Islands Resource Center for the Disabled PCC is located on St. Thomas; 100% of the renovation is completed; This center's primary clients are special needs adults and low income youth; It will be the first disability center on St. Thomas to offer Americans with Disabilities Act-compliant equipment;
3) The Boys & Girls Club of the Virgin Islands PCC is located on St. Croix; 100% of the renovation is completed;
4) The Walter I.M. Hodge Pavilion PCC is located on St. Croix and is managed by VIHA; 100% of the renovation is completed; and
5) New Image Foundation PCC, a not-for-profit, focused on creating career opportunities for women in difficult circumstances and located in the heart of the main cruise ship port on St. Thomas, providing easy access for local residents and visitors alike, received computers and peripherals.

On the island of St. Croix, three (3) PCC sites were equipped with a total of twenty-four (24) new computer workstations, consisting of a Central Processing Unit (CPU), monitor, keyboard, mouse, web cameras and UPS back-up battery and surge protector, etc. Eight (8) new computer work stations were installed at each of the Boys & Girls Club of the Virgin Islands, the Louis E. Brown Villas public housing complex and the Walter I. M. Hodge Pavilion public housing complex.

On the island of St. Thomas, two (2) PCCs were equipped with a total of sixteen (16) new computer workstations, consisting of a Central Processing Unit (CPU), monitor, keyboard, mouse, web cameras and UPS back-up battery and surge protector, etc. Ten (10) new computer work stations were installed at the Virgin Islands Resource Center for the Disabled, and six (6) new computer work stations were installed at New Image Foundation.

The technology installed in all of the PCCs has been inventoried and have asset tags. The types of technology and supplies that are being deployed may include PC Workstations with Microsoft Windows Operating Systems (e.g. Dell); Apple Workstations (Mac); Software (e.g. Microsoft Office Suite or "Open Source" Software and Antivirus Software); Server Systems, including Servers, Server Software and Lockable Server Racks; Wireless Firewalls; Anti-Theft Devices (e.g. Lockable Server Racks and Security Locks/Cables); Surge Protectors; High-Speed Printers; Scanners; and, Warranties (Typically 1 year).

Other significant project accomplishments reported during Quarter 1, CY 2012 are as follow:

• Contracted with CyberLearning, Inc. to create and conduct a training program to include a comprehensive Digital Literacy curriculum, including basic Internet Skills and Train-the-Trainer courses. In partnership with the National Education Foundation (NEF), training courses valued at $1,185,616 will be offered as in-kind match. There are more than 60 course packages and 5,500 courses in those course packages which are available online. Curricula/course content, prices and certification information can be found at www.nefuniversity.org/catalog. CyberLearning is contracted to create a specialized training curriculum specific to the needs of each PCC location and the clientele it serves. For example, CyberLearning will offer its training courses in Spanish and English and will use its best efforts to accommodate those with special needs;
• Began coordination with CyberLearning, the NEF and the active PCC partners to arrange for training of the PCC staff trainers and viNGN staff;
• Partially executed a MOU/MOA with the U.S. Virgin Islands Department of Labor to operate two (2) PCC locations, one on St. Thomas and one on St.Croix;
• Continued discussions with the U.S. Virgin Islands Department of Planning and Natural Resources, in order to move forward with establishing PCCs at selected libraries in the U.S.Virgin Islands;
• Hired a PCC/SBA Program Manager for St. Croix;
• Hired an Administrative Assistant to support the PCC/SBA program management team on a part-time basis;
• Continued recruitment efforts for a PCC Logistics Technician for St. Thomas/St. John;
• Conducted due diligence with respect to the methodologies related to collecting data on training provided and PCC usage;
• Identified some assistive technology for those with special needs; and,
• Continued planning for the Phase II PCC sites, actively assessed and re-assessed recommended locations for additional PCCs.

Further, during Quarter 1, CY 2012, a Broadband Technology Opportunities Program (BTOP) team from National Telecommunications and Information Administration (NTIA) and the National Institute of Standards and Technology (NIST) conducted a routine site visit, including visits to several PCCs and with some strategic partners. The visiting NTIA/NIST team cited significant improvements in financial management, internal controls and compliance, related to VIPFA/viNGN's management of its four BTOP projects.

