

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR PUBLIC COMPUTER CENTERS**

**General Information**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  78-42-B10568	<b>3. DUNS Number</b>  789438293
--	---	--

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

<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  03-31-2013	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> 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.**

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Vicki Johnson	<b>7c. Telephone (area code, number and extension)</b>  3407141635
	<b>7d. Email Address</b>  vjohnson@usvipfa.com

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  05-30-2013
---	--

**Project Indicators (This Quarter)****1. Please describe significant project accomplishments completed during this quarter (600 words or less).**

The Virgin Islands Public Finance Authority (VIPFA)/Virgin Islands Next Generation Network (viNGN) team continued to make significant progress with the implementation of its Public Computer Center (PCC) program during Quarter 1, CY 2013. The team's accomplishments are as follow:

- On the island of St. Thomas, the VIPFA/viNGN team successfully equipped four (4) PCCs, one at each of the following locations: Long Path Community Center, St. Andrew's Church, Lovenlund Community Center and Charles Wesley Turnbull Regional Library;
- On the island of St. Croix, the VIPFA/viNGN team successfully equipped two (2) PCCs, one at each of the following locations: Florence Williams Public Library and Virgin Islands Regional Library for the Blind and Physically Handicapped;
- The aforementioned Phase II installations were conducted by local vendors, Alliance Data Services on St. Thomas and High Tide Solutions, LLC on St. Croix, which were awarded contracts to order and install the equipment at all remaining PCCs on each respective island;
- On the island of St. Croix, eight (8) additional Dell Computers were installed at the Boys' & Girls' Club of the Virgin Islands - Christiansted Chapter, and five (5) additional computers were installed at Walter I.M. Hodge Pavilion, which was also a part of the Phase I installations completed; The supply and installations were made by local vendor, Omni Systems, Inc.;
- The VIPFA/viNGN PCC team has successfully made the CyberLearning Digital Literacy Training available online @ [www.vingn.com](http://www.vingn.com), enabling U.S. Virgin Islands residents to receive training from any location, in addition to the PCCs. The team also focused its efforts on increasing the number of residents who complete the Digital Literacy training course that is offered in collaboration with CyberLearning, Inc. and the National Education Foundation (NEF). By making the training program available on-line at [www.vingn.com](http://www.vingn.com), in addition to through its PCCs, the team has ensured that the training is even more accessible. During Quarter 1, CY 2013, the team recorded an increase in the number of individuals who registered for the course. With the PCC program's funding allocation, a total of 620 individuals have registered for Digital Literacy training, with a total of 176 individuals completing the course, including an 83 year old senior taking and passing the Digital Literacy course at the Louis E. Brown PCC on St. Croix. For the advanced course offerings, 393 licenses were issued for courses, such as GMAT Prep, Systems Engineering, Cisco Certifications and Business Management;
- The team created a partnership with the U.S. Virgin Islands Bureau of Information Technology (BIT), the U.S. Virgin Islands Division of Personnel, the U.S. Virgin Islands Department of Labor (VIDOL) and CyberLearning, Inc./the National Education Foundation (NEF) to enroll government employees into the Digital Literacy course and, on a periodic basis, to train two to three representatives to be trainers of Digital Literacy courses through a combination of self-directed online training and facilitated training at the U.S. Virgin Islands Department of Labor locations on St. Thomas and St. Croix. The goal is to encourage government employees to complete the Digital Literacy course and others offered by VIPFA/viNGN. VIDOL will also work with the team to encourage private sector businesses to, in turn, encourage their employees to also complete the course;
- viNGN received an award as "The Best Afterschool Tutorial for 2013" and "The Best E-Commerce Provider for 2013" by the readers of the Virgin Islands Daily News' annual readers' poll and voters' survey, recognizing excellence among U.S. Virgin Islands businesses and services;
- The VIPFA/viNGN PCC team partnered with Communications Services For The Deaf/Project Endeavor, also a BTOP-recipient, and as a result, received six (6) new iPads which were donated to two (2) PCCs. Three (3) iPads were donated to the V. I. Regional Library for the Blind and Physically Handicap on St. Croix, and three (3) iPads were donated to the V. I. Resource Center for the Disabled on St. Thomas;
- The team presented at the Kingdom Explosion, Inc. with representatives from CyberLearning, Inc. and BetterWorld/Connectspace.vi to highlight the benefits of broadband usage, the Digital Literacy program, job opportunities, entrepreneurship opportunities, other training under VIPFA/viNGN's PCC and SBA programs and VIPFA/viNGN's other broadband initiatives;
- The team presented information to the St. Croix Small Business Development Center (SBDC) staff about the CyberLearning, Inc. / National Education Foundation (NEF) Digital Literacy course and other available courses and "partnering" to aid SBDC clients in expanding their base of business opportunities and becoming more knowledgeable, effective and efficient entrepreneurs;
- The team contacted local companies that conduct training in Introduction to Computers, Keyboarding, and English As A Second Language (ESL)/English As An Additional Language curricula for quotes, in an effort to gather cost information to be used in determining the extent to which these types of training may be offered within the PCCs and/or in other locations;
- The team contacted the Miami-Dade School Board about its ESL program for Spanish and French Creole individuals. The team is

