



Get Connected!
for Economic Prosperity
and Quality of Life



**California Emerging
Technology Fund**
ANNUAL REPORT 2011–2012

Foreword

“The California Emerging Technology Fund was established by the California Public Utilities Commission as a statewide non-profit organization to be a key partner to the State of California in closing the Digital Divide by accelerating the deployment and adoption of broadband and information technologies. We are focused on that goal to achieve success by 2017. We are encouraged that measurable progress is being made, thanks to the efforts of the State Administration and Legislators, California’s Congressional Delegation, Local and Regional Government Officials, Civic and Community Leaders, Employers and Labor Representatives, and a spectrum of Community-Based Organizations throughout the state. We highly value our partners and their efforts to promote Digital Inclusion. While we know that broadband is not a “silver bullet” for the challenges facing California, we have learned that it is a powerful part of the “silver buckshot” to improve quality of life, transform schools and neighborhoods, and enhance economic prosperity. As California historian and State Librarian Emeritus Kevin Starr has implored, we must “reboot” California—come together to “hit the restart button” and reform government and all institutions to once again work for Californians. Accelerating the deployment and adoption of broadband—harnessing the benefits and productivity of information technologies—is a vital part of the solution.”

Sunne Wright McPeak
President and CEO
California Emerging Technology Fund

“As the California Public Utilities Commission (CPUC) celebrates its 100th anniversary, we are confident that one of our most visionary and pioneering initiatives is founding the California Emerging Technology Fund (CETF). This action established the institutional foundation and provided the critical resources to strategically and systematically close the Digital Divide in California. When the CPUC first envisioned the possibilities of an organization such as CETF evolving from the mergers of SBC-AT&T and Verizon-MCI, our state was far behind others in promoting broadband deployment and adoption. Today, California is considered a national leader in closing the Digital Divide because we have the benefit of CETF as a partner with the CPUC and the State of California Administration and Legislature.”

Michael R. Peevey
Chairman, California Emerging Technology Fund
President, California Public Utilities Commission

Closing the Digital Divide Transforms Lives

California Emerging Technology Fund Makes a Measurable Impact

FOCUS: A Good Education

A Santa Rosa 7th grader, Jasmin Gutierrez was getting poor grades in science and history. Her parents could not afford to buy a computer, and her teachers assigned Internet research projects and online tests. Jasmin walked to the public library, but limited library hours and one hour waitlist limits made it difficult for Jasmin to use a computer. Jasmin's mother learned about the Chicana/Latina Foundation's computer training, access to broadband service, and refurbished computers project funded by the California Emerging Technology Fund (CETF) and the National Telecommunications and Information Agency (NTIA). Shortly after bringing home their new computer, Jasmin completed and submitted her first online science project. Her grades have improved significantly, and she is teaching her father how to use the computer and access the Internet. She will teach her mother next.

ACTION: A New Job

Richard Willis was on parole when he enrolled in a Stride Center technical training program. Unable to provide for his family, Richard came to Stride for a new beginning. He not only gained employable technical skills, he learned how to interview for a job, dress professionally, and project a professional demeanor—that helped him land a full-time job as a technician at AT&T. Richard was one of 2,300 students The Stride Center trained this past year providing pathways towards economic self-sufficiency by preparing students for careers in the information technology. More than 80% of Stride students complete their courses, and more than 80% of the graduates find jobs.

RESULTS: A Better Future

Trelena Thomas didn't expect that technology would be such an important tool when she left her job as a nurse to care for her daughters, one of whom is quadriplegic. Trelena learned how to use a computer and the Internet in a San Diego Broadband Initiative (SDBI) class at the YMCA. SDBI, led by the San Diego Futures Foundation, provides technical services, training, and related resources to low-income disadvantaged neighborhoods. Trelena brought home her SDBI computer and connected to online services and groups that have expanded her family's quality of life: a reading program that has improved her daughter's reading level; a recipe library to manage her daughter's specific dietary needs; and an online wheelchair dance course. Trelena tells her own video story at www.getconnectedtoday.com/trelenastory.



Jasmin Gutierrez and her mother learn new skills.



Richard Willis receives training certificate.



Trelena Thomas connects online.

Broadband: Digital Pathway to Economic Prosperity and Quality of Life

Our ability to connect through high-speed Internet access—referred to generically as “broadband”—is improving our lives in many ways—helping us share information and images, research and apply for jobs, stay in touch with loved ones, and access entertainment and news. Broadband saves consumers time and money, increases productivity in the economy, and reduces impacts on the environment. Broadband is essential 21st Century infrastructure in a digital world and global economy. It is vital to the economic prosperity of every community and the quality of life for all residents. And, it is a “green” strategy to shrink our carbon footprint.

Broadband also is a transforming technology—from disadvantaged neighborhoods throughout California to emerging democracies around the globe—changing substantively the conduct of daily lives. The Internet allows people worldwide to connect to one another instantaneously and to access information real time in ways not imagined just a few years ago. In contrast, communities that do not have broadband infrastructure and individuals who are not connected are tangibly disadvantaged in this digital age. Thus, closing the Digital Divide in California has become an imperative to help restore the Golden State as a global economic leader and provide equal opportunities for all residents.

That is why the California Public Utilities Commission (CPUC) directed the establishment of the California Emerging Technology Fund (CETF) in 2005 as a condition of approving the mergers of SBC-AT&T and Verizon-MCI. AT&T and Verizon agreed to contribute a total of \$60 million in seed capital to launch the independent non-profit organization. CETF began operations in 2007 with an intense FOCUS on achieving success in closing the Digital Divide in California within a decade. The CETF Strategic ACTION Plan is rooted in sound research about “what works” and sets forth the evidence-based strategies that guide the use of seed capital with a set of quantified metrics that drive accountability for RESULTS. This 2011-2012 Annual Report provides an update on progress, and spotlights policymakers and partners who are leading the achievements. It highlights the importance of a policy commitment and dedicated leadership to closing the Digital Divide in California: **FOCUS – ACTION – RESULTS**



The Stride Center Digital Literacy Workshop changes lives at the Sunset Neighborhood Beacon Center.



Computers for Youth Take IT Home strengthens parent-child learning.

Mission and Goals for Success

The mission of the California Emerging Technology Fund (CETF) is to provide leadership statewide to close the Digital Divide by accelerating the deployment and adoption of broadband and other advanced communications services to underserved communities and populations. CETF also is dedicated to making California a global leader in the deployment and adoption of broadband, which includes both wireline and wireless technologies.

CETF is performance-driven and outcomes-focused. The CETF Strategic Action Plan is based on research and fact finding about “what works” and sets forth the overall approach and strategies to close the Digital Divide, including the metrics for accountability that provide the disciplined focus on results. CETF has identified 3 priority consumer communities for grantmaking: Rural and Remote Areas; Urban Disadvantaged Neighborhoods; and People with Disabilities. CETF has adopted the following goals and has projected a target date for achieving success by 2017—10 years after CETF began operations.

Supply – Deployment

- Access for At Least 98% of Households
- Robust Rural-Urban California Telehealth Network (CTN)
- All Tribal Lands Connected and Part of CTN

Demand – Adoption

- Overall California Adoption 80% by 2015 and 90% by 2020
- All Regions and Socioeconomic Groups within 10 Percentage Points of Overall Adoption
- Increased Overall Accessibility and Universal Design

California a Global Leader in Deployment and Adoption

- Appropriate and Sufficient Speeds for Consumer Applications that Drive Adoption
- Increased Economic Productivity
- Reduced Environmental Impacts

5 Overarching Strategies

To achieve the optimal impact and a higher return on investment of seed capital, CETF uses 5 overarching strategies:

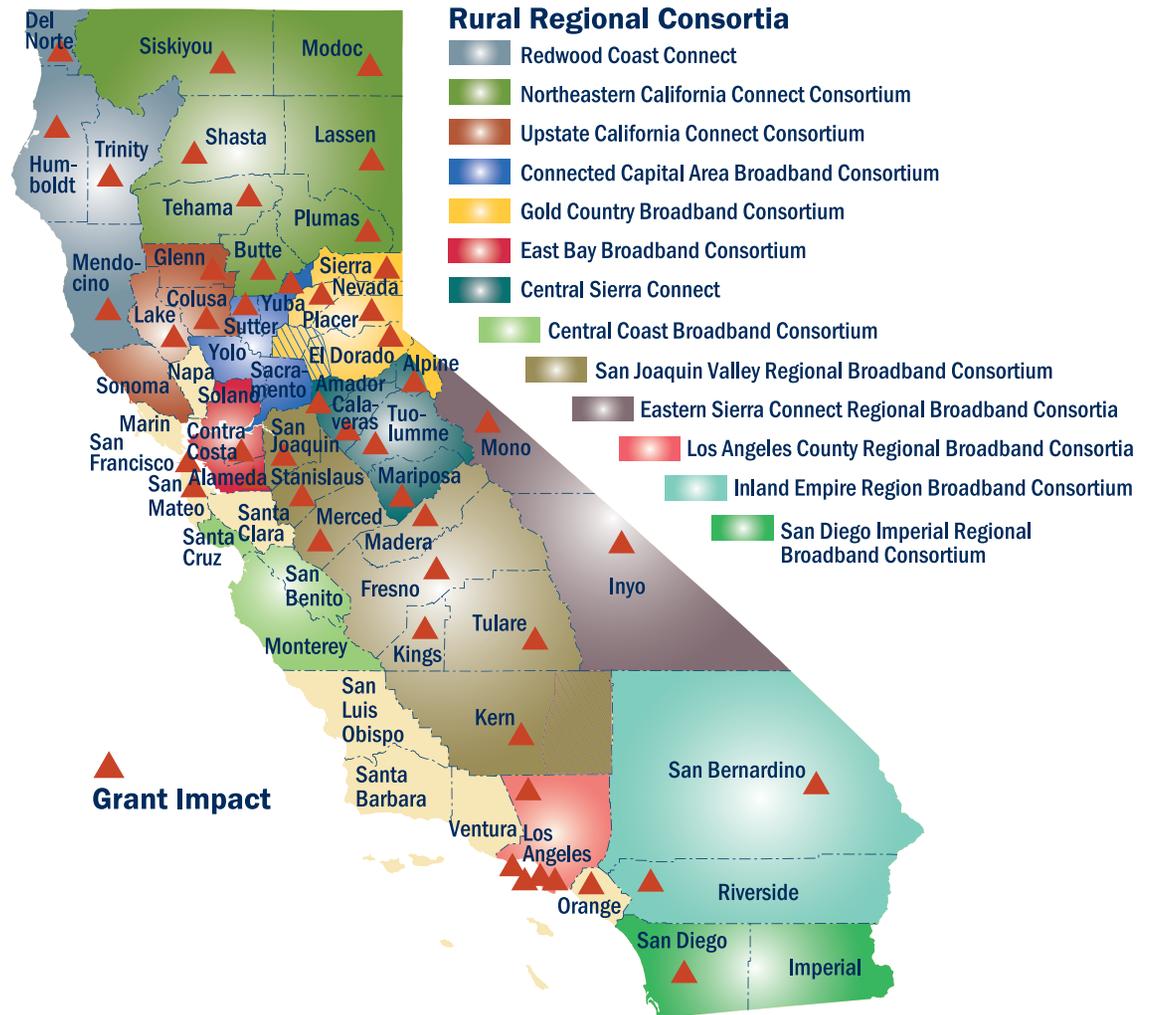
1. Civic Leader Engagement
2. Venture Philanthropy Grantmaking
3. Public Policy Initiatives
4. Public Awareness and Education
5. Strategic Partnerships



CPUC President and CETF Chairman Michael R. Peevey addresses the CETF Policymakers' Roundtable.

1. Civic Leader Engagement

Engagement of civic leaders in stakeholder organizations constitutes a powerful fulcrum to leverage the \$60 million seed capital to succeed in closing the Digital Divide in a state as large and diverse as California. CETF is working with leaders from Regional Consortia to aggregate demand, accelerate broadband deployment and adoption, and promote broadband applications in education, healthcare, and public services. These Regional Consortia provide a firm foundation for all other strategies. The existing 13 Regional Consortia formed and evolved from CETF investments in Rural Regional Aggregation Demand Projects and Urban Regional Roundtables. In the future, funding for Regional Consortia will be provided through the California Advanced Services Fund (CASF).



2. Venture Philanthropy Grantmaking

CETF regards grants as “investments” for which there must be measurable returns and tangible results—referred to as “venture philanthropy” grantmaking. Grantees are selected because of their capacity to deliver outcomes and their credibility as “trusted messengers and honest brokers” for the priority consumer communities. In addition to meeting their performance requirements for specific deliverables and outcomes, grantees are engaged as partners in driving to the statewide goals for closing the Digital Divide. CETF also facilitates collaboration among grantees through “learning communities” to enhance their effectiveness and expand their capacity. To date, CETF has committed more than \$23.3 million in grants to more than 60 non-profit community-based organizations (CBOs) and public agencies.

