

Program-Specific Recovery Act Plan for the FCC's Efforts on the Digital TV Transition (Education and Outreach)

June 1, 2010 Update

Program Purpose

Under the American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act) (P.L. 111-5), the National Telecommunications and Information Administration (NTIA) of the Department of Commerce is authorized to use up to \$90 million for consumer education and outreach related to the transition from analog to digital television (DTV) broadcasts, and could transfer this amount to the Federal Communications Commission (FCC or Commission) if deemed necessary and appropriate by the Secretary of Commerce, in order to aid a smooth transition to digital broadcasts by increasing awareness. Funded activities under this program have included contracts to organizations for programs to educate groups most at risk for losing television service. Such groups included senior citizens, minority communities, people with disabilities, low-income individuals, and people living in tribal and rural areas. Program funds also provided one-on-one assistance to vulnerable populations, including help with converter box installation.

Funding

After sending the appropriate notifications to Congress as required by the ARRA, NTIA transferred \$70,605,000 in total funding to the FCC for education and outreach efforts to support the Digital-To-Analog Converter Box Program. That funding was used by the FCC for several outreach and assistance initiatives including: media buys, community walk-in assistance centers, in-home converter box assistance, call center support services, web site upgrades to improve the Commission's DTV website, printing DTV publications and translating those publications to benefit non-English speaking communities, and for travel expenditures for Commission staff who served as the "boots on the ground" during the weeks leading up to the transition. Staff members provided local support and information to communities across the country, particularly in markets where there was a significant percentage of the population receiving television signals over-the-air.

The FCC posts weekly updates to its Recovery Act website at www.fcc.gov/recovery that provide funding information on cumulative amounts obligated and expended for the DTV, National Broadband Plan, and nationwide broadband mapping programs. The weekly updates also provide high level information about major activities undertaken by the FCC pursuant to its Recovery Act responsibilities.

Objectives

The Commission's Strategic Plan for FY 2009 – 2014 identified in its Media strategic goal the mandate to “facilitate the transition to digital modes of delivery.” In keeping with this vision, the Commission developed the following objective for the program:

Conduct an outreach campaign to educate and inform consumers about the transition to digital television. The Commission leveraged its experiences with early transition efforts to

- partner with local, state, and tribal governments and community-based organizations for outreach and consumer assistance
- establish full-service walk-in help centers in local communities where consumers could receive answers to their transition questions, apply for converter box coupons, learn how to install and operate their converter box, and get assistance with respect to antenna and reception issues
- identify and train organizations that provided in-home assistance services as trusted sources for consumers in communities throughout the country
- ensure the development and revision of timely consumer information based on consumer needs
- continue to provide Commission staff as “boots on the ground” for consumer education, action, and assistance.

Completed Activities

1. The Commission used a variety of contracting mechanisms to establish walk-in help centers and provide in-home installation assistance.
2. The Commission supported both in-house and outsourced call center resources, providing the flexibility to target resources toward higher call volumes which occurred around the June 12, 2009 digital transition deadline as well as for markets where station transitions occurred prior to June 12th.
3. The Commission provided “boots-on-the-ground” – Commission staff members traveling to every area of the country to work with local organizations and provide live demonstrations on how to prepare for the transition.
4. The Commission partnered with Americorps' National Civilian Community Corps and the International Association of Fire Chiefs to augment FCC “boots-on-the-ground” with volunteer support for the DTV outreach effort.
5. Media outreach and distribution efforts were conducted in order to achieve widespread coverage of the transition and what consumers needed to do to prepare.
6. Printed educational materials were developed, produced and distributed, including materials in languages other than English, regarding the DTV transition date and coupon program information.
7. The Commission's DTV.gov website was upgraded to make it more consumer-friendly. Information technology tools were developed for the website as well as for use by DTV call center representatives.
8. Engineering and technical support was provided for post-transition modifications to broadcast station licenses.

Characteristics of Financial Awards

The Commission awarded contracts for several different types of services with funding from the Digital-to-Analog Converter Box Program:

Media Buys: Media outreach and distribution efforts were conducted in order to achieve widespread coverage of the new DTV transition date. Media opportunities on print, television, and radio outlets were pursued in order to maximize consumer exposure to information about the transition through multiple media outlets. Media outreach included the purchase of advertisements in local, regional, and national print publications with heavily concentrated readership in the populations that were most at risk. In particular, funds were used for development of art work and messages to publicize the availability of the walk-in centers, FCC call-in number, and other available assistance and for placement of such ads in newspapers and magazines, including ethnic media. Funding for ad placement focused on maximizing public knowledge of the transition date and the assistance available, and focused on the top at-risk designated market areas (DMAs) and Puerto Rico.

