QUARTERLY PERFORMANCE PROGRESS REPORT FOR PUBLIC COMPUTER CENTERS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	78-42-B10568	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)	6. Is this the last Report of the Award Period?
09-30-2013	◯ 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	7c. Telephone (area code, number and extension)
Vicki Johnson	3407141635
	7d. Email Address
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7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	11-20-2013

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 3, CY 2013. The team's accomplishments are as follow:

• Since the start of its PCC program through September 30, 2013, the team has opened twenty-two (22) PCCs;

• On St. Thomas, four (4) new PCCs were equipped and opened during Quarter 3, CY 2013, and they are: the U.S. Virgin Islands (U.S. V.I.) Police Department - Police Athletic League (PAL), Wesley Methodist Church, U.S.V.I. Dept. of Housing (Sports), Parks and Recreation - Winston Raymo Recreational Center, and the U.S.V.I. Housing Authority - The Knolls at Contant.

• The City Seventh-Day Adventist Churchs was equipped but is not yet opened to the public;

• During Quarter 3, CY 2013, the VIPFA/viNGN PCC team recorded an increase in the number of individuals who registered for the Digital Literacy course and higher-tiered courses, continuing the trend begun since VIPFA/viNGN increased its community outreach, marketing and public relations activities.

With funding allocated from the PCC program, 136 individuals started the Digital Literacy course, and 101 individuals completed the Digital Literacy course during Quarter 3, CY 2013. Since the inception of the program through September 30, 2013, a total of 1,137 individuals started the Digital Literacy course, and 643 individuals completed the Digital Literacy course.

For the higher-tiered courses, 211 new licenses were activated/issued, with a total of 58 accounts created for new users through funding allocated from the PCC program during Quarter 3, CY 2013, with funding allocated from the PCC program. Since the inception of the program through September 30, 2013, a total of 481 accounts were activated for new users, and 1,637 licenses were activated. Users who have completed the higher-tiered courses receive a certificate of completion, mirroring the certificates received upon completion of the gateway Digital Literacy Training course. The contract with CyberLearning, Inc. was extended for a second time through February 28, 2014, allowing for an additional six (6) months of free training to be made available to U.S.V.I. residents;

{---NOTE---The CyberLearning, Inc. team revised its Quarter 2, CY 2013 reports, resulting in the need to revise previously-reported training data for VIPFA/viNGN's PCC program and its Sustainable Broadband Adoption (SBA) program as of the Quarter 2, CY 2013 reports. The revised counts are: 644 individuals, rather than 645 individuals who started the Digital Literacy course during Quarter 2, CY 2013, and 383, rather than 384 individuals who completed the Digital Literacy course during Quarter 2, CY 2013. For the higher-tiered courses, 1,074 new licenses were activated/issued during Quarter 2, CY 2013, rather than the 1,060 reported during Quarter 2, CY 2013.};

• At the Virgin Islands Resource Center for the Disabled PCC, seventy (70) clients utilized the PCC during its 2013 Summer Camp. Students from ages 5 to 19 were taught computer basics, and the American Red Cross conducted online training for its volunteers;

• The VIPFA/viNGN PCC/SBA team collaborated with Scotiabank to produce a seminar, entitled "An Introduction to Digital Literacy and On-Line Banking for Seniors & Veterans", featuring CyberLearning, Inc. The event was held at the Charles Wesley Turnbull Library PCC on St. Thomas and the U.S. Virgin Islands Department of Labor (VIDOL) PCC on St. Croix. A total of ten (10) and six (6) persons, respectively, attended the event on St. Thomas and St. Croix;

• The VIPFA/viNGN PCC/SBA team participated in "The USVI Department of Labor's (VIDOL) 2013 Motivational, Empowerment & Employment Connection Symposium" where members of the viNGN team and one of the team's implementation vendors, BetterWorld/ Connectspace.vi served as guest speakers on the topic, "How to Prepare Yourself for the Changing Workforce". This event was held on the University of the Virgin Islands' (UVI's) St. Croix and St. Thomas campuses. One hundred (100) individuals are estimated as having attended on St. Croix, and approximately seventy-five (75) individuals attended on St. Thomas;

