QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

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	**53-43-B10595**	**002799641**

4. Recipient Organization

Toledo Telephone Company, Inc. 183 Plomondon Road, Toledo, WA 98591-9709

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Report of the Award Period?
12-31-2010	○ 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)
Dale Merten	(360) 864-2044
	7d. Email Address
C.O.O.	BTOP@toledotel.com

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	02-24-2011

Project Indicators (This Quarter)

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

This Quarter we met several times with the Cowlitz Tribe and Centralia College to finalize the training curriculum and schedule. The classroom / training facilities were also completed. Although we have not begun our outreach efforts, three local newspapers saw the grant award over the Associated Press Wire and contacted us to do stories about our grant. Over 400 applications have been received before year-end because of these stories! We established a review process to validate the eligibility of each applicant. Eligibility requirements are simple and straight forward. Applicants must live within either The Toledo Telephone Exchange for DSL, or be Cowlitz Tribal Members living within Lewis, Cowlitz or Thurston Counties for WildBlue, and not currently subscribe to broadband. Although we ask on the application why they do not have broadband, the reason is not the determining factor. We began the notification process to both successful and non-successful applications and scheduled the first 90 people for training. An RFP was issued to three vendors for the purchase the first series of laptop computers and related software.

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**	1	The procurement process required by this program delayed our ability to purchase laptop computers. Thereby delaying the ability to schedule training.
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
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 initially were confused on how to properly conduct the RFP process and waited for clarification before proceeding. A webinar was made available later in the quarter which clearly defined the expected procedure. We also received slow responses from one vendor for laptop computers. They were reluctant to participate in the RFP process as they felt they could not match the price-point of a competitor.

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
Toledo / Cowlitz Broadband Initiative	Toledo WA	We received over 400 applications for participants in our program. We have reviewed, approved and scheduled the first 100 participants for training classes.	400	0	0	0
Total:			**400**	**0**	**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).

During this quarter, no additional broadband subscriptions were created by this grant.

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).

As mentioned earlier, we are lower than estimated due to the issues regarding procurement.

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).

Next quarter we plan to provide 10 hours of basic computer training to 180 participants and provide laptop computers and broadband access to each participant (one per household). We currently have a backlog of over 300 participants waiting to begin computer classes. The demand is very high, we may schedule additional classes to increase the capacity for enrollment.

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	16	As mentioned earlier, we are lower than estimated due to the issues regarding procurement.
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).

We are confident the procurement challenges have been resolved. The classes have been scheduled at full capacity, no other challenges are foreseen 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	$176,473	$176,473	$0	$12,648	$12,648	$0	$18,000	$18,000	$0
b. Fringe Benefits	$63,530	$63,530	$0	$8,194	$8,194	$0	$10,000	$10,000	$0
c. Travel	$5,000	$5,000	$0	$137	$137	$0	$400	$400	$0
d. Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0
e. Supplies	$722,750	$244,250	$478,500	$0	$0	$0	$128,550	$41,850	$86,700
f. Contractual	$389,400	$59,400	$330,000	$0	$0	$0	$29,490	$890	$28,600
g. Construction	$0	$0	$0	$0	$0	$0	$0	$0	$0
h. Other	$1,511,975	$212,000	$1,299,975	$0	$0	$0	$277,600	$17,600	$260,000
i. Total Direct Charges (sum of a through h)	$2,869,128	$760,653	$2,108,475	$20,979	$20,979	$0	$464,040	$88,740	$375,300
j. Indirect Charges									
k. TOTALS (sum of i and j)	$2,869,128	$760,653	$2,108,475	$20,979	$20,979	$0	$464,040	$88,740	$375,300

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