CETF also received 2 grants from the American Recovery and Reinvestment Act (ARRA) in 2010 totaling \$14.3 million awarded by the National Telecommunications and Information Agency (NTIA) to increase broadband adoption in California. The 2 grants support the work of 19 CBOs. The ARRA NTIA funding builds upon the initial round of CETF grantmaking and the investment in development of *Get Connected!*, allowing the federal government to better leverage their funds for greater impact.

The first round of grantmaking is referred to as “CETF 1.0” because it coalesced a critical mass of partner CBOs as a foundation for reaching a sufficient number of Californians to close the Digital Divide. Leveraging CETF funds with the ARRA NTIA grants is referred to as “CETF 2.0” because it builds on that foundation and takes collaboration to the next level of impact. Future work is referred to as “CETF 3.0” because it relies on the “lessons learned” from the first two phases and focuses integrated efforts on the poorest neighborhoods through Strategic Partnerships.



Southeast Community Development Corporation provides computer training at the Gage Parent Center.



OCCUR offers trainees Digital Literacy and job preparation classes at the Eastmont Technology Center.

3. Public Policy Initiatives

The pace at which the Digital Divide can be closed is significantly determined by the policy environment in which grantmaking and other strategies are employed. CETF has launched major policy initiatives to accelerate broadband adoption. The following summarizes each major policy initiative and the milestone accomplishments to date. CETF also convened in March 2011 a Policymakers' Roundtable in Sacramento which identified several policy and program opportunities to accelerate broadband deployment and adoption by integrating information technology into all strategies to address major challenges for California. The California Broadband Council provides an excellent forum for continued promotion and oversight of public policies to accelerate broadband deployment and adoption.

Digital Literacy

Digital Literacy is defined as using digital technologies, communications tools, and/or networks to access, manage, integrate, evaluate, create, and communicate information in order to function in a knowledge society. CETF convened experts and stakeholders to reach agreement on recommendations for the State to adopt Digital Literacy as an official goal for California—thus helping drive the demand for broadband adoption. The Governor in 2009 signed an Executive Order (a) establishing Digital Literacy as a goal for all students, workers, and residents and (b) directing the development of an action plan to coordinate the activities and integrate the resources of all state agencies to achieve the goal.

Milestone accomplishments include the following:

- The California Technology Agency (CTA) prepared the action plan Digital Literacy Pathways in California in consultation with other State agencies and stakeholders and is leading the implementation activities.
- CETF supported the establishment of EmpowerNet California, a collaborative among several grantees, and the development of a Tool Kit to assist workforce preparation organizations in training “hard-to-employ” Californians in careers in information technology. EmpowerNet California is working with the California Workforce Investment Board (CWIB), California Workforce Association, and local WIBs to incorporate Digital Literacy into all major workforce training programs.
- CETF is funding LINK Americas Foundation, Inc. to assist CTA to develop and engage employers in the launch of iCALIFORNIA Digital Literacy Campaign.

According to a Federal Reserve study*, approximately 9.5 million U.S. students are digitally excluded outside of their schools. These students have a high school graduation rate 6 to 8 percentage points lower than those who have home access to the Internet. It is estimated that the resulting lost earning potential to the country is \$825 billion, lost tax revenues are \$123 billion, and social program inefficiencies top \$125 billion.

*Home Computers and Educational Outcomes: Evidence from the NLSY97 and CPS Board of Governors of the Federal Reserve System International Finance Discussion Papers, Number 958, November 2008, Daniel O. Beltran, Kuntal K. Das, and Robert W. Fairlie.

School2Home

School2Home is an innovative statewide program to close both the Achievement Gap and the Digital Divide by integrating the use of computers and broadband technologies into teaching and learning at low-performing middle schools throughout California with an emphasis on school leadership, teacher professional development, parental involvement, student tech experts, and affordable home connectivity. CETF and The Children's Partnership co-sponsored development of School2Home, which was designed by a broad spectrum of policy leaders and stakeholders. Families in Schools is a major partner to facilitate parent engagement and to conduct training. Key funding and support have been provided by Google, AT&T, Comcast, Verizon, IBM, GenYES, Alameda County Office of Education, Sacramento Office of Education, California State University East Bay, and Computer-Using Educators (CUE). CETF is planning to expand School2Home to 25 schools and will contribute 20% of the implementation costs if sufficient matching funds can be secured. Milestone accomplishments include the following:

- School2Home 10 Core Components for the successful use of technology based on sound research and building upon “best practices” to improve academic performance have been refined and beta tested at 2 schools: Stevenson Middle School in Los Angeles Unified School District in collaboration with the Partnership for Los Angeles Schools; and Central Middle School in Riverside Unified School District.

- Independent evaluation of School2Home has been conducted showing great promise for School2Home to be a scaled strategy for cost-effectively improving education statewide.
- School2Home is being implemented this year in collaboration with Youth Policy Institute in Los Angeles and in the Oakland Unified School District with an “Enhancing Education Through Technology (EETT)” grant from the California Department of Education. Agreements have been signed to expand School2Home into 10 pivotal school districts statewide pending funding. Superintendent of Public Instruction Tom Torlakson has endorsed School2Home and urged funders to invest in the program.



Mayor Antonio Villaraigosa launches School2Home at Stevenson Middle School in Los Angeles.

Telehealth – Telemedicine

Telehealth-Telemedicine is the ability to promote healthy behavior and provide medical care remotely using broadband connectivity between facilities, thus expanding access to vital services and improving the quality of care by linking critical expertise to medically-underserved communities. It also has the potential to help control costs. CETF is providing \$3.6 million to match a grant of \$22.1 million from the Federal Communications Commission (FCC) to build the California Telehealth Network (CTN), for which the University of California (UC) is the fiscal agent and managing partner on behalf of a consortium of state agencies, foundations, and provider organizations. UC completed an open procurement process and selected AT&T as the vendor to connect the first 860 sites. CETF also funded UC Merced to recruit and connect initial telemedicine sites in the San Joaquin Valley (in partnership with the California Partnership for the San Joaquin Valley and AT&T); California Dental Association; and Palo Alto Institute for Research and Education (in partnership with the Department of Veterans Affairs) to coordinate services and resources with CTN. Milestone accomplishments include the following:

- CTN has been established as an independent non-profit organization with a governing board comprised of State agencies, provider organizations, and funders—becoming a unique public-private partnership to make telehealth-telemedicine a “signature component” of healthcare reform in California. CETF and

UnitedHealth Group, Inc. have contributed initial seed capital for CTN operations. The California HealthCare Foundation is underwriting the cost of developing a Business Plan for CTN.

- Facilities are being connected to the CTN network with the goal to reach at least 300 sites by the end of 2011 and to connect all 860 within 2 years.
- UC received an NTIA grant to support CTN operations and 15 Model eHealth Communities across the state. UnitedHealth is providing additional funding for the Model eHealth Communities to develop best practices for telehealth-telemedicine.



California Telehealth Network President and CEO Eric Brown launches California Telehealth Network.

Smart Housing

Affordable Smart Housing is defined as a publicly-funded housing development project that possesses an independent “advanced communications network” to drive economies of scale that can result in a significantly-reduced cost basis for residents. An advanced communications network is in addition to the standard cables and infrastructure required for power, television and telephone. Feedback from residents underscores the ability of Smart Housing and broadband connectivity to transcend poverty and transform lives. Milestone accomplishments include the following:

- CETF formulated a model policy for Smart Housing, briefed state and local government policymakers, and convened 3 regional workshops



Federal Communications Commission Chairman Julius Genachowski announces a National Competition for Consumer Mobile Applications in California at The Stride Center.

with One Economy Corporation. CETF and the California Department of Housing and Community Development jointly requested that the U.S. Department of Housing and Urban Development amend federal policies and regulations to support Smart Housing.

- CETF has compiled and analyzed data to produce the first comprehensive report on the options and costs for an advanced communications network so that policymakers and affordable housing builders have reliable information to pursue Smart Housing.
- CETF is partnering with the Non-Profit Housing Association (NPH) of Northern California and other affordable housing organizations to promote the adoption of Smart Housing Policies at the federal, state, and local levels of government. NPH and CETF also are preparing a Tool Kit to assist affordable homebuilders with information and resources about broadband connectivity.

Smart Communities

The concept of “Smart Communities” refers to a policy commitment and focused effort by local governments and civic leaders to optimize broadband deployment as a community grows or redevelops, incorporating it into major public buildings, transportation facilities, and other infrastructure projects. It also means optimizing the use of broadband and other information technologies to deliver public services and integrating it into solutions to major problems to increase efficiency and enhance effectiveness. In addition, promoting the use of broadband is a “green strategy” to reduce impacts on the environment and reduce the carbon footprint. Milestone accomplishments include the following:

- CETF and Community Partners, California Community Technology Policy Group, and the Broadband Institute of California (Santa Clara University School of Law) published a summary and analysis of government-led wireless projects titled *Wired for Wireless?* which provides local governments and stakeholders with critical information and a checklist to guide consideration of wireless initiatives.
- CETF and the Center for a New Orange County compiled examples of existing local government policies regarding broadband and prepared a Resource Guide for Local and Regional Government Leaders titled *Getting Connected for Economic Prosperity and Quality of Life* which provides a sample policy and checklist for local leaders.
- CETF is working with the State Librarian to promote libraries as hubs for Digital Literacy and wireless “hot spots” throughout California.



impreMedia CEO Monica Lozano and State Superintendent of Public Instruction Tom Torlakson promote Club Digital.



Chicana/Latina Foundation Executive Director Olga Talamante speaks with State Senator Mark Leno at the CETF Policymakers' Roundtable.

4. Public Awareness and Education: *Get Connected!*

CETF launched *Get Connected!* to raise overall awareness about the benefits of broadband as a foundation and support for all other strategic actions. The initial 2-year goal was to increase adoption among low-income and Latino households statewide by 10 percentage points—and there was a 16 percentage point increase. *Get Connected!* developed a website (GetConnectedToday.com) to help non-users learn the basics about computers and broadband in several languages, produced and aired public service announcements, and conducted numerous Community Connect Fairs in target neighborhoods. Counties, cities, and school districts throughout California are adopting *Get Connected!* resolutions to promote awareness. *Get Connected!* provides a solid foundation of basic Digital Literacy information and a cost-efficient platform for CBOs to reach new users. Recently, *La Opinión* and parent company impreMedia launched “Club Digital” to reach a vast Spanish-speaking population to increase broadband adoption.



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History of the Internet | Get Connected | Benefits of the Internet | Stay Safe! | Learn More

Welcome to *Get Connected!*

Get Connected! is a project of the California Emerging Technology Fund (CETF). Our mission is to provide you with the education and tools necessary to help you feel comfortable using the Internet for work and play! Here you will learn how to stay connected with your friends and family, stop safely online, find useful and reliable information quickly, and more.

For more information about CETF, visit www.cetf.org. For more information about finding low-cost computer training classes, affordable computers or choosing a broadband provider, call 2-1-1. You can find an Internet Service Provider near you using the State of California's [broadband map](#).

Check out our latest TV commercials.
[Click here for current Broadband Service Rate information for select locations in California.](#)

Events

- Sep 27 2011 - 12:00pm - 1:00pm
[E-Z Accessibility: Making Documents Accessible \(webinar\)](#)
- Sep 28 2011 - 5:00pm - 7:00pm
[Vietnamese Youth Development Center Open House](#)
- Oct 15 2011 - 10:00am - 4:00pm
[LA Computer Fair](#)

Learn Computer Basics for FREE!

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5. Strategic Partnerships

In order to sufficiently leverage the CETF seed capital to close the Digital Divide by 2017, it will be essential for CETF to forge Strategic Partnerships with government, foundations, and employers to joint venture on major projects to expand initiatives such as the California Telehealth Network, School2Home, Smart Housing, and *Get Connected!* Given that CETF “front-loaded” grantmaking to engage CBO partners as soon as possible, only \$10 million uncommitted Seed Capital remains, which will be leveraged at least 5-fold through Strategic Partnerships—referred to as “CETF 3.0”—to take to scale “what works” through integrated “breakthrough strategies” for increasing broadband adoption while concurrently improving California’s economic competitiveness and quality of life for all residents.

“Participating in the TechWorks Training Program has enabled me to achieve my goal of obtaining Microsoft Office Specialist Certification, which greatly increases my chances for employment in the current highly-competitive job market. The training course gave me the experience and confidence I needed to familiarize myself with the technology world. In addition to the skills I gained, the job readiness training I received elevated my self-esteem necessary for job interviews. I was able to successfully secure a full-time job with the San Diego Futures Foundation.”