• During Quarter 3, CY 2013, the staff located at the Virgin Islands Department of Planning and Natural Resources (DPNR) - Division of Libraries, Archives & Museums (DLAM) VI Regional Library for the Blind & Physically Handicapped PCC on St. Croix and the staff located at the VI Resource Center for the Disabled (VIRCD) PCC on St. Thomas continued to conduct training in the use of the (3) iPads donated to each center by Communications Services for the Deaf/Project Endeavor to assist the hearing-impaired community;

• The VIPFA/viNGN PCC/SBA team created a blog as one of its social media tools to increase outreach and to promote the PCCs, training and the team's other broadband initiatives;

• Members of the team were featured on the "Out to Lunch" radio show on Radio One (1000 AM) to promote the PCCs, training, broadband adoption;

• The VIPFA/viNGN PCC team applied for and were approved for a no-cost extension through September 30, 2014 by NTIA and NIST. This extension allows additional time to open the remaining PCCs; to continue community outreach, marketing and public relations activities to encourage more residents to take advantage of the courses offered in partnership with CyberLearning and the National Education Foundation (NEF); and, to continue to provide Digital Literacy and other courses to residents;

• The VIPFA/viNGN team continued to participate in BTOP-sponsored webinars, incl. "Seniors Community of Practice", "Onward: Leveraging BTOP Partnerships for Sustainability" and "Program Services Office Hours PCC/SBA";

• The VIPFA/viNGN team continues to receive positive testimonials, both written and verbal, from those who participated in its PCC initiatives.

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**	70	During Quarter 3, CY 2013, VIPFA/viNGN's overall project milestone completion is 70%, based on total cash expenditures and in-kind match recognition only. As outlined in the response to Question #1 above, significant progress has been made that is not reflected in the expenditures to date. A total of twenty-two (22) PCCs have been opened out of a targeted twenty-eight (28), i.e. 79% of the target for PCC openings has been met, with prospects for opening an additional three (3) to five (5) additional ones to potentially exceed the target of the total amount of PCCs to thirty-three (33). Expenditures increased during Quarter 3, CY 2013 and are expected to increase significantly during the next six (6) months, as the majority of the PCCs have been equipped/outfitted and opened, and two of the local vendors who supplied the PCCs and installed PCCs and peripheral equipment are expected to continue to seek payment for successfully-completed work. Further, additional supplies, including software, desktops, laptops, peripherals and furniture, will be purchased for the PCCs. With the opening of additional PCCs, the team partnered with the CyberLearning, Inc. team and conducted additional "rounds" of Digital Literacy and "Train the Trainer" courses on St. Croix and on St. Thomas. Seven (7) trainees participated on St. Croix, and four (4) trainees participated on St. Thomas. An attendee on St. Croix was extremely grateful for this training and plans to assist the VIPFA/viNGN team in recruiting as many individuals as possible to take this course. The team will also continue to engage in community outreach, marketing and public relations activities and to conduct other training courses.
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).

During quarter 3, the VIPFA/viNGN team encountered the following challenges:

• Due to significant budget cuts for most of the local government agencies, certain PCCs have to close their doors to the public when they do not have a full staff on certain days;

• Some PCCs, such as the Charles Wesley Turnbull Library site, are experiencing high visitation numbers on a daily basis, warranting the need for additional supplies at those sites. The team has begun planning for the additional procurements;

• There was a reduction in PCC usage throughout the Territory during the months of July 2013 and August 2013, as a large number of children attended summer camps; families took summer vacations away from the Territory, especially to visit relatives; and, many families relocated to the United States to pursue employment opportunities, as unemployment rates have risen in the Territory; and,

• Though the team has successfully increased the number of residents who registered for the Digital Literacy and higher-tiered courses, many residents begin to take the courses but are slow to complete the courses. Members of the CyberLearning team and members of VIPFA/viNGN's team continue to work to encourage residents to register for and complete the Digital Literacy course and higher-tiered courses in a timely manner by conducting presentations, workshops and seminars and sending follow-up notices. The team will continue to engage in community outreach activities and continue to implement its marketing and public relations campaign.