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 your reasons for any variance from the baseline plan or any other relevant information)
2.a.	Overall Project	14	The VIPFA/viNGN team remains confident that it will continue to outfit and to open PCCs on the islands of St. Croix, St. Thomas, and St. John that are strategically located in neighborhoods and communities throughout the Territory, in an effort to achieve maximum access to the targeted populations and to offer training and educational programs in conveniently-accessible locations for those who have limited access to computers, the Internet and broadband-based training and/or are un-served or underserved by reliable public transportation. As VIPFA/viNGN's new management team engaged in discussions with key strategic partners, it was determined that the program would be more effective with fewer PCC sites that are strategically located to serve a broad cross section of the target demographics and are developed with partners who have extensive experience, including in grants management; have successful histories; and, have more sustainable operations in managing projects with the same or similar target audiences and offer the same and/or complementary services as VIPFA/viNGN's PCC program. A key aspect of this strategy is viNGN's focus on the selection of strategic partners who have a mandate and track record of offering computer access and services and/or generally delivering services and training to the demographic groups that VIPFA/viNGN targets. VIPFA/viNGN's new project management team believes that, by partnering with experienced service providers, the team is better positioned to leverage BTOP cash and non-cash resources, local cash and non-cash resources and partner resources to best meet some of the basic technology needs and desires of the targeted demographic groups. During Quarter 1, CY 2012, VIPFA/viNGN over performed against its projections for the quarter, largely because it procured the computer workstations and peripherals that is has purchased to date in bulk and because the implementation team focused on actively engaging in discussions with prospective strategic PCC partners and accelerating the outfitting of PCCs, and despite experiencing delays in its implementation, the team generated a very modest improvement in its overall percentage completion from Quarter 4, CY 2011. However, the team is under performing against the Baseline Milestone target due to overall project implementation delays. Under performance against this Baseline Milestone target is due to the fact that the new management team is reviewing the approved plan, reassessing the project schedule and reassessing some of the business decisions that were made by the former management team. As a result of this reassessment, implementation is delayed. The combination of the accomplishments that are outlined in Item #1 above and total expenditures incurred to date document the achievements made by the new management team during a very short period of time.

			As PCC sites are equipped/outfitted and opened, significant progress is expected during the next two quarters.
2.b.	**Equipment / Supply Purchases**	-	Progress reported in Question 4 below
2.c.	**Public Computer Centers Established**	-	Progress reported in Question 4 below
2.d.	**Public Computer Centers Improved**	-	Progress reported in Question 4 below
2.e.	**New Workstations Installed**	-	Progress reported in Question 4 below
2.f.	**Existing Workstations Upgraded**	-	Progress reported in Question 4 below
2.g.	**Outreach Activities**	-	Progress reported in Question 4 below
2.h.	**Training Programs**	-	Progress reported in Question 4 below
2.i.	**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).

Though the VIPFA/viNGN team remains confident that it will continue to outfit and to open PCCs on the islands of St. Croix, St. Thomas, and St. John that are strategically located in neighborhoods and communities throughout the Territory, in an effort to achieve maximum access to the targeted populations and to offer training and educational programs in conveniently-accessible locations for those who have limited access to computers, the Internet and broadband-based training, including those who are un-served or underserved by reliable mass public transit options, despite the delays it has experienced to date, the team will continue to work closely with the assigned BTOP program team members to identify ways to speed up the overall project implementation and to identify effective tools, templates, software, policies and procedures for managing the day-to-day operations of the PCCs. Discussions will include the experiences from other BTOP grantees who have experienced and/or are experiencing delays in implementation but have identified or developed ways to speed up implementation and who have developed and/or acquired effective tools, templates, and software that they are using to manage the day-to-day operations of their PCCs.

Further, VIPFA/viNGN staff will continue to participate in BTOP-sponsored conferences, workshops, webinars, and group discussions, and BTOP program team members and VIPFA/viNGN team members plan to coordinate a discussion/discussions with the National Telecommunication and Information Administration (NTIA)'s Director of Minority Telecom Development.