currently reviewing the program; these courses may be taught at the PCCs and/or other locations;

- The VIPFA/viNGN team continues to receive a steady stream of positive testimonials both written and verbal from people who have participated in viNGN's PCC and SBA programs and initiatives; and
- The U.S. Virgin Islands Government issued a proclamation, recognizing February 6, 2013, as "V.I. Digital Literacy Day".

**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	56	<p>During Quarter 1, CY 2013, VIPFA/viNGN's overall project completed is 56%, based on total cash expenditures and in-kind match recognition only. As outlined in the response to Question #1 above, a great deal of progress has been made that is not reflected in the expenditures to date.</p> <p>Expenditures are expected to increase significantly during the next six (6) months, as additional PCC sites are equipped/ outfitted and opened. During Quarter 1, CY 2013, following a public solicitation process, the supply and installation of computer equipment and peripherals was awarded to two (2) local vendors: Alliance Data Services for St. Thomas/St. John and High Tide Solutions, LLC for St. Croix.</p> <p>With the opening of additional PCCs, the team expects to continue additional rounds of Digital Literacy and "Train the Trainer" classes, to continue to promote the PCC program, to engage in more community outreach, and to conduct other training courses.</p>
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).**

The VIPFA/viNGN team continues to receive positive feedback from the community. Because U.S. Virgin Islands residents now have a better understanding of the value of having a PCC within their neighborhoods, the team has received many requests to open additional PCCs, beyond the twenty-eight (28) that the team set as its goal; to install additional computers at various locations, especially to address high traffic time frames, e.g. after school; and, to provide training for an extended period of time. All of these pose a significant challenge, as the current budget is not sufficient to add additional PCCs and a budget reallocation may need to be approved by the National Telecommunications and Information Administration (NTIA) and the National Institute of Standards and Technology (NIST) prior to any additional equipment purchases being made and/or any additional training provided, understanding that any budget reallocation would reduce amounts allocated in other budget categories, based on the current grant-approved budget. As a result, the

team is reviewing its current NTIA/NIST-approved budget to determine approaches to reallocate the budget to facilitate the purchase of additional equipment for the current PCC sites, to fund additional training and to engage in additional community awareness efforts. The grant budget and other resources currently available to VIPFA/viNGN are insufficient to fund the opening of more than twenty-eight (28) PCCs that are currently approved.