Maura Prins
Graduate of EDD TechWorks Program
San Diego Broadband Initiative



UC Davis Health System Center for Health and Technology Director Dr. Thomas Nesbitt presents a California Telehealth Network overview.



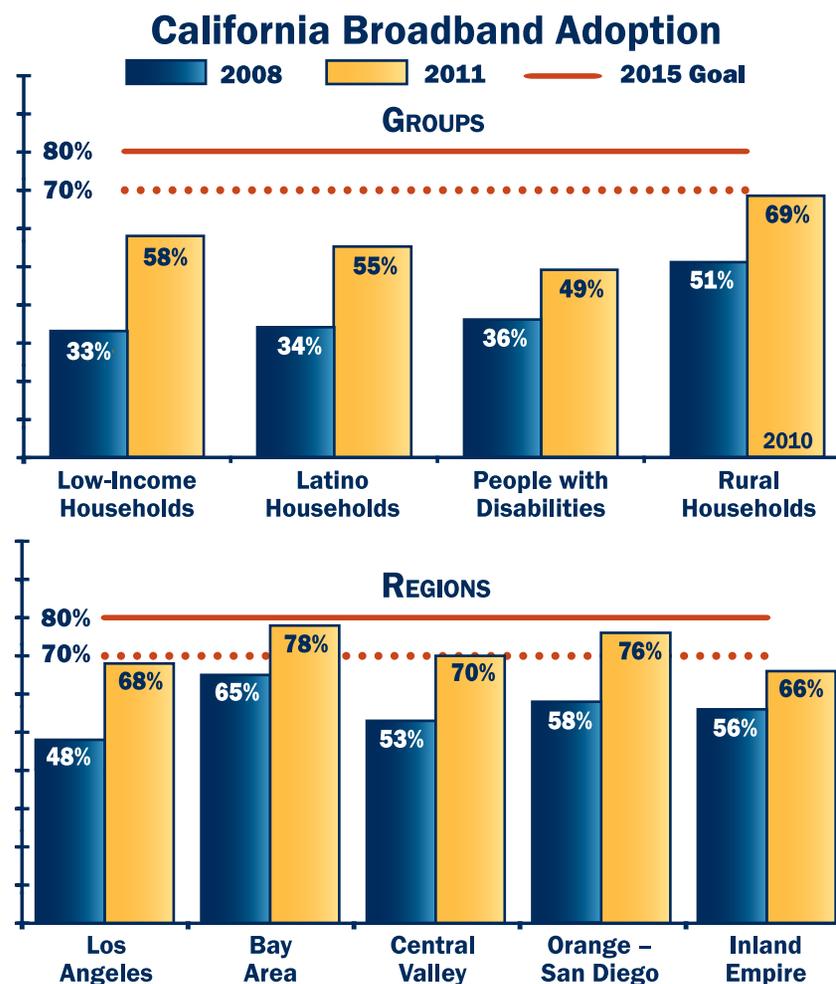
State Senator Carol Liu and CETF President and CEO Sunne Wright McPeak discuss broadband policy for libraries at the CETF Policymakers’ Roundtable.

Persistent Digital Divide: Progress Is Being Made

A significant Digital Divide persists in California manifested by measurable differences among population groups and regions in the use of broadband at home. However, the overall trends are encouraging as evidenced by the changes between 2008 and 2011 in the statewide survey conducted by the Public Policy Institute of California (PPIC) that is co-sponsored by the California Emerging Technology Fund and ZeroDivide. For example, while only 58% of lower-income households (\$40,000 or less annually) have broadband at home compared to 93% of higher-income households (\$80,000 or more annually), since 2008 there has been a 25 percentage-point increase from 33%.

While Latino households, at 55% broadband home use, still lag behind other ethnic groups in comparison to African Americans at 74%, Asians at 76%, and whites at 81%, this is a 21 percentage-point increase since 2008. And, home broadband adoption among people with disabilities has increased from 36% to 49%, but still trails behind statewide adoption.

There has been a similar gain in broadband adoption within all regions, although there still are significant differences among the regions: 68% of residents in Los Angeles County (up from 48% in 2008) are connected at home compared to 66% in the Inland Empire, 70% in the Central Valley, 76% in San Diego-Imperial-Orange, and 78% in the Bay Area.



California Broadband Adoption



The graphs show both the progress to date and the projected timeline paths to success in closing the Digital Divide. The CETF goal for broadband adoption is 80% statewide use at home (another 8 percentage point increase) by 2015 to be on track to achieve the goal in the Federal Communications Commission (FCC) National Broadband Plan of 90% adoption by 2020.

“I wasn’t working when someone told me about the classes, and I came and learned a lot. I perform two different kinds of jobs, valet parking and taking care of the elderly. I got my certificate and was very happy about what I had learned; now I’m even more happy because I’m using at my job what I learned at the classes. Thanks to the Salvation Army for the *Get Connected!* program.”

“Yo no estaba trabajando y me dijeron de estas clases y las aproveche y aprendi y descubri muchas cosas que no sabía. En ese tiempo yo andaba buscando trabajo, yo desempeño dos diferentes tipos de trabajo estacionamiento de cajera y de cuidar personas de tercera edad. Recibí muy feliz mi certificado por que yo sabía que había aprendido y lo mejor es que lo que aprendi lo estoy aplicando ahora en mi nuevo trabajo. Gracias al Salvation Army por el programa *¡Conéctate!*”

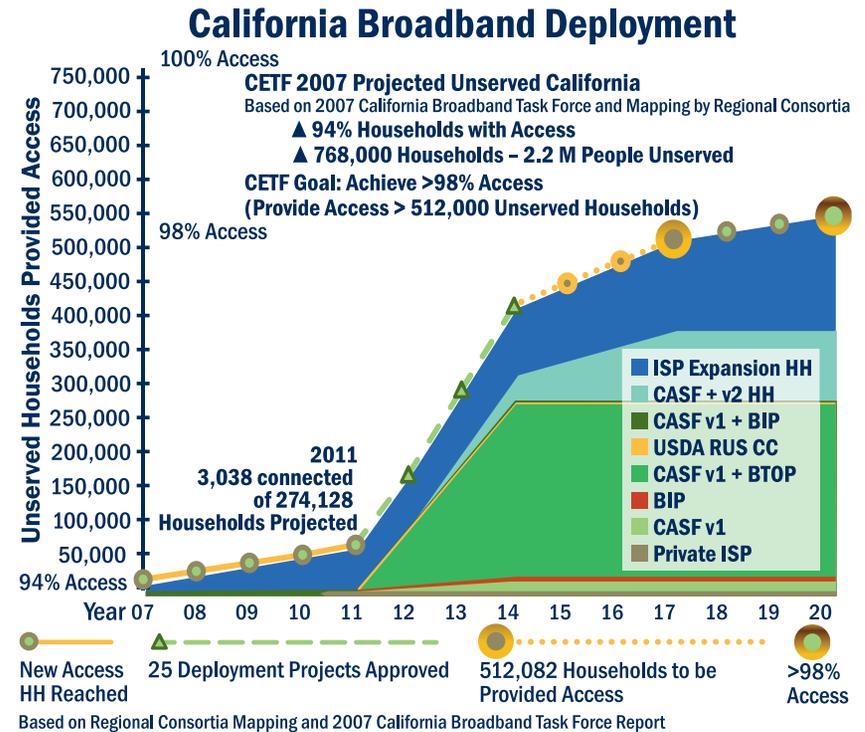
Rosa FERIA
Graduate of *Get Connected!* Pico Union
The Salvation Army

California Advanced Services Fund is Key Resource

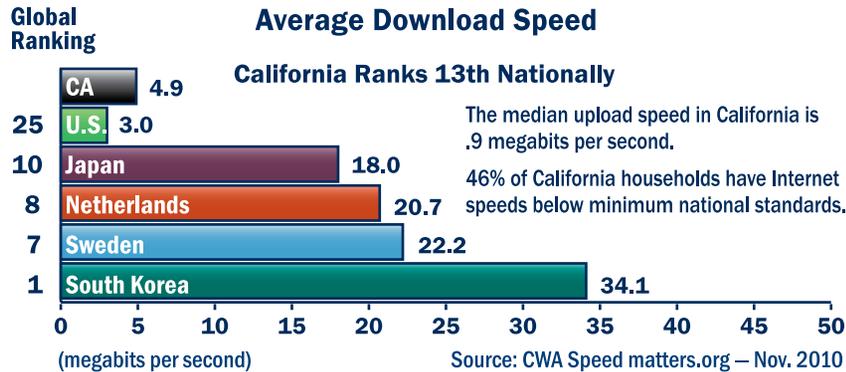
The goal for broadband deployment is to achieve access to 98% of all households by 2017. Based on mapping by the Governor’s Broadband Task Force in 2007 and more recent work by the CPUC, it is estimated conservatively that there was about 94% deployment when CETF began and that there will need to be approximately 500,000 more households served by high-speed Internet access to reach 98% access.

With authorization from the Legislature and Governor, the CPUC established the California Advanced Services Fund (CASF) to support broadband infrastructure deployment to unserved and underserved communities in rural and remote areas of the state. CASF was initially capitalized with \$100 million which also provided an important source of matching funds for federal broadband grants available through ARRA. CASF was extended and expanded in 2010 with another \$125 million through the enactment of legislation by Senator Alex Padilla, which designates \$100 million for broadband infrastructure subsidies, \$15 million for a revolving loan fund to help finance projects, and \$10 million to support Regional Consortia to assist the CPUC reach the 98% deployment goal. To date, CASF and ARRA have provided funding for broadband access to approximately 277,000 households, and construction of connection access has been completed for about 3,000 of them.

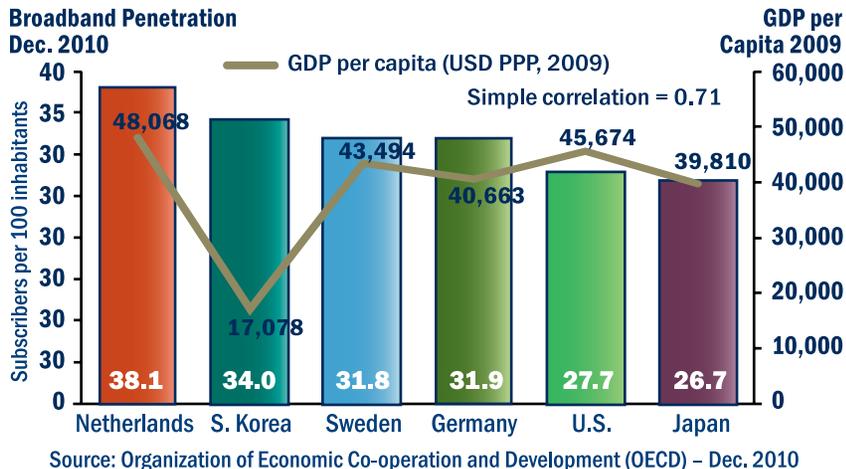
It is likely in the foreseeable future that the only significant source of broadband deployment support will be CASF. Thus, it is imperative that the CPUC, Regional Consortia, providers, and other stakeholders work together to determine the most cost-effective and prudent use of CASF to achieve the 98% deployment goal.



