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ANNUAL PLAN
Wireless Philadelphia

The Wireless Vision:
"The Entire City Connected"

Submitted to
City of Philadelphia, Office of the Managing Director
and to
City Council, Office of the Chief Clerk
February 29, 2008

Attached please find the Annual Plan for Wireless Philadelphia for FY 2008-2009, as required by Section 2.4(a) of the Management and Services Agreement between the City of Philadelphia and WP.

WP is a nonprofit entity charged with the mission of helping low income and disadvantaged individuals and groups improve their lives through access to the Internet, i.e. to close the Digital Divide in Philadelphia. The main thrust of this plan and budget is to further WP's "Digital Divide Programs" as described in Sections 2.2 and 2.3 of the Management Agreement. WP refers to its mission and the programs it employs as "Digital Inclusion."

Overview. WP expects to begin the year with a carryover of \$901,582. The proposed budget calls for \$1,880,000 in revenues and \$ 2,521,521 in operating expenses, with net results of \$260,061.

Staffing. The budget calls for a paid staff of 5 individuals in the coming fiscal year. These positions are CEO, COO, Director of Community Relations, Operations Manager, and Communications Officer.

The CEO, COO and Director of Community Relations all have substantial experience in program development and service delivery in the context of nonprofit organizations serving low income and disadvantaged populations, as well as in the private sector.

The CEO and COO have substantial fundraising, event planning, communications and community relations background within the nonprofit context. These two individuals have also worked extensively with public funding streams in the health and workforce development arenas.

The Director of Community Relations and the Operations Manager have substantial information technology, software and internet experience.

Program and Services. As a point of reference, the Wireless Philadelphia network is currently 80% complete. However, EarthLink announced this month its intention to sell this network along with its four other wireless networks around the country. WP is managing the process of transferring operations of the Network from EarthLink to another provider. WP and the City together must approve the sale; the obligations of the contract will be assigned to the new operator.

Against this backdrop, WP's Digital Inclusion program continues to advance, and now boasts more than 30 community partners and 30 funding sources working together to distribute laptops, internet access, equipment and local training and technical support. Based on extensive community outreach and relationship building that began in July, 2006, WP developed a plan to deliver our bundle of services by working with, and through, existing social service, health, and education systems already operating citywide in Philadelphia.

The following explains the main methodology that WP has developed in order to achieve our goals for Digital Inclusion:

1. WP has 25,000 EarthLink high-speed internet accounts to distribute to households that qualify for Digital Inclusion services. The Digital Inclusion price is \$9.95/mo. (compared to \$21.95 retail);
2. In order to qualify for the Digital Inclusion rate and related services, customers may have incomes up to 150% of Federal Poverty level, or participate in existing social support programs such as Medicaid, Section 8, Food Stamps, LIHEAP, etc.;
3. To best serve this target population, WP has created a bundle of Digital Inclusion services that includes hardware, software, tech support, training, the subsidized EarthLink internet account and quality web-based content to be accessed through the Wireless Philadelphia/EarthLink network;
4. WP has determined through its research that the most effective method for delivering this bundle is to partner with existing community-based

organizations (CBO's) that provide related services and already have relationships with qualifying individuals, such as People for People, Impact Services, JEVS and others.

- a. WP's bundle adds value to CBO's existing technological offerings and supports the CBO's recruitment and retention objectives; training programs can be tailored to the specific needs of organization's constituency;
- b. This method promotes seamless participation for the Digital Inclusion customer
 - i. No additional qualification regimen
 - ii. No marketing cost
 - iii. Customer receives the bundle through a program in which he/she is already participating—only minimal direct outreach or customer solicitation is required
- c. This method substantially reduces administrative cost by leveraging existing programs and processes;
- d. We also anticipate a higher retention rate for subscribers receiving wireless internet as part of a greater set of city agency delivered services

5. Role of CBO:

- a. Identify qualified individuals
- b. Incorporate internet-specific training curriculum provided by WP
- c. Distribute bundle at appropriate time in training/retention cycle.