Per the Budget Execution Details herein, please note that the \$1,435,350.71 in local match is related to the "Construction" and "Contractual" budget line items which require a recipient share/match, per the current approved grant award budget which was effective July 18, 2012. During Quarter 4, CY 2012, \$3,410.80 was inadvertently reported in the "Contractual" match expenditures; thus, during Quarter 1, CY 2013, an accounting adjustment was made to reduce the "Contractual" match expenditures from the amount reported during Quarter 4, CY 2012 (i.e. \$1,438,761.51) to \$1,435,350.71. Because VIPFA/viNGN is over-matched, this reduction does not negatively impact the required match contribution.

NTIA/NIST approved the revised project budget during Quarter 3, CY 2012. With the approval of the revised project budget, the requirement of a match contribution against the "Other" budget line item was eliminated. In an effort to demonstrate its commitment to meeting the match obligation during the initial planning and initial PCC launch phase of the project and until the courses were made available to the public through the PCCs, VIPFA/viNGN recorded match expenditures against the "Other" budget line item under the original approved budget, based on allowable expenditures. Given the approval of the revised budget effective July 18, 2012, which no longer reflected a match requirement against the "Other" budget line item, a Journal Entry was made to account for these expenditures under the "Contractual" budget line item as cash match as of September 30, 2012. With the effective booking of the Course Licenses/IDs and the accounting adjustment noted above, the required match against the "Contractual" budget line item is now "over-matched" by \$51,734.71 in expenditures that were previously recorded as "Other" cash match.

**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 cumulatively 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)
4.a.	New workstations installed and available to the public	71	<p>The team continues to work diligently to equip/supply and open the remaining PCC locations, based on its revised, accelerated schedule and revised performance milestones. Significant progress is expected during Quarter 2, CY 2013, as new workstations will be made available to the public.</p> <p>The VIPFA/viNGN PCC team has entered into contracts with two (2) vendors who have successfully won public solicitations to purchase and install equipment/supplies in the remaining PCCs on St. Thomas, St. Croix and St. John. Purchase Orders were issued, and the vendors ordered the equipment/supplies and began to equip/supply the PCCs during Quarter 1, CY 2013, in an effort to meet the team's revised project schedule and performance milestones.</p>

	Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
4.b.	Average users per week (NOT cumulative)	80	<p>As additional PCCs are opened, new workstations are being made available to the public. Also, additional marketing, community outreach and public relations activities are also being conducted. As a result of these factors, the average number of users per week is expected to increase.</p> <p>In order to increase the average number of users per week at the PCCs, the team has released new radio and print advertisements, issued additional news releases, distributed flyers in areas where residents of the target demographics reside (e.g. U.S. Virgin Islands Housing Authority properties), purchased the sponsorship of a major event (i.e. the St. Thomas Carnival's live television broadcast sponsorship) and highlighted opportunities through its www.viNGN.com website. viNGN's senior management has also participated on radio talk-show programs and attended community meetings.</p> <p>In addition, the team continued to utilize Facebook, Twitter and other social media to encourage new users to visit and use the PCCs and complete the Digital Literacy course.</p> <p>The team will continue to keep viNGN's website and Facebook page updated and topical; encourage users to "Like" viNGN; and, connect with large Facebook groups within the U.S. Virgin Islands, such as those of some of the more popular radio DJs and those of U.S. Virgin Islands professional and social groups, such as "First Fridays", which is an after work networking group, frequented by individuals from a wide range of professions and age groups.</p> <p>Further, the team, represented by viNGN's and VIPFA's senior management and members of viNGN's Board of Directors, will continue to make public appearances on television, radio and at speaking engagements to continue to promote the PCCs, encourage more residents to use the PCCs for personal and professional needs on a regular basis, and promote the training opportunities available through the program.</p>
4.c.	Number of PCCs with upgraded broadband connectivity	0	N/A
4.d.	Number of PCCs with new broadband wireless connectivity	0	N/A
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

**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, Inc./National Education Foundation (NEF)-Digital Literacy and Train the Trainer courses	30	176	5,280

Add Training Program

Remove Training Program

**Project Indicators (Next Quarter)**

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

The VIPFA/viNGN team expects to make the following significant project accomplishments during Quarter 2, CY 2013:

- The team plans to open those PCCs that have been successfully equipped;
- The team will produce its first television commercial to promote all of the PCCs which are open and to promote the availability of the digital literacy program and other courses through the PCCs and online;
- VIPFA/viNGN will continue to coordinate with the Government of the U.S. Virgin Island’s Bureau of Information Technology (BIT), the U.S. Virgin Islands Division of Personnel, the U.S. Virgin Islands Department of Labor (VIDOL) and CyberLearning/NEF in offering the training for the Digital Literacy and Train the Trainer courses for representatives of each local government department and agency and their supported and supporting community organizations, in an effort to improve the Digital Literacy skills of the U.S. Virgin Islands government workforce and that of its key community service partners;
- The VIPFA/viNGN team will continue to engage in community outreach with and marketing to seniors to encourage them to visit and use the PCCs and to complete the Digital Literacy Course and other courses;
- The VIPFA/viNGN team will continue to pursue English as a second language (ESL)/English as an additional language training options to be conducted within the PCCs and/or in other venues;
- The VIPFA/viNGN team will continue to pursue options for remedial digital literacy training, e.g. Introduction to Computers and keyboarding courses to be conducted within the PCCs and/or in other venues; and
- In collaboration with CyberLearning, Inc., the VIPFA/viNGN team will provide mentoring to high school and college students who visit and use the PCCs.

**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	59	During Quarter 2, CY 2013, the team will continue to work diligently to equip/supply and to open additional PCC sites to the public, based on its revised, accelerated project schedule. Significant progress is expected during Quarter 2, CY 2013. as reflected in the project accomplishments planned that are outlined in Item #1 above and based on total anticipated expenditures through Quarter 2, CY 2013.
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).**

The main challenge that the team faces is in aggressively equipping/supplying PCCs, opening PCCs and ramping up marketing and community outreach activities during the next two quarters. The team remains confident that the activities under the project will have a significant impact within the remaining term of the grant.

As it relates to the order and delivery of computers and peripheral equipment/supplies from the two (2) locally-based vendors selected, VIPFA/viNGN could potentially be challenged with delivery and shipping issues, given the project's location – across international waters. Though not highly anticipated at this time, planned progress could be negatively impacted if there are any delays in the schedule for procuring, shipping, delivery and installation of the additional computer and peripheral equipment/supplies. Despite the potential challenges described above, the VIPFA/viNGN team does not foresee any other significant adverse impact on the equipping/supply and opening of the next phase of PCC sites.

**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.

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	\$341,890	\$0	\$341,890	\$281,412	\$0	\$281,412	\$326,551	\$0	\$326,551
b. Fringe Benefits	\$109,405	\$0	\$109,405	\$19,902	\$0	\$19,902	\$24,358	\$0	\$24,358
c. Travel	\$292,653	\$0	\$292,653	\$9,097	\$0	\$9,097	\$9,097	\$0	\$9,097
d. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Supplies	\$1,061,149	\$0	\$1,061,149	\$122,652	\$0	\$122,652	\$172,559	\$0	\$172,559
f. Contractual	\$2,011,616	\$1,185,616	\$826,000	\$1,699,902	\$1,245,139	\$454,762	\$1,722,636	\$1,245,139	\$477,496
g. Construction	\$499,770	\$198,000	\$301,770	\$320,409	\$190,211	\$130,198	\$320,409	\$190,211	\$130,198
h. Other	\$89,000	\$0	\$89,000	\$12,900	\$0	\$12,900	\$12,900	\$0	\$12,900
i. Total Direct Charges (sum of a through h)	\$4,405,483	\$1,383,616	\$3,021,867	\$2,466,274	\$1,435,350	\$1,030,923	\$2,588,510	\$1,435,350	\$1,153,159
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	\$2,466,274	\$1,435,350	\$1,030,923	\$2,588,510	\$1,435,350	\$1,153,159

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
---	--------------------------------