Global Broadband Speeds



Global Broadband Penetration and GDP per Capita



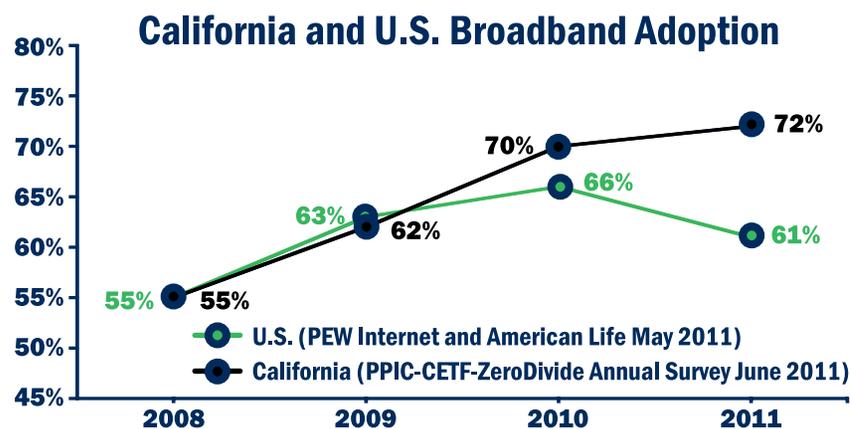
Economic Benefits of Broadband—Quick Facts

- Communities that gain access to broadband service experience an employment increase of 1-1.4 percentage points and increases in rental value of up to 6 percentage points. [U.S. Department of Commerce, 2006]
- For every \$1 U.S. consumers spend online, information available on the Internet influences a further \$3.45 spent in stores. Broadband leads to well-informed purchase decisions, travel reduction by pre-locating the product, and facilitating cost comparisons between vendors. [eMarketer, 2008]
- From 1998 to 2002, communities with mass-market broadband service experienced greater growth in overall employment, an increase in the total number of businesses, and more IT-intensive businesses than communities without broadband service. [33rd Research Conference on Communication, Information and Internet Policy, 2006]
- Broadband contributed 198,000 jobs and \$11.6 billion to the California economy 2002-2005. Over the next decade, it is estimated that broadband if aggressively deployed and adopted could generate 1.8 million jobs and contribute \$132 billion payroll above the baseline. [Sacramento Regional Research Institute, 2008]
- Live videoconferencing at 115 health facilities reduced the cost of follow-up care by 42% and reduced overall costs by 6%. [California HealthCare Foundation, 2008]

Public Policy Commitment: Leadership Accelerates Progress in California

California's broadband adoption is increasing faster than the country as a whole, now 11 percentage points ahead of the national figure of 61%, according to a recent survey by the Pew Internet & American Life Project. In 2008, California statewide use at home was the same as the nation at 55% of the adult population. It has increased to 72% in 2011, pulling ahead of the rest of the country. In addition, data shows that as broadband infrastructure is extended into rural communities, the gap between urban and rural adoption is narrowed (from 51% rural versus 56% urban in 2008 to 69% versus 71% in 2010), validating that there is consumer demand that will be met through a drive to ubiquitous deployment. These trends are tangible indications that the public policy commitment with a purposeful, strategic focus on closing the Digital Divide in California is having a measurable impact.

The gains in broadband deployment and adoption in California are the result of leadership: CPUC, Governor, Legislature, Congress, Local Governments; Regional Consortia; Employers; Labor; Community Organizations; and Providers. The Legislature and Governor established the California Broadband Council to ensure a sustained spotlight on this issue. The Congressional Delegation has championed the importance to the nation of addressing the gaps within the state. And, the California Technology Agency, CPUC, and CETF are partnering with stakeholders to reach the most rural and disadvantaged communities. Elected officials and civic leaders have joined forces in a non-partisan quest to close the Digital Divide so that California can remain globally competitive and Californians can enjoy a higher quality of life.



Environmental Benefits of Broadband—Quick Facts

- Broadband deployment and adoption has the potential to reduce greenhouse gas emissions by more than 1.1 billion tons over the next 10 years. Of these reductions, 60% was a direct result of telecommuting efficiencies, 18% from electronic commerce simplifying business processes and distribution, 17% from teleconferencing replacing meetings, and 5% from electronic media replacing paper and/or plastic products. The potential greenhouse gas reduction is equivalent in emission savings to a decrease of 11% of U.S. oil imports. [The American Consumer Institute, 2007]
- Electronic commerce, as compared to conventional shopping, generates 36% less air pollutants, 23% less hazardous waste, and 9% less greenhouse gases. [Institute of Electrical and Electronics Engineers, 2001 International Symposium on Electronics and the Environment]
- Electronic grocery shopping with e-delivery generates 18% to 87% less greenhouse gases than conventional grocery shopping. [Institute of Electrical and Electronics Engineers, 2001 International Symposium on Electronics and the Environment]



The Stride Center certifies graduates for information technology careers.

Tim McCallion, West Region President, Verizon

“Verizon is committed to expanding opportunity for all by using broadband technology to enhance education, increase access to health-care, and facilitate workforce readiness skills. A key part of this strategy is working with our community partners to create a more connected world and bridge the Digital Divide. We commend the California Emerging Technology Fund and its partners for focusing on results and accountability to stakeholders, policymakers, and the public.”



La Opinión and Dewey Square Group launch Club Digital in Los Angeles.

Ken McNeely, President, AT&T California

“Every day across California we’re seeing progress towards closing the Digital Divide—children from all backgrounds, using the latest technologies to learn and thrive. This critical change is possible because of innovative collaborations and commitments to education from CETF and major initiatives such as the California Telehealth Network and School2Home. AT&T salutes California leaders for their commitment to ensuring that the benefits of broadband are available to all Californians.”



California Legislature Leaders Support Broadband Deployment and Adoption



Southeast Community Development Corporation and community leaders celebrate the opening of Bell Gardens Employment Center.



2-1-1/United Ways of California answers Get Connected! broadband inquiries.

The Honorable Alex Padilla, 20th District Chairman, Senate Energy, Utilities and Communications Committee

“Broadband Internet access is essential to virtually every aspect of modern life. We must pursue all opportunities to close the Digital Divide and ensure that every Californian is connected. Despite progress in recent years, California’s Digital Divide remains most prominent within the Latino community, where 35% of adults do not use the Internet at all and only 50% have broadband access at home. As a result, they often lack access to employment and economic opportunity. We must continue to break down barriers to Internet adoption and increase access to service and Digital Literacy programs. I support the Race to Close the Digital Divide campaign and encourage the religious community in Los Angeles to share information about the value of the Internet and how to access free Digital Literacy programs. With all of our public and private partners working together, we can ensure that all Californians have equal opportunity to fully participate in the 21st Century digital economy.”



The Honorable Jean Fuller, 18th District Vice Chairman, Senate Energy, Utilities and Communications Committee

“California has long pursued the noble goal of universal access to emerging technologies. I strongly believe that working with families, teachers, and communities is the best way to face this challenge head on and close the Digital Divide. As Vice Chair of the Senate Energy, Utilities and Communications Committee, I authored legislation to reaffirm the state’s commitment to ensuring that rural areas continue to have access to the same information and communications technologies as are available in urban areas. If we are to have the workforce necessary to fill the jobs of the future, we must make certain that our children, no matter where they grow up, have the opportunities to learn and develop the skills necessary to compete in the information age.”





Get Connected! Fresno hosts a Family Resource Fair.



Get Connected! Los Angeles hosts a Community Connect Fair in MacArthur Park.

**The Honorable Steven Bradford, 51st District
Chairman, Assembly Utilities and Commerce Committee**

“California continues to be the nation’s leader in broadband deployment. Broadband technology is essential to our state and global economies. The Internet virtually touches every aspect of our lives, and it should be available to every citizen in this state. For disadvantaged families, access to the Internet is a major way for families to find jobs and services. Without this access, they are further disadvantaged and cannot hope to compete to find their way into a better life. I applaud the California Emerging Technology Fund for making monumental strides in closing the Digital Divide in California. State policy makers and CETF must continue to work in collaboration in order to reach the goal of 98% of all California residences with broadband and 80% adoption statewide by 2015 and 90% by 2020.”



**The Honorable Nathan Fletcher, 75th District
Vice Chairman, Assembly Utilities and Commerce Committee**

“Our world is changing at rapid speeds. Information-intense times demand high proficiency and access to technology. Right now, nearly 60% of today’s jobs require technology skills. But for many, the lack of access to tools, like computers and the Internet, create a workforce unable to meet the demands of the 21st century. The California Emerging Technology Fund is rising to meet this global challenge. I commend them for empowering those without technology by providing the tools they need to succeed.”



California Members of Congress Put the Focus on Closing the Digital Divide



Radio Bilingüe and Chicana/Latina Foundation host a broadband and Digital Literacy community event in Salinas.



OCCUR engages Digital Literacy trainees at the Eastmont Technology Center.

The Honorable Dennis Cardoza, 18th District

“The California Emerging Technology Fund plays an important role in our valley, and I am pleased to support the valuable work that they do to close the Digital Divide. Just as the advent of the Internet has enabled people to advance their education, find employment, and conduct business in a new and exciting ways, those who are not connected increasingly fall behind. The California Emerging Technology Fund is focused on addressing these problems: funding job training programs in information technology to help unemployed people and businesses benefit from a more educated, highly skilled workforce; and sponsoring programs to educate small business owners, their employees, and disadvantaged communities on using the Internet to make their work more efficient and grow their companies. These programs are especially important in California’s Central Valley, which includes both rural areas and a large Hispanic community. The California Emerging Technology Fund and its local partners provide a valuable leg up to our children, our adults, and our businesses. Thank you for the work that you do to close the Digital Divide for all of California.”



The Honorable Susan Davis, 53rd District

“Nowadays the Internet is a daily part of life and is necessary for anyone getting an education, looking for a job, finding a home, and just about everything that falls in between. But there are many Californians still left out of the Internet age. This has to change, because the ability of people to participate in modern society is at a severe disadvantage if they have no access to the Internet. Unless we change this, the Digital Divide will get wider. That’s why the California Emerging Technology Fund has taken the lead in working to close the Digital Divide. It launched a campaign called *Get Connected!* to get community leaders focused on this issue, and a program called School2Home to bring technology into classrooms and homes. CETF has invested in job training centers and other organizations to train unemployed adults in computer skills so they are better prepared to land a job. These are all steps in the right direction. And, I am confident that with the Emerging Technology Fund’s leadership, we can reach the goal of having 98% access and 90% use of the Internet by 2020.”





Edelmira Arteaga takes her first computer class at the launch of Club Digital.



Chicana/Latina Foundation trains Mi Pueblo employees in San Jose.

The Honorable Anna Eshoo, 14th District

“Everyone should have access to the Internet, not just Silicon Valley. There are those in our society and here in California who are locked out of the Internet and the access to information it offers about education, jobs, healthcare, and so much more. In our state, there are more than 14 million people who are caught on the wrong side of the Digital Divide. We can close the Digital Divide, and I am very pleased that the California Emerging Technology Fund has been working with local organizations across California to do just that. CETF sponsored School2Home to provide computers and Internet access to middle school students and their families in low income communities. It established the California Telehealth Network to connect more than 800 clinics and hospitals to major medical centers to improve access to quality, affordable medical care. It funds local training programs so people can get needed computer skills to find jobs. I am very proud of what the California Emerging Technology Fund is doing to achieve this goal. Thank you, everyone; job well done.”



The Honorable Bob Filner, 51st District

“I am pleased to support the work of the California Emerging Technology Fund, which is working to close the Digital Divide and has awarded more than \$22 million dollars in grants to community-based organizations to bring broadband to unserved populations, and to take advantage of the opportunities for education and jobs that the Internet offers. The CETF initiative School2Home assists low-performing middle schools with implementing technology-based strategies to improve both students’ educational performance and their Digital Literacy. School2Home recognizes the importance of both the school and the home as places for learning, providing each student with a laptop to use in the classroom and at home with their family. Computers and the Internet have opened many new opportunities. But we must close the Digital Divide and make sure that low-income and other unserved populations have the opportunity to benefit from this great technology.”



California Members of Congress Put the Focus on Closing the Digital Divide



Chrysalis changes lives through jobs skills training.



Southeast Community Development Corporation fills a computer literacy lab at Gage Middle School's Parent Center.

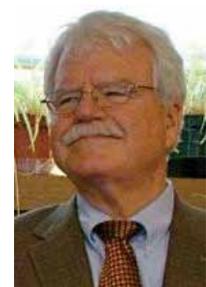
The Honorable Doris Matsui, 5th District

“I am very familiar with the tremendous impact that the Internet is having on our lives. While this technology has facilitated dreams of many Americans, it has also created a Digital Divide. And that is why organizations like the California Emerging Technology Fund are so important. CETF focuses its efforts on both rural and urban core areas of our state, where thousands aren't able to get connected because of the economic barriers created by the high cost of service. CETF sponsors specific programs to help people get connected, including technical training in computers and the Internet, and the necessary tools to use the Internet to look for work or an education, which also allows employers and small businesses to benefit from a more advanced workforce. It is clear that in order for our society to fully realize the benefit of technology, we must close the Digital Divide. That is why I am very enthusiastic about what the California Emerging Technology Fund is doing, and paired with the important work we are doing in Congress to address these issues legislatively, together we truly can close this Divide.”



The Honorable George Miller, 7th District

“One of the amazing things that has happened in our state is that the California Emerging Technology Fund has made resources available to community organizations: to provide access to technology; to provide training in the use of technology across these communities that have been left out; to provide access and use of technology in schools; to provide access and use of technologies in our homes and in small businesses so that those individuals will be able to use it to their advantage and advancement. In my own community with Building Blocks for Kids, we see the advantages of having the ability to help people become technologically literate. It's a very exciting program, and it is very important to the future of our economy. I am a big supporter of what the California Emerging Technology Fund has done for our state, for these families, and these children.”





2-1-1 hosts a Get Connected! Fresno Resource Fair.



Goodwill Industries of San Francisco, San Mateo, and Marin distributes refurbished computers.