Community Walk-In Assistance Centers – The Commission sought proposals for community walk-in assistance centers to provide services to the public including demonstrations of digital-to-analog converter box installation and operation, distribution of DTV transition consumer literature, and on-line access for converter box coupon applications. The solicitations were for defined geographic areas throughout the country with a focus on providing assistance in areas with a demonstrated need for DTV preparedness. The solicitations requested that proposals focus on providing assistance to low-income consumers, minority communities, non-English speaking consumers, senior citizens, consumers living in rural areas or on tribal lands, and consumers with disabilities. Awards were made on a competitive basis first to responsible certified HUBZone small business concerns. Additional awards could be made on a competitive basis to responsible eligible small business concerns. If these contract awards did not meet the Commission's needs across all geographic areas, additional awards could be made on a full and open competition basis.

In-Home Digital-to-Analog Converter Box Assistance – The Commission sought proposals for two types of in-home digital-to-analog converter box assistance. Basic analog-to-digital assistance consisted of installing the digital-to-analog converter box, providing a minimal level of assistance in connecting and orienting an existing, in-home antenna, and scanning for digital channels. Expert, complex in-home digital-to-analog converter box installation assistance consisted of installing every type of digital-to-analog converter box, making significant physical adjustments to antennas - including the possibility of suggesting the need for new antennas and mounting antennas in varied locations throughout the inside of a housing unit, scanning and rescanning to locate the maximum number of digital channels, integrating VCR's, DVD players, and other multi-media equipment into the converter box installation, and helping identify and troubleshoot loss of signal issues not resolved by antenna and scanning adjustments. The

scope of the solicitations were for defined geographic areas throughout the country with a focus on providing assistance in areas that were most in need of converter box installation assistance. The Commission sought proposals that focused on providing converter box installation to low-income consumers, minority communities, non-English speaking consumers, senior citizens, consumers living in rural areas or on tribal lands, and consumers with disabilities. The method for awarding these contracts was cascading set-asides. Awards were made on a competitive basis first to responsible certified HUBZone small business concerns. Additional awards could be made on a competitive basis to responsible eligible small business concerns. If these contract awards did not meet the Commission's needs across all geographic areas, additional awards could be made on a full and open competition basis. Contractors were reimbursed for installations based on a per unit installation price. The price was a fully loaded rate and included all costs associated with support and overhead.

Call Center Support Services – The Commission augmented support of its Consumer Call Center operation with a DTV Hotline through its existing toll free number, 1-888-CALLFCC (1-888-225-5322). The contractor provided and maintained turnkey service of trained telephone representatives, email services and telecom equipment and network services, including call processing equipment, and facilities and network services for responding to incoming English and Spanish calls regarding the transition to digital television. Offers were assessed against evaluation factors tailored for the solicitation with the award based on a best value continuum. The evaluation factors were technical capability, past performance, and price.

Major Program Milestones

Mid-March through early April – Release solicitations for basic in-home installations, expert in-home installations, DTV walk-in help centers, call center assistance contracts, and media services contracts.

Mid-April through early May – Award Contracts; Task media services vendor with audio and video production; begin vendor live support of 1-888-CALLFCC.

Early to mid-May – Walk-In Centers and In-Home installation assistance become operational.

Week of May 11 – Conduct a series of Satellite Media Tours to mark 30 days until transition.

June 12, 2009 – Nationwide deadline for the end of full-power analog broadcasting.

July 31, 2009 – FCC's walk-in assistance centers for DTV consumer education have all completed their contractual commitments and ceased operations.

August 31, 2009 – FCC ceased offering installation assistance services for converter boxes.

Environmental Review Compliance

There are no environmental compliance issues involved in this program.

Performance Measures

The FCC previously listed in its May 15, 2009 Performance Plan a series of performance measures that it planned to use to assess progress in the DTV Education and Outreach Program. These measures included the number of households unprepared for DTV; the number of successful basic converter box installations; the number of successful expert converter box installations; the number of persons provided with personal assistance and information to prepare for the DTV transition; number of calls received by in-house and out-sourced call centers; number of visitors assisted at walk-in centers; and number of DTV publications distributed.

Nielsen data showed that in the week leading up to June 12, most households (97.5%) were prepared for the digital transition. The Nielsen data also shows that the number of totally unready households for the digital transition has continued to decline since June 12 and was at approximately 0.5% by October of 2009.