VIPFA/viNGN continues to build its new management and project implementation team. The new team has made significant progress towards assessing the current state of project implementation, including contract negotiations and procurement activities; re-engaging with contractors and partners; restarting the program implementation; conducting site visits to prospective PCC locations; gaining a more in depth understanding of its four BTOP programs, including the approved grant and local match budgets, the implementation schedules, the approved applications and the grant award agreements for each; and, training a full complement of new staff. The biggest challenge faced by the team and its contractors has been with finding a facility that is large enough but affordable to conduct broadband-based training by CyberLearning, Inc. where larger numbers of participants are expected, e.g. the train-the trainer .

The team expects to overcome the delays experienced to date by continuing to work closely with contractors to identify training locations. The team will also continue to coordinate closely with its contractors to work on accelerated schedules and to identify and create ways to speed up project activities. This will include any guidance that is received from BTOP program team members.

4. Please provide actual total numbers to date or typical averages for the following key indicators, as specified in the question. Write "0" in the Total column and "N/A" in the Narrative column if your project does not include this activity. Unless otherwise indicated below, figures should be reported <u>cumulatively</u> from award inception to the end of the most recent reporting quarter. Please provide a narrative explanation if the total is different from the target provided in your baseline plan (300 words or less).

	Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)

	Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
4.a.	**New workstations installed and available to the public**	0	Forty (40) new workstations have been installed in five (5) PCC locations; however, they are not yet available to the public. The VIPFA/viNGN team is working to finalize the templates, tools, policies and procedures to operate the PCCs on a day-to-day basis. The team expects to begin to open PCCs for public use during late Quarter 2, Calendar Year (CY) 2012/Quarter 3, CY 2012. The team continues to work diligently to identify and implement ways to equip and to open PCC locations on an accelerated schedule. Under performance against this Baseline Milestone target is due to the fact that the new management team is reviewing the approved plan, reassessing the project schedule and reassessing some of the business decisions that were made by the former management team. As a result of this reassessment, implementation is delayed. The combination of the accomplishments that are outlined in Item #1 above and total expenditures incurred to date document the achievements made by the new management team during a very short period of time. As PCC sites are equipped/outfitted and opened, significant progress is expected during the next two quarters.
4.b.	**Average users per week (NOT cumulative)**	0	Please refer to the "Narrative" for Indicator 4.a. above.
4.c.	**Number of PCCs with upgraded broadband connectivity**	0	N/A - This is not a "Quarterly Indicator" in VIPFA/viNGN's submitted baseline report.
4.d.	**Number of PCCs with new broadband wireless connectivity**	0	N/A - This is not a "Quarterly Indicator" in VIPFA/viNGN's submitted baseline plan.
4.e.	**Number of additional hours per week existing and new PCCs are open to the public as a result of BTOP funds**	0	N/A - This is not a "Quarterly Indicator" in VIPFA/viNGN's submitted baseline plan.

5. Training Programs. In the chart below, please describe the training programs provided at each of your BTOP-funded PCCs.

Name of Training Program	Length of Program (per hour basis)	Number of Participants per Program	Number of Training Hours per Program
CyberLearning/National Education Foundation NEG)	0	0	0

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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).

Significant project accomplishments planned for completion during Quarter 2, CY 2012 are the following:

• Continue to focus on outfitting/equipping new PCCs with which fully executed MOUs, MOAs and Hosting Agreements are signed;

• Develop and/or identify/source effective tools, templates, and software for collecting data on training provided and PCC usage and managing the day-to-day operations of the PCCs;

• PCC Logistics Technician for St. Thomas/St. John;

• Continue discussions on policies, procedures and next steps with strategic PCC partners;

• Coordinate with CyberLearning, Inc. to select the Education Subject Matter Expert (Trainer);

• Coordinate with CyberLearning, Inc., the National Education Foundation and the outfitted PCCs to arrange for training of the PCC staff trainers and viNGN staff during late Quarter 2, CY 2012/early Quarter 3, CY 2012;

• Coordinate with CyberLearning, Inc. to providing training programs in computer literacy, digital literacy and skills development, beginning in late Quarter 2, CY 2012/early Quarter 3, CY 2012;