The Honorable Linda Sanchez, 39th District

“The Digital Divide is a little known but important problem facing society. Unless we close the gap between those who integrate technology into their lives and those who don’t, we will be left with a significant portion of our population without adequate education. Only 55% of Latino families in California have a broadband Internet connection in their homes. This is just one reason why the work the California Emerging Technology Fund does is so important. The California Emerging Technology Fund works to get disconnected families connected. CETF provides grants for schools, job training programs, other community based agencies, and for access and opportunities. Kids, families, and people with disabilities are learning how to use the Internet. Job seekers learn software and data programs. I commend the California Emerging Technology Fund on its successes and wish it well in its future endeavors.”



The Honorable Mike Thompson, 1st District

“The California Emerging Technology Fund plays an essential role in our state and in my Congressional District. I am excited to support its work. Unless the Digital Divide is closed, we will disenfranchise millions of Californians who will be locked out of our growing knowledge-based economy. That’s where the California Emerging Technology Fund and its local partners come in. CETF investments support programs that provide the unemployed with training in information technology that benefits businesses with a more educated labor force; laptop computers to middle school children in Promise Neighborhoods through the School2Home program; and a statewide telemedicine initiative that will provide critical healthcare services to remote communities with broadband Internet technology to improve the quality of care and reduce the costs for people in rural and medically underserved areas. The California Emerging Technology Fund and its local partners help our children, our adults, our businesses, and our overall economy, and I am a strong supporter of the work they are doing.”



California Emerging Technology Fund Summary of Grant Investments, 2011–2012 Annual Report

This summary matrix of grants is organized to provide an overview of the CETF approach to closing the Digital Divide. Grants are listed according to major strategies within priority consumer groups. Within strategies, grants are generally listed in time sequence. Grants shaded in light blue have been completed. Please visit the CETF website at www.cetfund.org for an alphabetical listing of grantees and Final Reports from completed grants.

Grantee Partner	Amount	Description and Outcomes
Rural Broadband Infrastructure Deployment Achieve Access for 98% of All Households		
<i>Telehealth – Telemedicine</i>		
University of California, Office of the President, UC Davis <i>California Telehealth Network (CTN)</i>	\$3,600,000 8 Years Match For \$22.1M From FCC	Establish the California Telehealth Network to provide health and medical care access by connecting more than 800 clinics and hospitals to medical centers, with an initial priority focus on rural sites and tribal lands. Promote telemedicine to improve access, quality and cost-effectiveness.
University of California, Merced <i>San Joaquin Valley eHealth Regional Visioning Project</i>	\$200,000 3 Years	Developed a telehealth-telemedicine network in cooperation with the California Partnership for the San Joaquin Valley as a major component of CTN. Surveyed and assessed more than 90 prospective sites and connected initial 5 facilities.
California Dental Association Foundation <i>Teledentistry for CTN</i>	\$25,000 1 Year	Explored the potential of integrating teledentistry into CTN and the feasibility of replicating the Virtual Dental Home Care Model via the CTN infrastructure.
Palo Alto Institute for Research and Education <i>VA Health Kiosks for CTN</i>	\$25,000 1 Year	Facilitated the integration of interactive health education and decision support kiosks developed by the Department of Veterans Affairs into the California Telehealth Network.
<i>Demand Aggregation</i>		
Humboldt State Foundation (Del Norte, Humboldt, Mendocino and Trinity Counties) <i>Redwood Coast Connect</i>	\$250,000 2 Years Matched By Humboldt Area Foundation	Developed and implemented a prototype for the rural regional demand aggregation projects that engaged civic leaders, stakeholders and industry to: (a) quantify aggregated demand by anchor tenants, industry clusters, and residential areas, including price sensitivity; and (b) map infrastructure and other fixed assets that could be used to help deploy broadband service.



State Senator Alex Padilla co-hosts the CETF Policymakers' Roundtable.



The Center for Accessible Technology demonstrates assistive technology.

Amador-Tuolumne Community Resources, Inc. (Amador, Tuolumne, Calaveras, Mariposa, and Alpine Counties) <i>Gold Country Connect</i>	\$250,000 2 Years	Implemented a rural regional demand aggregation project that engaged civic leaders, stakeholders and industry to: (a) quantify aggregated demand and price sensitivity by anchor tenants, industry clusters, and residential areas; and (b) map infrastructure and fixed assets that could be used to help deploy broadband.
Sierra Economic Development Corporation (Sierra, Nevada, Placer, El Dorado, and Alpine Counties) <i>Central Sierra Connect</i>	\$250,000 2 Years	Implemented a rural regional demand aggregation project that engaged civic leaders, stakeholders and industry to: (a) quantify aggregated demand and price sensitivity by anchor tenants, industry clusters, and residential areas; and (b) map infrastructure and fixed assets that could be used to help deploy broadband.
Chico State University Foundation (Butte, Tehama, Shasta, Siskiyou, Modoc, Lassen, and Plumas Counties) <i>Northeastern California Connect</i>	\$250,000 3 Years Matched By The McConnell Foundation	Implemented a rural regional demand aggregation project that engages civic leaders, stakeholders and industry to: (a) quantify aggregated demand and price sensitivity by anchor tenants, industry clusters, and residential areas; and (b) map infrastructure and fixed assets that could be used to help deploy broadband.
Chico State University Foundation (Lake, Glenn, Colusa, Sutter, and Yuba Counties) <i>Upstate California Connect</i>	\$250,000 3 Years	Implemented a rural regional demand aggregation project that engages civic leaders, stakeholders and industry to: (a) quantify aggregated demand and price sensitivity by anchor tenants, industry clusters, and residential areas; and (b) map infrastructure and fixed assets that could be used to help deploy broadband.
Desert Mountain Resource Conservation and Development Council (Mono, Inyo, and East Kern Counties) <i>Eastern Sierra Connect</i>	\$110,000 2 Years	Engage elected officials and civic leaders to develop a work plan for aggregating broadband demand, mapping prospective assets for deployment in the region, encouraging infrastructure applications to state and federal agencies, and promoting adoption.



Radio Bilingüe promotes broadband at its annual Mariachi Festival attended by United Farm Workers leader Dolores Huerta.



Caltrans Assistant Division Chief Asif Haq summarizes Caltrans broadband regulations to streamline micro-trenching application processes.

California Emerging Technology Fund Summary of Grant Investments, 2011–2012 Annual Report

Technical Assistance for Rural Regional Consortia

Connected Nation <i>Technical Assistance for Rural Demand Aggregation</i>	\$50,000 2 Years	Provided training, templates and technical assistance for 7 Rural Regional Consortia to complete Demand Aggregation Projects and worked with industry and other stakeholders to attract broadband deployment into unserved and underserved communities.
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Community Transformation and Workforce Development

City of Firebaugh* <i>Firebaugh Community Technology Collaborative</i>	\$633,000 3 Years	Deliver distance learning classes to 300 high school students and adults. Reach 500 middle school students with Internet-based curriculum. Train 650 residents in relevant job skills using broadband technology. Connect and train residents in 21 units of affordable single-family housing.
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Urban Disadvantaged Neighborhoods Broadband Adoption Achieve 80% Adoption Statewide and At Least 70% for Each Region and Population Group

Smart Housing

One Economy Corporation <i>Bring IT Home California</i>	\$1,400,000 4 Years	Promoted policies that provide incentives to build smart housing. Connected 8,871 low-income households to broadband and Digital Literacy training with a local customized website. Selected 9 underserved urban and rural areas to transform into model 21st Century Communities with digital inclusion programs.
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Community Transformation and Workforce Development

Community Development Technologies Center <i>TechReady</i>	\$750,000 3 Years	Decreased the Digital Divide in the Vernon-Central community of Los Angeles having increased the competitiveness of 2,950 youth and adults through technology skills training to support economic development and placed 167 people in jobs.
Community Christian College <i>My Blueprint for Life</i>	\$153,000 2 Years	Provided life skills, workforce readiness and job training for 75 out-of-school at-risk youth for self-sufficiency and economic empowerment.



Non-Profit Housing Association Executive Director Dianne Spaulding discusses strategies to connect affordable housing and broadband impacts.



San Diego Futures Foundation certifies job seekers for Digital Literacy Training.

Community Transformation and Digital Literacy Training

YMCA of the East Bay Building Blocks for Kids <i>Family Inclusion Project</i>	\$520,000 3.5 Years	Develop and implement a prototype plan to integrate broadband and Digital Literacy with a comprehensive health and human services intervention program to promote family and neighborhood self-sufficiency in the Iron Triangle of Richmond.
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Education and Digital Literacy Training

Centro Latino for Literacy <i>Los Angeles Countywide Spanish Literacy Campaign</i>	\$300,000 3 Years	Recruited, trained, and equipped 2,000 literate Spanish speakers to help 2,000 non-literate friends and family members learn to read and write in Spanish using web-based technology.
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Computers for Youth <i>Take IT Home Project</i>	\$666,000 3 Years	Improved the home learning environment for 2,000 low-income middle-school students and their families by providing them with a home computer, workshops, top-notch educational software in core subjects, Internet access, and technical support designed to increase parents' involvement in learning by their children.
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Southeast Cities Development Corporation <i>Southeast Cities Technology Collaborative</i>	\$486,000 3 Years	Establish a model broadband technology collaborative in the Southeast Los Angeles region. Increase access to broadband and the use of technology resources among 7 cities and communities by training 3,200 residents in order to improve the health and educational outcomes of residents.
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The ACME Network <i>Arts and Animation Project</i>	\$680,000 3 Years	Provided online animation training and mentoring with industry employees to 28,378 low-income youth and 4,082 adults for a career in animation, game and design industries, and helped prepare 459 youth go to college. Trained 238 teachers.
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Venice Arts <i>Beyond My Space</i>	\$140,000 2 Years	Harnessed interest in MySpace and YouTube to teach 1,122 youth to develop creative content (photography, film, multi-media) for mobile technology with Internet use while encouraging them to interact with others through art.
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YMCA Greater Long Beach <i>Neighborhood Technology Learning Continuum</i>	\$550,200 3 Years	Taught high-end digital media skills to 3,000 elementary, 1,650 middle and 450 high school students through existing after-school networks and a nationally-recognized Summer Youth Institute.
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Former State Superintendent of Public Instruction Delaine Eastin advocates valuing education over prisons and investing in broadband technology.



OCCUR offers Spanish speaking students Digital Literacy and job training at the Eastmont Technology Center.

California Emerging Technology Fund Summary of Grant Investments, 2011–2012 Annual Report

Youth Policy Institute <i>Valley Family Technology Project</i>	\$292,000 4 Years	Provide computer literacy classes and computer systems to 300 families and introduce them to affordable broadband service options. Implement School2Home at San Fernando Institute of Applied Media, a charter school.
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<i>Computer Refurbishing and Job Training</i>		
EmpowerNet California (Goodwill Industries – Fiscal Agent – *Members of Consortium) <i>EmpowerNet California</i>	\$250,000 2 Years	Developed a comprehensive web-based tool kit to assist non-profit organizations in underserved communities establish effective IT workforce development programs that are sustained, in part, through a social enterprise providing technical assistance to residents in the community. http://empowernetcalifornia.org
The Stride Center* <i>Launching Communities Across California</i>	\$600,000 3 Years \$20,000 6 Months EmpowerNet Planning Grant	Increased broadband adoption in underserved communities in California through the expansion and replication of its successful program model for workforce development, tech support, and social enterprise business training in four additional communities. Trained 1,277 participants and placed 80% of those that graduated and were certified in jobs.
Goodwill Industries of San Francisco, San Mateo and Marin Counties* <i>ReCompute</i>	\$600,000 3 Years	Provided job training, computer technician training, and career placement assistance to 162 disadvantaged adults and distributed 1,735 refurbished computers to low-income Bay Area residents.
OCCUR* <i>East Bay Community Technology Catalyst</i>	\$600,000 4 Years	Provide basic computer training and broadband access to 1,400 residential units in Lion Creek Crossings, Foothill Family Homes and the surrounding community. Also complete workforce training (A+) for 30 adults in East Oakland.
Mission Language and Vocational School (MLVS)* <i>MLVS Technology Center</i>	\$150,000 1.5 Years	Offered affordable bilingual, culturally-competent computer and technology training to 167 low-income community members and small businesses in the San Francisco Mission District that includes A+ Technician Repair and preparation for the CompTIA A+ National Certification.



The CETF Board of Expert Advisors tours the Cisco Systems Executive Briefing Center.



OCCUR offers workforce training to job seekers at the Eastmont Technology Center.