Example: EARN Centers (Employment Advancement and Retention Network Centers)

1. EARN Centers are new structures housed within existing CBO's such as those mentioned above. By end of 2007 there were a total of 13 EARN Centers citywide;
2. These centers provide welfare-to-work services through federal Transitional Assistance for Needy Families (TANF) and the State Department of Public Welfare (DPW);
3. These programs already include computer training and can incorporate WP's bundle;
4. Because they have existing relationships with qualifying individuals, they have the ability to identify, qualify, train, and distribute the bundle to program participants;

5. EARN Centers are excited about the WP initiative because it adds value to their programs by providing additional enrollment and retention incentives;

Over the past year, WP is has adapted this model to numerous other service and funding streams that support other segments of the Digital Inclusion population through programs delivered by community-based organizations in their various spheres.

These include PA Department of Labor and Industry and several City of Philadelphia Departments, such as the Department of Human Services, Community Behavioral Health, the Department of Health, the Office of Ex-Offender Re-entry and numerous independent non-profit organizations.

Individuals who participate in these programs receive the entire bundle, including 1 year of EarthLink Internet access, through the partnership between the funding source, WP and the community-based organization.

It has been determined that partnership with existing programs that already serve segments of the target population across the City is the best way to achieve scale. This approach has been lauded by local nonprofit, foundation and public sector leadership, as well as the international Wireless Internet Institute (W2I). Through this network of citywide partnerships, Wireless Philadelphia is building toward its vision of "The Entire City Connected."

In the coming year, WP plans to expand its partnerships with public agencies at the State and City levels, and expand its formal agreements with community organizations to deliver the WP bundle of services.

Evaluation. A formal two-year evaluation of the impact of the Wireless Philadelphia initiative, fully funded by the William Penn Foundation, is planned to begin shortly and carry through the next two fiscal years.

Notes on the Budget.

Program Expenses. The attached budget is a plan for providing the entire bundle of WP services to 1,700 households between July 1, 2008 and June 30, 2009. The direct cost per household for the first year of service is estimated to be \$700. This includes: a refurbished laptop computer and software (\$400), EarthLink Digital Inclusion Account for one year (\$120), wireless router to enable home use (\$120) and training and technical support for one year (\$60).

In addition, WP also plans to provide accounts at the Digital Inclusion rate to at minimum 500 households that qualify but do not participate in publicly funded programs. It is anticipated that these customers will likely have computers at home and will simply need to qualify for the reduced price. WP will provide these customers with the wireless router to enable home use (\$120) and the training and technical support for one year (\$60).

Wireless Philadelphia intends to implement a multi-pronged training approach that includes a "Train the Trainer" Internet curriculum to community partners, localized technical support to all Digital Inclusion customers through both professional trainers and trained volunteers, and limited home visits through the Digital Service Fellows program. Our plans also call for Internet Training for Micro Enterprise, in partnership with the various Chambers of Commerce. Total cost \$18,000.

The budget reflects a substantial decrease in non-programmatic expenses compared to the prior year.

Revenue. Per the Network Agreement between Wireless Philadelphia and EarthLink, EarthLink will provide \$1 million to Wireless Philadelphia in the coming year, which will largely cover WP's operational expenses. This means that dollars from public agencies, foundations, and other contributions will be dedicated to direct services in support of the Digital Inclusion mission.

Based upon the previous fiscal year, we anticipate \$840,000 in public support from agencies that serve the target population.

Based upon the previous year, we anticipate \$700,000 in grants, including \$125,000 already committed from the William Penn Foundation for the evaluation component described above.

In the next fiscal year we will continue recruitment of Wireless Angels. These are individuals, corporations or associations willing to make unrestricted contributions of \$25,000 to our mission of Digital Inclusion. We will also hold several fundraising events to provide the opportunity for individuals and entities at all financial levels to contribute to the mission.

Attached:

Budget