• Follow-up to ensure that the following MOUs/MOAs are fully executed: 1) the U.S. Virgin Islands Department of Labor (Status: partially executed MOA/MOU for two locations, one on St. Thomas and one on St. Croix) and 2) the U.S. Virgin Islands Department of Planning and Natural Resources/Division of Libraries, Archives and Museums for various library locations (Status: partially executed MOA/MOU for the St. Thomas Regional Library);

• Reconfirm the list of prospective Phase 2 PCCs, including their locations;

• Continue to assess potential PCC locations on St. Croix, St. Thomas, and St. John and discuss with prospective partners ways to leverage their resources to maximize the impact of the project; Prospective PCC partners and PCC locations could include, though are not limited to: the David C. Canegata Multipurpose & Recreational Center; the U.S. Virgin Islands Department of Housing, Parks and Recreation (a.k.a. the U.S. Virgin Islands Department of Sports, Parks and Recreation); Inner Changes for Girls and Boys Council, Inc.; the U.S. Virgin Islands Department of Human Services; the U.S. Virgin Islands Association for Independent Living on St. Croix and St. Thomas; the Workforce Development Board; the U.S. Virgin Islands Department of Planning and Natural Resources/Division of Libraries, Archives and Museums for the Library for the Blind; the U.S. Virgin Islands Housing Finance Authority; Reliance Housing Foundation; Inner Changes for Boys and Girls Council, Inc. on St. Croix; 10,000 Helpers on St. Croix; Long Path/Garden Street Association on St. Thomas; Lutheran Social Services – Community Center on St. Croix; Various other Faith-based organizations; Mon Bijou Community Center on St. Croix; United Way; and Helping Children Work, Inc.;

• Commence Phase 2 of the project schedule; the full plan consists of opening eight (8) PCC sites, of which four (4) PCC sites are located on St. Thomas and four (4) sites are located on St. Croix within the next two quarters;

• Initiate the process for procuring new computer workstations, routers, servers, cameras and a printer at Phase 2 PCC sites;

• Finalize MOUs/MOAs with additional strategic partners for PCC locations;

• Plan for the installation of computer equipment/supplies and related peripherals in the Phase 2 PCCs;

• Conduct due diligence on assistive technology, including computer hardware, software and peripherals and other tools, which will support visually impaired, hearing impaired and other physically challenged users, and initiate efforts to source them in accordance with Federal and local procurement requirements; the goal is to have one Americans with Disabilities Act (ADA)-compliant work station at each PCC;

• Work with CyberLearning and other partners to identify locations for training which cannot be accommodated in a BTOP-supported PCC; and,

• Prepare to launch the first phase of the media campaign to promote training opportunities and encourage broadband adoption.

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. 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	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any relevant information)
2.a.	**Overall Project**	18	The team will continues to work diligently to identify and implement ways to equip and to open PCC locations on an accelerated schedule. As PCC sites are equipped/outfitted and opened for public use, significant progress is expected during the next two quarters, as reflected in the project accomplishments planned that are outlined in Item #1 above and based on total anticipated expenditures through Quarter 2, CY 2012. The team does anticipate under performing against this Baseline Milestone target, given the fact that the new management team is reviewing the approved plan, reassessing the project schedule and reassessing some of the business decisions that were made by the former management team. As a result of this reassessment, implementation is delayed.
2.b.	**Equipment / Supply Purchases**	-	Milestone Data Not Required
2.c.	**Public Computer Centers Established**	-	Milestone Data Not Required
2.d.	**Public Computer Centers Improved**	-	Milestone Data Not Required
2.e.	**New Workstations Installed**	-	Milestone Data Not Required
2.f.	**Existing Workstations Upgraded**	-	Milestone Data Not Required
2.g.	**Outreach Activities**	-	Milestone Data Not Required
2.h.	**Training Programs**	-	Milestone Data Not Required
2.i.	**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).