Oakland Technology Exchange West (Marcus Foster Institute – Fiscal Agent) <i>Digital Inclusion Oakland</i>	\$300,000 3 Years	Provided refurbished computers, free training and technical support to 2,000 families or adults. Distributed 2,700 refurbished computers to the Oakland School District, and 300 refurbished computers to 5 newly established computer centers.
Tech Soup <i>Refurbished Computer Initiative</i>	\$500,000 2 Years	Scaled the Refurbished Computer Initiative program to provide non-profit organizations serving low-income individuals with an ongoing resource for quality, affordable, refurbished computers and training support. Delivered 9,000 computers with software and training resources to non-profits.
San Diego Futures Foundation <i>San Diego Broadband Initiative</i>	\$450,000 3 Years	Provided computers, software, training, and Internet access to 9,285 low-income families through partner agencies. Developed and launched <i>Get Connected!</i> in San Diego County.
Emerging Markets		
California Resources and Training, California Black Chamber of Commerce Foundation, California Hispanic Chamber of Commerce Foundation, Asian Business Center <i>Small Business Consortium for Emerging Markets</i>	\$287,000 2 Years	Reached 3,644 small businesses in unserved and underserved communities to inventory their broadband use and needs, educated them about the benefits of broadband technology, and determined how to increase their broadband usage. Published final survey findings report and recommendations. This project became the foundation for the small business training offered by CARAT and partners in the ACT grant.
Latino Community Foundation <i>Community Consortium for Emerging Markets</i>	\$25,000 6 Months	Engaged community-based organizations in a planning process to assess interest in developing a public-private partnership model with broadband providers to increase adoption in disadvantaged neighborhoods. This project became the foundation for the training offered by partners of LCF in the BAA grant.



Southeast Community Development Corporation hosts a class in their mobile lab.



State Assemblymember Joan Buchannan and Acting State CIO Christie Quinlan network at the CETF Policymakers' Roundtable.

California Emerging Technology Fund Summary of Grant Investments, 2011–2012 Annual Report

<i>Wireless Access and Digital Literacy Training</i>		
El Concilio of San Mateo County <i>WiFi 101</i>	\$750,000 3 Years	Increased computer ownership through a school laptop program. Increased broadband connectivity by expanding community wireless to 50 non-profits and an additional 3,000 users. Trained 90 community members to provide tech support and offer workforce training. Developed awareness and improved access among at least 1,000 area residents.
Little Tokyo Service Center Community Development Corporation <i>Neighborhood Unplugged</i>	\$250,000 2 Years	Deployed 12 community wireless networks in residential buildings and business corridors in 3 low-income Los Angeles neighborhoods resulting in 9,224 new Internet users. Provided WiFi to 325 residential units with at least 300 unique users a day and provided technology-based training to 4,296 people. Promoted <i>Get Connected!</i> in Asian community.
Accessibility and Universal Design for People With Disabilities Achieve At Least 70% Adoption		
<i>Accessibility</i>		
California State University (CSU) Foundation <i>Accessible Technology Initiative</i>	\$750,000 3 Years	Promote universal design and accessibility of digital technology, websites, and electronic instructional materials through the purchasing power of the 23-campus CSU system to benefit directly more than 10,000 students with disabilities and to assist other higher education institutions improve accessibility.
Center for Accessible Technology <i>Digital Inclusion Challenge</i>	\$455,000 3 Years	Increased website accessibility of 72 non-profit agencies, governments and companies by providing awareness education and spotlighting exemplary models at three annual award events with CETF with over 100 people in attendance each year.
Alliance for Technology Access <i>Loan Program Feasibility</i>	\$10,000 6 Months	Assessed need for a loan program to help people with disabilities purchase assistive technology or computers and concluded that it was not needed, but existing resources need better marketing.



California Workforce Association Executive Director Barbara Halsey enunciates workforce investment principles that technology can be transactional or transformational.



Radio Bilingüe hosts the Southeast Community Development Corporation mobile lab in Cutler-Orosi.

Technical Assistance for Partners		
World Institute on Disability (Alliance for Technology Access, Center for Accessible Technology and World Institute on Disability) <i>The A-Team</i>	\$380,000 2.5 Years	Assessed and assisted 26 grantees learn about accessibility. Coached grantees to develop an Accessibility Plan to help remove barriers and improve the accessibility of their websites, programs, facilities, and communications. Assisted grantees serve 509 people with disabilities.
Public Policy and Public Awareness		
Outcome Metrics for Accountability		
Public Policy Institute of California <i>Annual Statewide Survey: Californians and Information Technology</i>	\$290,000 6 Years	Develop and conduct a statewide baseline survey on broadband adoption and use among 2,500 residents (land line and cell phones) in 5 languages (English, Spanish, Chinese, Korean, Vietnamese) to establish a baseline in 2008 for “demand” and to track progress over 5 subsequent years through 2013.
Digital Literacy		
LINK Americas Foundation <i>California Digital Literacy Initiative</i>	\$100,000 3 Years	Assist in implementation of the Digital Literacy Executive Order and development of iCALIFORNIA campaign to engage employers and stakeholders in increasing Digital Literacy.
Education Performance Improvement		
The Children’s Partnership (Tides Center – Fiscal Agent) <i>School2Home</i>	\$415,000 2 Years Planning \$369,300 1 Year Implementation	Recruited partners to design School2Home to close both the Achievement Gap and the Digital Divide by integrating computing and broadband technology into teaching and learning at low-performing middle schools with a focus on school leadership, teacher professional development, and parent engagement and involvement. Launched School2Home in 2 beta schools.
California State University East Bay <i>School2Home Peer Review</i>	\$20,000 1 Year	Peer reviewed School2Home teacher professional development and parent training modules and facilitated engagement of CSU as a partner for future teacher preparation.



California Workforce Investment Board Vice Chair Jamil Dada urges that workforce policy and strategies must engage employers.



Mayor Jean Quan launches Get Connected! Oakland.

California Emerging Technology Fund Summary of Grant Investments, 2011–2012 Annual Report

<i>Smart Housing</i>		
Non-Profit Housing Association of Northern California <i>Smart Housing Policy</i>	\$100,000 2 Years	Plan and implement a strategy in collaboration with affordable housing leaders to engage public policymakers in adopting Smart Housing Policies that will result in connecting up to 100,000 affordable housing units in California.
<i>Smart Communities</i>		
Community Partners, California Community Technology Policy Group, BroadBand Institute of California <i>Wireless Comparative Analysis and Education Project</i>	\$250,000 1.5 Years	Completed an inventory of research, prepared 25 case studies and surveyed local governments to analyze and compare government-led wireless projects and identified lessons learned and promising practices, particularly related to digital inclusion. Published and distributed a Final Report (including a Checklist for local governments) titled <i>Wired for Wireless?</i>
Center for a New Orange County <i>Sample Broadband Policies for Local Governments</i>	\$50,000 2 Years	Completed an inventory of existing regional and local government policies and ordinances regarding advanced telecommunications and broadband and developed a sample model policy that can be incorporated into local General Plans and Regional Blueprints.
<i>Public Awareness and Education</i>		
FirstMile.US <i>Get Connected!</i>	\$10,000 6 Months	Monitored and advised on the development of <i>Get Connected!</i> and proposed how to engage and mobilize community leaders.
211-LA <i>Get Connected! Hot Line</i>	\$100,000 1 Year	Supported the <i>Get Connected!</i> pilot in Los Angeles by developing protocol to assist 211 callers identify and locate broadband and computer services. Assisted 28,989 callers and referred 9,989 callers to additional Digital Literacy training and services.
The Salvation Army <i>Get Connected! Pico Union</i>	\$100,000 1 Year	Promoted <i>Get Connected!</i> in the Pico Union area of the City of Los Angeles, conducted a Community Connect Fair reaching 11,200 people through the media and 4,800 at the Fair raising their awareness on the benefits of broadband; provided basic Digital Literacy to 903 adults and assisted 494 households subscribe to broadband.



*Chicana/Latina Foundation Project
Coordinator Alicia Orozco visits with CETF
Director of Emerging Markets Luis Arteaga.*



*CDTech TechCorps builds the technology
capacity of the community.*

Regional Broadband Technology Collaboratives		
Community Foundation for Monterey County <i>Central Coast Tri-County Broadband Consortium</i>	\$5,000 1 Year Matched By Community Foundation for Monterey County	Established a Broadband Regional Consortium including CSU Monterey Bay, UC Santa Cruz, Association of Monterey Bay Governments, Monterey Bay Business Council, Community Foundation for Monterey County, and other key stakeholders to promote broadband deployment in unserved communities and accelerate adoption throughout the region.
Valley Vision <i>Sacramento Metro Broadband Collaborative</i>	\$5,000 1 Year Matched By Sacramento Community Foundation	Established a Broadband Regional Consortium including Valley Vision, Sacramento Community Foundation, SACOG, Sacramento Metro Chamber of Commerce and Sierra Health Foundation to promote broadband adoption in the region.
Contra Costs Economic Partnership <i>East Bay Regional Broadband Strategy Project</i>	\$5,000 Matched By East Bay Community Foundation The Leshner Foundation	Established a Broadband Regional Consortium for Alameda, Contra Costa and Solano Counties in partnership with the East Bay Economic Development Alliance, Contra Costa Council and Economic Partnership, and Solano Economic Development Corporation.
San Bernardino Economic Development Agency <i>Inland Empire Broadband Regional Consortium</i>	\$5,000 Matched By City of San Bernardino EDA	Established a Broadband Regional Consortium for the Inland Empire, comprised of San Bernardino and Riverside Counties, in partnership with SmartRiverside and the Alliance for Commercialization.

In addition to the above grantees, CETF has been assisted by the following contractors: Hill & Knowlton, Inc. developed and managed the first phase of the *Get Connected!* Public Awareness and Education Program; Sustainable Systems, Inc. is engaging and mobilizing community leaders to support *Get Connected!* with a focus in Alameda County, Oakland and Sacramento; John Coleman promoted Smart Housing Policy and worked with local governments to adopt *Get Connected!* Resolutions; Valley Vision (with the assistance of consultant Trish Kelly) provided technical assistance to Regional Consortia and is helping promote broadband as a “green strategy”; Solem & Associates documented perspectives from Members of the California Congressional Delegation about the importance of closing the Digital Divide; Stride Center and EmpowerNet California are advancing the integration of Digital Literacy into workforce preparation; California Community Builders is determining the feasibility of integrating telemedicine into “smart housing” in Firebaugh; and Maile Communications is documenting the work and accomplishments of CETF grantees.



The Stride Center offers computer refurbishing training and advanced technical certification.



California Community Builders Board President John Gamboa advocates for refocusing the public sector on critical priorities as Valley Vision CEO Bill Mueller listens.

Evaluation Conclusions and Observations

CETF holds itself accountable to promote policy, advance strategies and implement actions that will result in closing the Digital Divide in California within a decade by achieving 98% deployment and 80% adoption. While there are many partners and organizations that are contributing to the efforts and responsible for the success, CETF accepts the responsibility to sustain sufficient FOCUS, be the catalyst for the requisite ACTION, and produce the intended RESULTS. That is at the core of the mission assigned to CETF by the CPUC. The progress for deployment is tracked by the CPUC and CETF. The progress for adoption is tracked through an annual statewide survey conducted by PPIC. Grantees are engaged as partners to drive toward these overall outcomes as well as achieve specific deliverables and outcomes set forth in Grant Agreements. Thus, grantee performance is one of the “inputs” to the overall “outcomes” for success. Grantee performance is continuously evaluated in order to make course corrections as necessary. And, results are tracked individually and cumulatively for all grantees. The following summarizes evaluation of grantees to date.

Urban Disadvantaged Neighborhoods: Most grantees are meeting or exceeding their outcome goals with cost-effective results for increasing adoption. An analysis of 21 completed grants for Urban Disadvantaged Neighborhoods shows that grantees achieved 144% of outcome goals at an average cost of \$30 of CETF funds per outcome (\$107 per outcome including all funding sources).

People with Disabilities: Requiring all grantees to integrate a focus on People with Disabilities into their work has been effective because the A-Team was formed to provide training and technical

assistance. This strategy has succeeded with 98% of all grantees completing and implementing an Accessibility Plan and several other key organizations improving accessibility of their websites.

Rural and Remote Areas: Investment in Rural Demand Aggregation Projects and fostering Regional Consortia has been cost-effective, leveraging approximately \$2.5 million in grants, contracts, and staff time to obtain \$10 million in CASF funding for Regional Consortia and serve as a catalyst for infrastructure deployment funding from CASF and ARRA.