During the weeks leading up to the transition, the FCC contracted for the opening of 400 walk-in assistance centers across the country. As previously discussed, the walk-in assistance centers were opened to provide services to the public including demonstrations of digital-to-analog converter box installation and operation, distribution of DTV transition consumer literature, and on-line access for converter box coupon applications. The FCC estimates that the walk-in centers attracted approximately 85,000 visitors and that approximately 24,000 demonstrations were performed.

The digital deadline also prompted consumers across the nation to enlist the services of vendors working under contract with the FCC to provide free in-home installation of converter boxes. Installation vendors performed an estimated 286,000 successful installations nationwide. Installation assistance services ceased on August 31, 2009; however the FCC has continued to provide help to consumers through the FCC Call Center.

The nation's historic switch to digital television by 971 full-power stations on Friday, June 12 did prompt hundreds of thousands of consumers to call the FCC's Call Center for assistance. On June 12, a record 317,450 consumers called the FCC's toll-free help line, 1-888-CALL-FCC, for a total of almost 700,000 calls from June 8 through June 12. Despite extraordinarily high call volume, average wait time on the help line was 4.6 minutes overall and 1.8 minutes for Spanish-speaking calls. Periodic call spikes slowed

response time for limited intervals, but staffing by 4,000 agents throughout the day permitted the call center agents to take the time and care necessary to walk each consumer through the necessary steps to get DTV-ready.

From June 13, 2009 through May 31, 2010, the FCC's toll-free help line, 1-888-CALL-FCC has logged more than 700,000 DTV call tickets. The FCC continues to handle 1,200 - 1,500 DTV call tickets per week. Of these call tickets, almost half concern the operation of digital converter boxes or reception issues.

Finally, the FCC's media contract provided a variety of advertising and public service announcements to reach a diverse population of Americans. The media strategy included:

- 3 Radio Media Tours that generated approximately 9,700 radio spots, reaching approximately 19 million people nationally.
- 2 Satellite Media Tours that generated 100 broadcast airings, reaching approximately 9.4 million people nationally.
- 5,650 Pre-Transition Radio Spots were purchased in 34 markets that were deemed the least prepared.
- 7,125 Post-Transition Radio Spots were purchased in 37 markets that were deemed at risk.
- Print ads in English and Spanish were placed in 14 newspapers and publications in 7 markets post transition.
- English Public Service Announcements were picked up by 359 radio stations and aired approximately 13,600 times, reaching about 25 million people.
- Spanish Public Service Announcements were picked up by 58 radio stations and aired approximately 3,700 times, reaching about 15.7 million people.
- Mandarin, Vietnamese, and Korean Public Service Announcements were picked up by 7 radio stations and aired approximately 59 times, reaching about 77,000 people.

Monitoring and Evaluation

In response to Office of Management and Budget guidance for implementing the Recovery Act, the Commission's Senior Management Council (SMC) began the risk review and mitigation process at its February 24, 2009 meeting. A three-pronged approach to meeting risk review and mitigation requirements was proposed. This approach, adopted by the SMC at its March 12 meeting, called for:

1. Reviews:
 - a. Review OMB's risk framework
 - b. Review common government-wide accountability measures
 - c. Identify agency-specific risks
2. Prioritizing risk areas
3. Mitigating priority risks

At the March 12 SMC meeting, various reviews were conducted, risk areas prioritized, and mitigation activities determined. Mitigation activities are underway.

The Commission's Senior Management Council identified the following government-wide accountability requirements as common and reviewed these requirements:

- Government Performance and Results Act (Planning and Performance)
- Chief Financial Officers Act (Federal Accounting Standards Advisory Board)
- IG Act (Independent auditing)
- FISMA (Information Security)
- FMFIA (Financial Management)
- Government Auditing Standards (GSA's Yellow Book)
- Office of Management and Budget Circulars
 - A-50; Audit Follow-up
 - A-123; Internal Controls
 - A-127; Financial Systems
 - A-130; Management of Information Resources
 - A-134; Financial Accounting Principles
 - A-136; Financial Reporting Requirements
- Privacy Act

As required by OMB guidance, the Commission's Senior Management Council also reviewed whether there are any additional agency-specific risks. The following agency-specific risks were identified:

- Governance risks:
 - Plans need to be developed before action. Plans must have:
 - Clear assignments of responsibilities
 - Timelines for accomplishment
 - Meaningful performance measures
 - Regular tracking of performance
 - Need a system and executive agreement to routinely receive and utilize performance information so that performance information will be used in routine decision making and performance information will be the basis for ongoing modifications to the Recovery Act plans.
 - Independent monitoring
 - Should there be independent monitoring to assure meeting OMB's requirement for Recovery Act focused audits and investigation?
- Resource risks:
 - Will short-term deadlines for Recovery Act projects move staff, energy, and attention focus away from other ongoing improvement and compliance efforts?
 - Does the Commission have the staffing resources necessary to sustain intense levels of activity under the deadlines for the DTV transition?
- Inefficiency risks:
 - Given the way in which the Recovery Act assigned responsibilities for the DTV program to NTIA and FCC, will the agencies be able to effectively coordinate their

efforts to minimize or eliminate duplications of effort and/or confusion for the impacted industries and consumers?

– Will the compressed time frames of the Recovery Act cause activities to be undertaken and money to be spent in less than optimal ways?

- Compliance risks:

– Contracting controls – does the Commission have the staff (both CO's and COTRs) to carry out OMB requirements for:

- Competitive awards
- Timely awards
- Timely expenditures

– Financial controls – does the Commission have the staff to carry out OMB requirements for:

- Minimizing cost overruns
- Minimizing Improper payments

Combining the results from each of these reviews, the SMC prioritized its risk mitigation actions as shown below.

- Compliance risks:

– Contracting controls – lack sufficient staff to implement

- Identify hiring needs
- Identify effective tactics for meeting needs in a timely manner

- Governance risks:

– Get executive agreement to routinely receive and utilize performance information

– Identify, develop, and implement a system that regularly puts performance information before key executives

– Determine whether there should be independent monitoring to assure meeting OMB requirements for Recovery Act targeted audits and investigations

- Inefficiency risks:

– Identify mechanisms to ensure full and open cooperation with NTIA to minimize or eliminate duplications of effort and/or confusion for the impacted industries and consumers

Auditors from the Office of Managing Director's Financial Operations staff conducted a risk assessment of the FCC's DTV Recovery Act efforts in accordance with Office of Management and Budget Circular A-123. A total of 17 potential risks were identified, as well as actions and internal controls to mitigate those risks.

Transparency

The FCC has worked with the recipients of contracts awarded under its Recovery Act programs to ensure that they report through the www.federalreporting.gov system so that all of the necessary data about their contracts is publicly available on www.recovery.gov each quarter. This information includes, among other things, the amount of funds

awarded, the services or goods that were rendered pursuant to those awards, and the current status of the vendor's work efforts.

Furthermore, the FCC posts weekly updates to its Recovery Act website at www.fcc.gov/recovery that provide funding information, including cumulative amounts obligated and expended for DTV. The weekly updates also provide high level information about major activities undertaken by the FCC pursuant to its DTV related responsibilities under the Recovery Act. Finally, the FCC regularly posts its Recovery Act contract awards through the Federal Procurement Data System, available online at www.fpds.gov. The FCC also has a data feed from this system linked to the FCC's data website located at reboot.fcc.gov/data/omd.

Accountability

Program managers at the FCC were held accountable for achieving program goals through the Commission's performance evaluation systems. Reports of program progress and performance were posted on the FCC Recovery Act web site and at www.dtv.gov.

Long-Term Savings or Costs

There are no long term savings or costs associated with this Recovery Act funding. Any additional workload created at the Commission due to the receipt of funding will be absorbed within existing Commission staffing resources. The additional activity prior to and immediately after the DTV transition deadline accounted for the significant portion of the costs associated with this program. Although the FCC has scaled back its call center support, the FCC has continued to augment support of its call center with contractor assistance for the year following the DTV transition due to the aforementioned DTV related calls that it continues to receive.

Barriers to Effective Implementation

Based on markets that completed their transition prior to the June 12, 2009 deadline, the FCC learned that a small number of households would choose not to prepare for the transition until analog broadcasting is terminated, even though they were aware that the transition date was approaching. The FCC also determined that markets with higher percentages of seniors, minorities, low income individuals, consumers with disabilities, rural areas, and non-English speaking populations required more targeted assistance. In response to these issues, the FCC identified 49 "hot spot" markets and focused additional resources in those areas. The additional outreach efforts funded through this program by the Recovery Act, such as Community Walk-In Centers and In-Home Assistance, helped to address these issues.

Federal Infrastructure Investments

No funds in this program involve expenditures for energy efficiency or green building requirements.