Though the VIPFA/viNGN team remains confident that it will continue to outfit and to open PCCs on the islands of St. Croix, St. Thomas, and St. John that are strategically located in neighborhoods and communities throughout the Territory, in an effort to achieve maximum access to the targeted populations and to offer training and educational programs in conveniently-accessible locations for those who have limited access to computers, the Internet and broadband-based training, including those who are un-served or underserved by reliable mass public transit options, despite the delays it has experienced to date, the team will continue to work closely with the assigned BTOP program team members to identify ways to speed up the overall project implementation and to identify effective tools, templates, software, policies and procedures for managing the day-to-day operations of the PCCs. Discussions will include the experiences from other BTOP grantees who have experienced and/or are experiencing delays in implementation but have identified or developed ways to speed up implementation and who have developed and/or acquired effective tools, templates, and software that they are using to manage the day-to-day operations of their PCCs.

Further, VIPFA/viNGN staff will continue to participate in BTOP-sponsored conferences, workshops, webinars, and group discussions, and BTOP program team members and VIPFA/viNGN team members plan to coordinate a discussion/discussions with the National Telecommunication and Information Administration (NTIA)'s Director of Minority Telecom Development.

VIPFA/viNGN continues to build its new management and project implementation team. The new team has made significant progress towards assessing the current state of project implementation, including contract negotiations and procurement activities; re-engaging with contractors and partners; restarting the program implementation; conducting site visits to prospective PCC locations; gaining a more in depth understanding of its four BTOP programs, including the approved grant and local match budgets, the implementation schedules, the approved applications and the grant award agreements for each; and, training a full complement of new staff.

The biggest challenge the team anticipates is in finding a facility that is large enough but affordable to conduct broadband-based training by CyberLearning, Inc. where larger numbers of participants are expected, e.g. the train-the trainer. VIPFA/viNGN also recognizes the great need to work closely with its partners to conduct the needed outreach, awareness, marketing and public relations campaigns to attract participants and to ensure that each partner allocates adequate staffing and/or mobilizes an adequate volunteer corps to ensure that the training and other support are carried out effectively. This is especially important, given current economic conditions and the negative impact on local government revenue collections and the amount of contributions being made to non-profit organizations. VIPFA/viNGN's new management team recognizes that its strategic partners are not positioned to contribute significantly to offering advanced, technology-driven training programs and can no longer support community outreach, awareness, marketing, public relations and other media campaigns as was envisioned when the program was designed. As the new management team engaged in discussions with key strategic partners during the past five to six months, it was determined that additional resources should be allocated under the program to meet the technology-driven training needs and desires of the targeted demographic groups and to promote and encourage the adoption of broadband technologies.

The team also expects to overcome the delays experienced to date in implementing the program by continuing to work closely with contractors to identify training locations. The team will also continue to coordinate closely with its contractors to work on accelerated schedules and to identify and create ways to speed up project activities. This will include any guidance that is received from BTOP program team members.

Public Computer Center Budget Execution Details

Activity Based Expenditures (Public Computer Centers)

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	$323,000	$0	$323,000	$39,896	$0	$39,896	$100	$0	$39,996
b. Fringe Benefits	$103,360	$0	$103,360	$2,230	$0	$2,230	$0	$0	$2,230
c. Travel	$25,160	$0	$25,160	$1,020	$0	$1,020	$380	$0	$1,400
d. Equipment	$1,023,120	$0	$1,023,120	$0	$0	$0	$150,333	$0	$150,333
e. Supplies	$27,957	$0	$27,957	$0	$0	$0	$118	$0	$118
f. Contractual	$947,750	$0	$947,750	$421,024	$0	$421,024	$0	$0	$421,024
g. Construction	$499,770	$198,000	$301,770	$138,264	$54,778	$83,486	$0	$54,778	$83,486
h. Other	$1,455,366	$1,185,616	$269,750	$7,130	$0	$7,130	$3,410	$0	$10,540
i. Total Direct Charges (sum of a through h)	$4,405,483	$1,383,616	$3,021,867	$609,564	$54,778	$554,786	$154,341	$54,778	$709,127
j. Indirect Charges	$0	$0	$0	$0	$0	$0	$0	$0	$0
k. TOTALS (sum of i and j)	$4,405,483	$1,383,616	$3,021,867	$609,564	$54,778	$554,786	$154,341	$54,778	$709,127

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