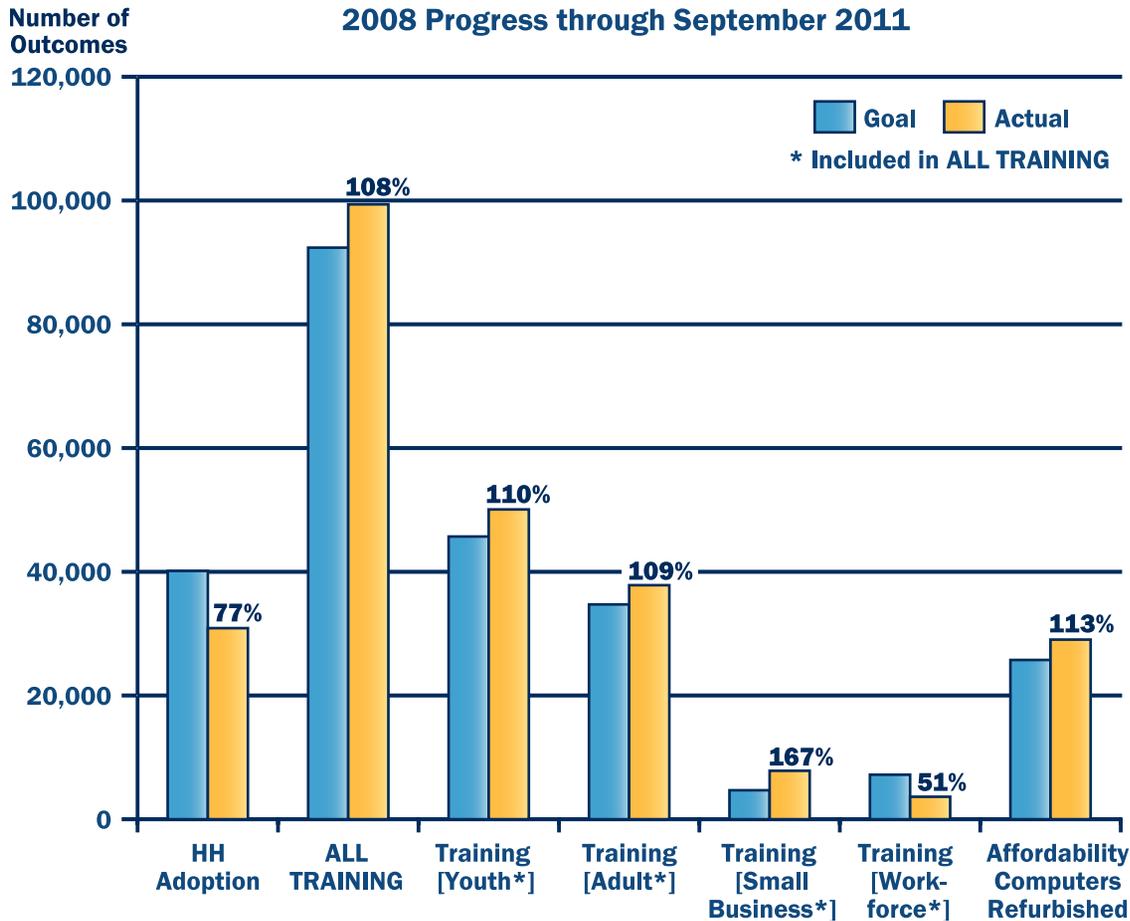
Lessons Learned from Evaluation

- A focus on results with a clear action plan and accountability for results is a key driver for individual grantee performance and overall success in closing the Digital Divide.
 - Grantee executive leadership and staff management capacity are essential to achieving successful outcomes.
 - Ability to collaborate with other organizations enhances and leverages effectiveness of each partner.
 - Ability to fundraise enhances success of a project and prospects for sustainability.
 - In addition to public awareness about the benefits of high-speed Internet access, training for Digital Literacy skills is needed to increase broadband adoption by the target populations.
 - Technical assistance to resolve technology problems is pivotal to optimize adoption.
 - Due diligence by CETF and other investors before awarding funds and during implementation measurably encourages and improves performance to achieve success.
-

Overview of Grantee Performance

California Emerging Technology Fund Grants

2008 Progress through September 2011



Grants awarded by the California Emerging Technology Fund (CETF) are subject to performance by grantee partners to achieve specific deliverables and outcomes set forth in Grant Agreements. CETF monitors progress through Quarterly Reports, Annual Reviews (on site), Annual Workshops, Learning Communities, and Final Reports. The approach used by CETF as an “investment partner” to engage, inform, monitor, assist, and correct course when needed has been a critical factor in getting to success. The Grantee Performance Charts show progress to date for all grantees in broad categories of outcomes.

CETF Investments Attract ARRA NTIA Grants

Broadband Awareness and Adoption

The Broadband Awareness and Adoption (BAA) project mobilizes the expertise and resources of 8 partner organizations to reach communities most impacted by the Digital Divide: low-income families, limited English-speaking Latinos, rural residents, and people with disabilities. BAA is increasing broadband adoption among target populations using intense grassroots outreach and proven media strategies. BAA also is forming innovative partnerships with ethnic markets, community clinics, and social service providers with relevant online content such as One-e-App, an online tool to enroll in health and social service programs. Key outcome goals include:

- Increase awareness about benefits of broadband among 5 million low-income residents.
- Provide 678,000 persons with basic skills to use broadband technology.
- Achieve 133,000 new broadband subscriptions by low-income households.

Total BAA Budget	\$9,360,672
NTIA Grant	\$7,251,295
CETF Match Funds	\$979,476
Partner Cash Match	\$882,667
Partner In-Kind Match	\$247,234

Access to Careers in Technology

The Access to Careers in Technology (ACT) project establishes scalable workforce development programs based on successful models while expanding access to broadband and 21st Century jobs in six low-income areas throughout the state. Youth, adults, and small business owners are learning essential computer skills, getting connected with broadband, and using Information and Communication Technology (ICT) skills to advance employment. ACT provides individuals with the building blocks for a career, giving people access not just to a job, but to a field of work that is in high demand. Key outcome goals include:

- Train 21,970 low-income youth and adults and 15,000 small business owners and employees with Digital Literacy skills.
- Train and secure full-time, living-wage, ICT career-path jobs for 2,647 low-income residents.
- Increase broadband awareness among more than 2 million low-income residents and achieve 9,237 new subscriptions by low-income households.

Total ACT Budget	\$11,081,130
NTIA Grant	\$7,108,181
CETF Match Funds	\$1,572,320
Partner Cash Match	\$2,379,839
Partner In-Kind Match	\$20,790

NTIA Partners

Summary of Grant Investments, 2011–2012 Annual Report

Grantee Partner	Amount (NTIA+CETF)	Description and Outcomes
<i>Broadband Adoption and Awareness</i>		
2-1-1 California / United Ways of California <i>Broadband Awareness and Adoption</i>	\$1,810,000 2.5 Years	Inform individuals seeking health and human services about Digital Literacy education and broadband resources in their community. Receive and screen more than 250,000 callers statewide; refer more than 45,000 people to training programs; and assist 11,000 low-income households subscribe to broadband.
Access Now <i>Computer Help Days</i>	\$77,800 2 Years	Host 18 community Computer Help Days to repair old equipment, offer subsidized refurbished equipment, provide hands-on computer training, introduce meaningful online resources, and reach more than 2,000 individuals. Train 1,800 adults in basic computer and Internet navigation skills.
Center for Accessible Technology <i>Assistive Technology Coalition</i>	\$593,955 2 Years	Launch website for the Accessible Technology Coalition to help people with disabilities and those who work with them make informed decisions about assistive technology. Train 500 adults on basic computer and Internet navigation skills, and help 200 low-income households subscribe to broadband.
Chicana/Latina Foundation <i>Broadband Awareness and Adoption Project</i>	\$602,348 2.5 Years	Recruit young leaders as broadband ambassadors to reach into under-performing schools and train 750 youth in basic computer skills and help their families adopt broadband. Train more than 5,000 residents in Digital Literacy and help 1,327 subscribe to broadband.
Dewey Square Group <i>Broadband Awareness and Adoption</i>	\$1,360,000 2.5 Years	Work with 1,200 churches and <i>La Opinión</i> to train more than 600,000 people in Digital Literacy. Develop an online map of free Internet hotspots and directory of computer courses. Help more than 100,000 people subscribe to broadband.
Latino Community Foundation <i>Broadband Awareness and Adoption</i>	\$850,000 2.5 Years	Mobilize a network of 8 community-based organizations to provide Digital Literacy training to limited-English speaking families in 5 Bay Area counties. Reach 12,880 people through targeted outreach. Train 5,120 adults in basic computer skills and Internet literacy. Assist 840 low-income households subscribe to broadband.



2-1-1 California/United Ways of California leaders meet with CPUC Commissioner Michel Florio at the CETF Policymakers' Roundtable.



NTIA evaluators visit Radio Bilingüe in Fresno.

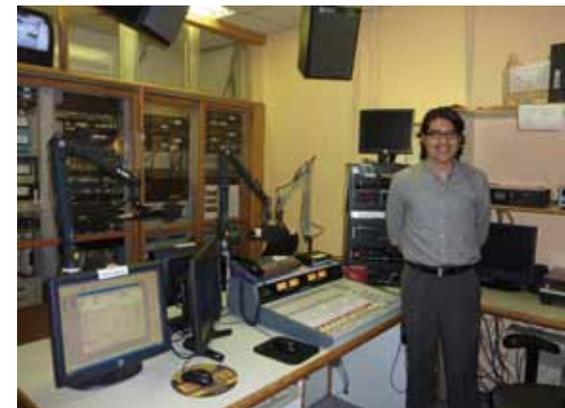
NTIA Partners

Summary of Grant Investments, 2011–2012 Annual Report

Radio Bilingüe <i>Broadband Awareness and Adoption</i>	\$900,000 2.5 Years	Reach out to rural farm worker communities in the state's interior to educate their 60,000 listeners (primarily mono-lingual Spanish speakers) about the benefits of broadband and how to subscribe: broadcast 111 hours of live call-in programs addressing Digital Divide issues; produce and broadcast 111 announcements; attract 320,000 unique website visits; and achieve 1,000,000 radio impressions per quarter.
Social Interest Solutions <i>One-e-App</i>	\$1,699,999 1.5 Years	Integrate broadband awareness and resource information into One-e-App, an online tool designed to help people navigate public assistance programs by themselves, or with help from a call center or Certified Application Assistant (CAA). Train CAAs to help people access computer training and other resources to help them subscribe to broadband and purchase low-cost computers. Refer 130,000 people to training programs. Assist 970 low-income households subscribe to broadband.
Access to Careers in Technology		
California Resources and Training <i>Small Business Broadband Initiative</i>	\$770,000 1.5 Years	Reach out to 45,000 individuals. Train 15,000 small business owners in basic and advanced computer business applications. Assist businesses in starting or expanding their businesses to add 750 jobs. Assist 450 small businesses subscribe to broadband.
Caminos Pathways <i>Pathways Learning Center of San Francisco</i>	\$415,000 1.5 Years	Train 1,000 low-income Latinas in Digital Literacy and job readiness and place 20 in jobs. Assist 150 households in surrounding San Francisco Mission District subscribe to broadband.
Chrysalis <i>Job Training and Support Programs</i>	\$335,306 1.5 Years	Reach out to 4,500 individuals. Train 900 low-income and homeless people in Los Angeles in basic Digital Literacy and job skills and place 630 participants in jobs.
EmpowerNet California <i>IT Training Academy</i>	\$360,000 1.5 Years	Help 30 non-profit organizations throughout California launch information technology-focused job training and placement programs for more than 350 unemployed low-income adults. Place 180 participants in jobs and help 60 low-income households subscribe to broadband.



Chicana/Latina Foundation broadband ambassadors conduct a computer skills workshop in San Jose.



Radio Bilingüe ¡Conéctate! campaign focuses on the benefits of broadband and Digital Literacy.

Goodwill Industries of San Francisco, San Mateo, and Marin Counties <i>ReCompute</i>	\$476,000 1.5 Years	Train more than 1,000 low-income individuals in computer literacy and entry-level computer technician proficiency, resulting in 250 job placements. Help 75 low-income households subscribe to broadband.
OCCUR <i>Eastmont Technology Center</i>	\$150,000 1.5 Years	Train 3,005 low-income individuals in job readiness skills at Eastmont Computing Center and place 30 individuals in information technology jobs. Help 550 low-income households subscribe to broadband.
San Diego Futures Foundation <i>San Diego Broadband Initiative</i>	\$1,945,000 1.5 Years	Help 6,560 families subscribe to broadband, and provide support services including affordable computer equipment and Digital Literacy training to these individuals. Train 3,210 people in basic Digital Literacy and job skills, and place 174 individuals in local jobs.
Southeast Community Development Corporation <i>Southeast Community Technology Collaborative</i>	\$389,953 1.5 Years	Train 150 individuals in certification-based advanced computer proficiencies at 4 regional technology training centers in the Southeast area of Los Angeles, provide Digital Literacy education to 2,700 community residents, and connect 550 households to broadband.
The Stride Center <i>Technical Training Program</i>	\$1,219,900 1.5 Years	Train 481 underserved adults, resulting in more than 361 information technology job placements. Help more than 160 households subscribe to broadband.
The ACME Network <i>Arts and Animation Project</i>	\$1,150,000 1.5 Years	Engage 9,000 youth and 100 teachers in an innovative online training and mentoring program. Help 300 low-income households subscribe to broadband.
Youth Radio <i>Youth Radio Digital Pathway- Core and Bridge Classes</i>	\$147,983 1.5 Years	Train 120 Oakland youth in digital technologies, media production, and social media networking; and hire 15 interns from this training pool. Provide resources to participating youth for household broadband adoption, and help connect 45 homes to broadband.