As it relates to the Budget Execution Details herein, please note the following:

The $1,387,303.67 in local cash match and in kind match is related to the "Construction" and "Contractual" budget line items which require a recipient share/match, per the current approved grant award budget. This amount of expenditures results in a total over match of $3,687.67.

Cash Match - The total local match obligation that is related to the "Construction" budget line item is $198,000.00 in cash match. As of September 30, 2013, VIPFA/viNGN has contributed $142,263.67 in cash for renovations of PCCs to meet its cash match obligation.

In-Kind Match - The in-kind match requirement is 85.7% of the total required match, per the approved grant award budget. The total required match against the "Contractual" budget line item is $1,185,616.00 under the current approved budget. The $1,185,616.00 value is related to training that is offered, based on the irrevocable, in-kind contribution of 33,380 training Course Licenses/ Identification Codes (IDs) provided by the National Education Foundation (NEF) for VIPFA/viNGN's Broadband Technology Opportunities Program (BTOP)-funded Public Computer Centers (PCC) grant and its BTOP-funded Sustainable Broadband Adoption (SBA) grant. The training courses are accessible to users through VIPFA/viNGN's Public Computer Centers (PCCs) and online at other locations with Internet access.

Effective December 7, 2012, viNGN recognized 100% of the in-kind contribution from the NEF at a value of $1,185,800.00 which is $184.00 more than the total required against the "Contractual" budget line item. As evidence of having received this in-kind contribution to support the project, NTIA/NIST was given: 1) VIPFA/viNGN's contract with CyberLearning Inc., effective February 17, 2012, to create and conduct a training program to include a comprehensive Digital Literacy curriculum, including basic Internet Skills and Train-the-Trainer courses, with an imbedded commitment from the National Education Foundation to provide Course Licenses/ IDs, valued at $1,185,800, and 2) irrevocable donation letters from the NEF for the commitment to provide 33,380 Course Licenses/ IDs, valued at a minimum of $70 per Course License/ID and which give users access to more than 5,500 courses in 60 course packages which are offered online via www.vingn.com. The in-kind match is further confirmed by viNGN's receipt of the Electronic Course Licenses/IDs.

Recipient Over-Match/Excess Match – 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 and online, VIPFA/viNGN has recorded additional cash match expenditures against the "Contractual" budget line item, based on allowable expenditures. The "Contractual" budget line item is now "over-matched" by $59,424.00 in expenditures, following accounting adjustments made to be in line with approved budget reallocations since July 18, 2012.

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)
4.a.	**New workstations installed and available to the public**	214	The team continued to work diligently to equip/supply and open the remaining PCC locations, based on its revised, accelerated schedule and revised performance milestones. Significant progress was made during Quarter 3, CY 2013, as 24 new workstations were made available to the public and more will be available during Quarter 4, CY 2013. Twenty-two (22) PCCs are opened to the public as of Quarter 3, CY 2013, and four (4) PCCs are in need of minor renovations.
4.b.	**Average users per week (NOT cumulative)**	50	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. To encourage PCC usage, the VIPFA/viNGN team issued additional news releases and email blasts, distributed flyers in areas where residents of the target demographics reside (e.g. U.S. Virgin Islands Housing Authority properties), produced and/or participated in seminars, and highlighted opportunities through its www.viNGN.com website. viNGN's senior management also continued to participate on radio talk-show programs and attended community meetings. In addition, the team continued to utilize Facebook, Twitter, its newly-created Blog and other social media to encourage new users to visit and use the PCCs and complete the Digital Literacy course and higher-tiered courses that are available online and through the PCCs. There was a reduction in PCC usage throughout the Territory during the months of July 2013 and August 2013, as a large number of children attended summer camps; families took summer vacations away from the Territory, especially to visit relatives; and, many families relocated to the United States to pursue employment opportunities, as unemployment rates have risen in the Territory 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. Further, the team will continue to keep viNGN's website and Facebook page updated; 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.
4.c.	**Number of PCCs with upgraded broadband connectivity**	0	N/A

	Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
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/ NEF – Digital Literacy and Train the Trainer and Higher-Tiered courses	30	35	1,050

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 4, CY 2013:

• The team plans to continue to open those PCCs that have been successfully supplied/equipped, which as of September 30, 2013 is City Seventh-Day Adventist Church on St. Thomas;

• The following four (4) sites on St. Thomas will be equipped and opened during Quarter 4, CY 2013: the U.S.V.I. Department of Human Services - Strive Senior Center; Philadelphia Seventh-Day Adventist Church; City Seventh-Day Adventist Church; and, the U.S. Virgin Islands Housing Authority's Michael J. Kirwan Terrance Housing Community;

• On St. John, the Elaine I. Sprauve Public Library and the U.S. Virgin Islands Department of Human Services' Adrian Senior Center (Strive Senior Center) are expected to be equipped and opened during Quarter 4, CY 2013;

• The team expects to purchase furniture for selected PCCs, beginning Quarter 4, CY 2013. The PCCs for which furniture will be purchase are the U.S.V.I. Department of Human Services – Division of Senior Citizens Affairs Socio-Recreation Center, the Mon Bijou Homeowners Association, Inc., and the Central Seventh-Day Adventist Church on St. Croix. The team will also purchase furniture for the U.S.V.I. Housing Authority's Estate Bovoni Apartments and the Boys' & Girls' Club of the Virgin Islands on St. Thomas;

• VIPFA/viNGN will continue to coordinate with the Government of the U.S.V.I. Bureau of Information Technology (BIT), the U.S.V.I. Division of Personnel, the U.S.V.I. DOL and CyberLearning/National Education Foundation (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, veterans and the youth to encourage them to visit and use the PCCs and to complete the Digital Literacy Course and other courses;

• Additional presentations on the Digital Literacy course and higher-tiered courses will be conducted during Quarter 4, CY 2013;

• 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,

• 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**	75	During Quarter 4, CY 2013, the team will continue to work diligently to equip/supply and to open additional PCC sites to the public and to offer free training to the public through the PCCs and online. Significant progress is expected during Quarter 4, CY 2013, as reflected in the project accomplishments planned that are outlined in Item #1 above and based on total anticipated expenditures through Quarter 4, 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).

Refer to the response in Question #3 above, as it relates to challenges experienced during Quarter 3, CY 2013.

Further, another challenge that the team faces is in aggressively equipping/supplying and opening the remaining PCCs. The team remains confident that, during Quarter 4, CY 2013 and through Quarter 2, CY 2014, it will open the remaining six (6) PCCs that it is committed to opening, per the revised Project Description/Scope of Work that was approved by NTIA and NIST during June/July 2012.

As it relates to selecting vendors, ordering furniture and the delivery of furniture, 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 furniture.

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 few remaining 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.

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	$526,390	$0	$526,390	$372,733	$0	$372,733	$409,374	$0	$409,374
b. Fringe Benefits	$78,959	$0	$78,959	$31,163	$0	$31,163	$37,932	$0	$37,932
c. Travel	$193,752	$0	$193,752	$34,038	$0	$34,038	$36,047	$0	$36,047
d. Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0
e. Supplies	$1,061,150	$0	$1,061,150	$536,332	$0	$536,332	$611,332	$0	$611,332
f. Contractual	$1,952,366	$1,185,616	$766,750	$1,773,080	$1,245,040	$528,040	$1,843,075	$1,245,040	$598,035
g. Construction	$499,770	$198,000	$301,770	$335,732	$142,264	$193,469	$340,733	$142,264	$198,469
h. Other	$93,096	$0	$93,096	$4,900	$0	$4,899	$30,000	$0	$30,000
i. Total Direct Charges (sum of a through h)	$4,405,483	$1,383,616	$3,021,867	$3,087,978	$1,387,304	$1,700,674	$3,308,493	$1,387,304	$1,921,189
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	$3,087,978	$1,387,304	$1,700,674	$3,308,493	$1,387,304	$1,921,189

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