The ACME Network students use broadband and digital video technology to create and share work with peers and professional artists from California's animation and interactive game studios.



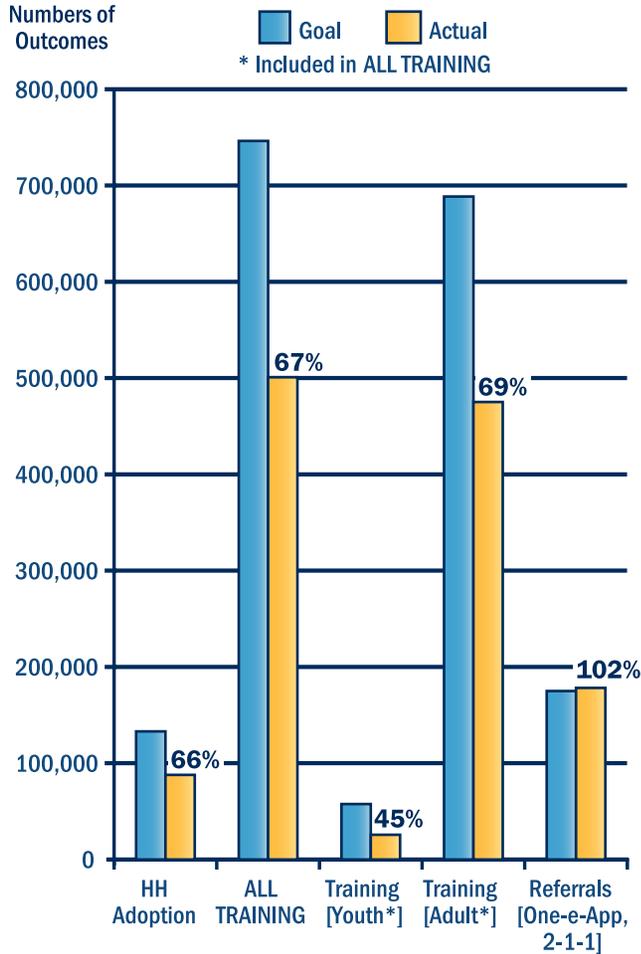
Youth Radio emphasizes Digital Literacy training, education, and media access.

Overview of Grantee Performance

National Telecommunications and Information Agency (NTIA) Grants

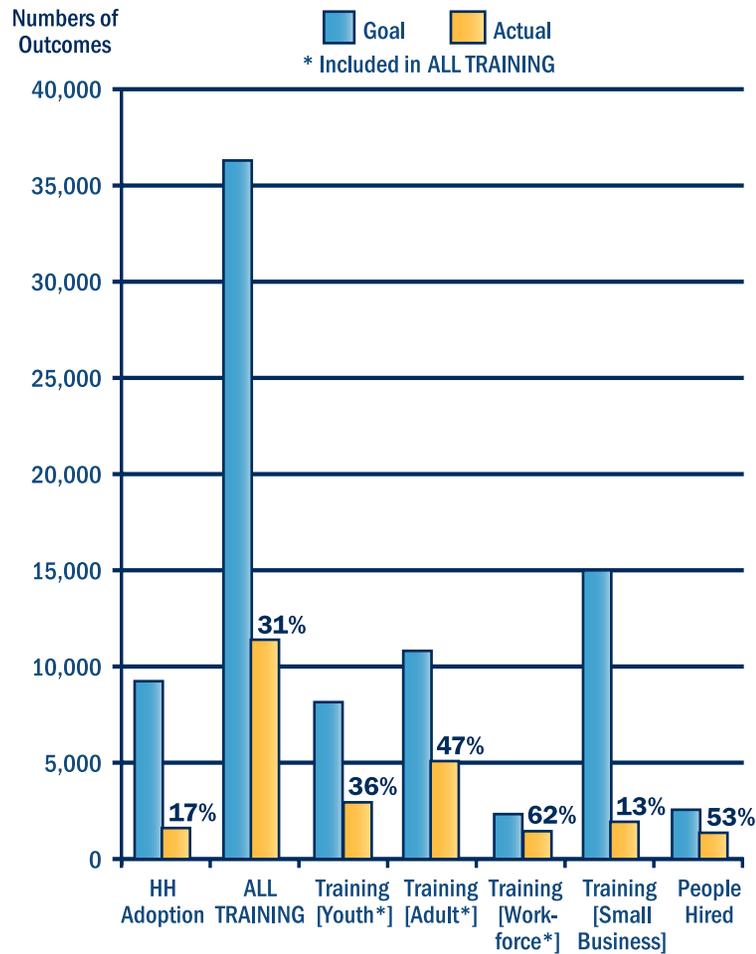
Broadband Awareness and Adoption (BAA)

April 2010 Progress through September 2011



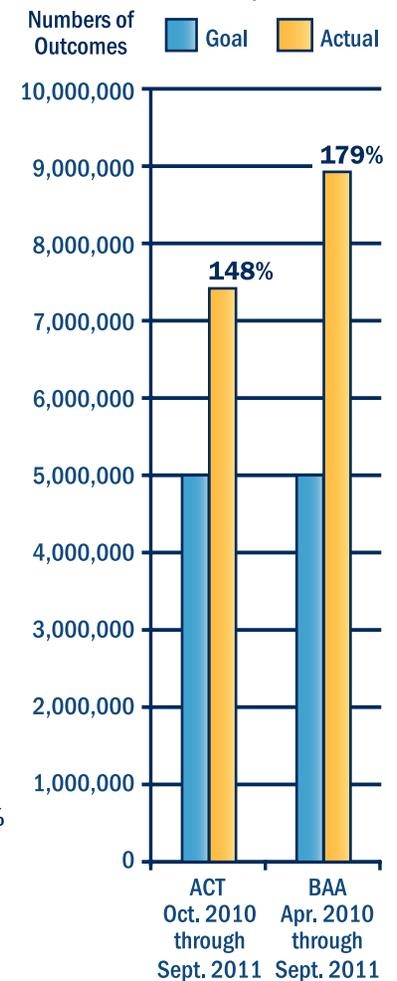
Access to Careers in Technology (ACT)

October 2010 Progress through September 2011



ACT and BAA

Total People Reached



Don and Rosemary Vial Awards for Digital Inclusion

The California Emerging Technology Fund established an awards program in honor of Don and Rosemary Vial to recognize extraordinary performance and achievements by CETF grantees and other partners to close the Digital Divide and promote Digital Inclusion in California. CETF chose Don and Rosemary Vial to honor because their lives capture the heart and soul of commitment to closing the Digital Divide and promoting Digital Inclusion. Don Vial long served California as a leader in labor relations, energy policy, and telecommunications, including as President of the California Public Utilities Commission and Chairman of the California Foundation on the Environment and the Economy. He had a passion for harnessing market forces to serve the public good—deeply committed to improving the lives of all Californians with a practical approach to engaging diverse stakeholders to find common ground. He was particularly focused on the quest to use information and advanced telecommunications technology to empower the less fortunate among us and to tackle poverty. In addition to being devoted to her family and being a role model of an engaged citizen in civic affairs, Rosemary Vial always has been as outspoken advocate for those in need with a passion for fairness and equity. And, she was Don's partner in life and public service, always there to inspire and support him. The Vial Awards are made in two categories: Exemplary Performance by an Individual (\$2,500) and Outstanding Performance by an Organization (\$10,000). The inaugural Vial Awards were presented in December 2010. The next ceremony will be in March 2012.



Award winners, nominees, and presenters of the inaugural Vial Awards, left to right above: Individual Award Winner Robert Cabeza, YMCA of Greater Long Beach; Louis Nava, San Diego Futures Foundation; Barrie Hathaway, The Stride Center; Kathleen Mooney, Families in Schools; Organizational Award Winner Community Development Technologies Center represented by Benjamin Torres and Ronald Garcia; Emily Simas, Computers for Youth; Naomi Uchida-Boas, Little Tokyo Service Center; Jeff Hancock, San Diego Futures Foundation; Les Peters, YMCA of Greater Long Beach; Rosemary Vial; Patricia Celidon, Community Development Technologies Center; Liz Vial, daughter of Don and Rosemary Vial; Patrick Mason, California Foundation for the Environment and the Economy.

2010 Vial Awards Panel of Judges (not pictured): Patrick F. Mason, President, California Foundation for the Environment and the Economy; Paul Hernandez, San Diego Civic Leader and CETF Expert Advisor; Chet P. Hewitt, President and Chief Executive Officer, Sierra Health Foundation; Maria Alicia Lopez-Freeman, California Science Project, University of California, Los Angeles; and Alvertha Bratton Penny, Senior Vice President of Programs, California Community Foundation.

Summary of Financial Status: Seed Capital, Grant Commitments, and Expenditures To Date

The California Emerging Technology Fund is committed to efficient and effective use of the Seed Capital which highly leverages other resources: **FOCUS – ACTION – RESULTS**

Summary of Financial Status	Through Fiscal Year 2010-2011 (Cumulative to June 30, 2011)
Seed Capital Received from AT&T and Verizon:	\$60,000,000
Interest and Earned Income:	3,428,374
Contributions for Specific Programs:	1,178,000
Government Grants (ARRA NTIA)	14,359,476
Grants Approved To Date:	22,668,096
Grant Payments To Date:	18,053,457
Grant Outstanding Obligations:	4,614,639
Leveraged Match Funding for Grants:	87,744,637
Total Expenditures – Statement of Activities:	42,950,560
— <i>Program Expenditures:</i>	<i>41,026,858 (96%)</i>
— <i>Administrative Support Costs:</i>	<i>1,923,702 (4%)</i>
Non-Grant Expenditures – Statement of Activities:	11,330,116
— <i>Program Expenditures:</i>	<i>9,406,414 (83%)</i>
— <i>Administrative Support Costs:</i>	<i>1,923,702 (17%)</i>
School2Home Expenditures To Date:	2,066,083
Total Assets – Total Liabilities and Equities:	\$35,138,432

The CETF Strategic Action Plan aims to close the Digital Divide by achieving 98% deployment and 80% adoption within a decade of beginning operations. The CETF Board of Directors plans to achieve success by 2017 and conclude operations, expending all Seed Capital

and earnings. Thus, Total Assets and Total Liabilities and Equities will continue to decline each Fiscal Year. The overall goal for the portfolio is to leverage the Seed Capital 4-fold by achieving a 1:3 match by other resources. To date, CETF has achieved and exceeded that goal with a 1:3.9 match. CETF also operates relatively efficiently in comparison to other charitable organizations, with 96% in Program and 4% in Support activities and expenditures according to independent audits.

CETF “front-loaded” the commitment of funds for grants (referred to as “CETF 1.0”) in order to engage a “critical mass” of community-based organizations (CBOs) to reach the target populations. CETF also invested significant resources in the development of the *Get Connected!* Public Awareness and Education Program and School2Home as a neighborhood transformation strategy. This approach attracted additional funding, most notably the NTIA grants supporting 19 CBOs (referred to as “CETF 2.0”). As a result, in the plan to achieve success and conclude operations in 2017, CETF has only \$10 million of unobligated Seed Capital and has pledged to use \$5 million for School2Home and \$1 million for a *Get Connected!* Fund, both to be leveraged 5-fold (requiring 1:4 match funding). This approach to Strategic Partnerships (referred to as “CETF 3.0”) has a higher leverage goal and focuses on integrated efforts to close the Digital Divide by improving education and transforming disadvantaged neighborhoods.

Audited Financial Statements are posted on the CETF website.

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SCHOOL2HOME

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LEGAL COUNSEL

Melinda Guzman

Melinda Guzman, Professional Corporation



“This is a great opportunity to bring my grades up and to help my parents.”

Jasmin Gutierrez
Digital Literacy Student and Computer Recipient
Chicana/Latina Foundation

“It never occurred to me that I could have a career in anything at all. Now, I make a good living, my family is proud of me, and I can see a positive future. I could not have done any of this without the support, guidance and training from the Stride Center.”

Richard Willis
Graduate of the Technical Training Program
The Stride Center

“I never had a strong use for the computer, but now that it's everywhere around me, it's necessary for me to learn. I didn't know there were websites where families with children with quadriplegia can support one another. It's uplifting. My girls can benefit from me learning about computers.”

Trelena Thomas
Digital Literacy Student and Computer Recipient
San Diego Futures Foundation



Get Connected! California

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