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<tr><td colspan="2">U.S. DEPARTMENT OF COMMERCE

Performance Progress Report</td><td colspan="2">2. Award Or Grant Number
02-50-M09071</td></tr>
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U.S. DEPARTMENT OF COMMERCE **Performance Progress Report**	2. Award Or Grant Number 02-50-M09071
	4. Report Date (MM/DD/YYYY) 07-02-2012

1. Recipient Name Connected Nation, Inc.- Alaska	6. Designated Entity On Behalf Of: The State of Alaska	
3. Street Address 1020 College Street,	8. Final Report? ○ Yes ⦿ No	9. Report Frequency ⦿ Quarterly ○ Semi Annual ○ Annual ○ Final
5. City, State, Zip Code Bowling Green, KY 42102-3448		

7. Project / Grant Period Start Date: (MM/DD/YYYY) 06-01-2010	7a. End Date: (MM/DD/YYYY) 05-31-2015	7b. Reporting Period End Date: 06-30-2012	9a. If Other, please describe: N/A

10. Broadband Mapping   10a. Provider Table

Number of Providers Identified	Number of Providers Contacted	Number of Agreements Reached for Data Sharing	Number of Partial Data Sets Received	Number of Complete Data Sets	Number of Data Sets Verified
0	0	0	0	0	0

10b. Are you submitting the required PROVIDER DATA by using the Excel spreadsheet provided by the SBDD grants office? ○ Yes ⦿ No

10c. Have you encountered challenges with any providers that indicate they may refuse to participate in this project? ○ Yes ⦿ No

10d. If so, describe the discussions to date with each of these providers and the current status

Nothing to report.

10e. If you are collecting data through other means (e.g. data extraction, extrapolation, etc), please describe your progress to date and the relevant activities to be undertaken in the future

No data has been collected through extraction or extrapolation.

10f. Please describe the verification activities you plan to implement

Connect Alaska deployed a new interactive mapping web application, called My ConnectView, on April 2, 2012. The application is housed in a highly available, monitored, and managed environment. New feedback features allow consumers to send comments directly to program geographic information systems (GIS) staff; a screenshot of the user's current interactive map view is also attached to the feedback to provide additional details.

Consumer feedback in the form of broadband inquiries is also collected. These inquiries represent any type of communications received from the public regarding broadband service. Once broadband inquiries are received across the state, this information is overlaid with the broadband availability information which was collected through the State Broadband Initiative (SBI) program. This allows for a real-world comparison of the broadband landscape to the information received from broadband inquiries. Broadband inquiries are able to provide three types of information: 1) residents who do not have broadband but want it; 2) residents who have broadband but want a different provider; and 3) residents who do not have broadband, but the broadband inventory maps indicate that they do. If residents within a region state that they are without broadband, but the broadband inventory maps show otherwise, this allows Connected Nation to approach the providers within that area in an effort to trim down their coverage to more accurately represent real-world availability on the ground.

Please refer to the Q2 2012 Alaska Supplemental Answer Document for further details.

10g. Have you initiated verification activities? ⦿ Yes ○ No

10h. If yes, please describe the status of your activities

The new interactive broadband map, My ConnectView, was launched on April 2, 2012 and is publicly available on the Connect Alaska (http://www.connectak.org/interactive-map) website. The application received a total of 375 visits between April 2, 2012, and June 30, 2012.

During this quarter, the Connect Alaska project received a total of 2 broadband inquiries.

For this reporting period, 42 new and/or supplemental field verification tests were conducted. Thus far, project staff conducted multiple tests on the following providers: Ace Tekk Wireless Internet; AlasConnect, Inc.; Alaska Communications Systems Holdings, Inc. (d.b. a. ACS); Alaska Power and Telephone Company; AT&T, Inc.; American Broadband Communications (also d.b.a. TelAlaska Long Distance Inc.); ATCONTACT COMMUNICATIONS; Borealis Broadband; Clearwire Corporation; Copper Valley Telephone Cooperative, Inc.; Cordova Telephone Cooperative, Inc.; GCI Internet; Ketchikan Public Utilities; Matanuska Telephone Association; SPITwSPOTS LLC; Verizon Wireless; and Yukon Telephone Company.

As of this reporting period, validation testing has been completed against 17 companies (out of a universe of 23 viable providers) totaling 73.91% within the state.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

Not applicable. Verification activities are underway.

Staffing

10j. How many jobs have been created or retained as a result of this project?
4.38

Connect Alaska's FTEs reported for the quarter include 4.32 FTEs for staff, 0.06 FTEs for permanent consultants, and 0.0 FTEs for temporary, cyclical contractors. The project is fully staffed with a base of 4.38 FTEs.

Connected Nation has numerous staff working on the Connect Alaska project, some at only a small percentage of their time. This approach is beneficial to the project in various ways: some staff provide necessary project support, many staff work together utilizing a team approach, and others are subject matter experts in their respective areas. By leveraging the expertise of the subject matter experts, the project benefits from their knowledge and skills without the necessity of supporting a more expensive full-time resource.

10k. Is the project currently fully staffed?   ◯ Yes   ⦿ No

10l. If no, please explain how any lack of staffing may impact the project's time line and when the project will be fully staffed
Connect Alaska has experienced turnover in the Digital Literacy Manager role which accounts for the project's current vacancy. This void has resulted in a need to adjust our project timeline. As such, a revised project plan has been submitted to the SBI program office that illustrates the impact on the project's timeline. Connected Nation hopes to have the position filled next quarter.

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?

5.38

10n. Staffing Table

Job Title	FTE %	Date of Hire
Connected Nation - Broadband Planning Manager	5	09/04/2007
Connected Nation - Business Programmer Analyst	2	04/02/2007
Connected Nation - CAI Coordinator	40	09/16/2009
Connected Nation - CAI Manager	2	12/13/2004
Connected Nation - Chief Policy Counsel	3	08/09/2010
Connected Nation - Compliance Coordinator	8	08/01/2008
Connected Nation - Director Program Support	11	12/01/2004
Connected Nation - ETS Analyst	1	11/01/2007
Connected Nation - ETS Analyst	30	07/13/2009

Connected Nation - ETS Manager	13	07/01/2007
Connected Nation - GIS Analyst	1	11/16/2009
Connected Nation - GIS Analyst	5	04/01/2010
Connected Nation - GIS Analyst	21	10/19/2009
Connected Nation - GIS Services Manager	2	05/15/2007
Connected Nation - Grants Management Officer	13	02/24/2003
Connected Nation - Outreach & Awareness Manager	5	03/24/2009
Connected Nation - Outreach & Awareness Specialist	2	10/01/2007
Connected Nation - Outreach & Awareness Specialist	7	02/02/2009
Connected Nation - Outreach & Awareness Specialist	9	01/04/2010
Connected Nation - Outreach & Awareness Specialist	19	01/04/2010
Connected Nation - Partnership Manager	4	07/01/2007
Connected Nation - Policy & Research Outreach Specialist	5	03/24/2009
Connected Nation - President & COO	6	01/14/2008
Connected Nation - Program Coordinator	30	05/23/2011
Connected Nation - Program Manager	92	11/28/2011
Connected Nation - Project Coordinator	4	04/01/2005
Connected Nation - Project Management Director	8	12/16/2009
Connected Nation - Project Manager	4	08/20/2007
Connected Nation - Project Manager	33	03/16/2010
Connected Nation - Provider Relations Manager	2	02/17/2005
Connected Nation - Research Analyst	6	02/01/2010
Connected Nation - Research Manager	20	05/14/2007
Connected Nation - State & Local Program Director	12	08/04/2008
Connected Nation - State Services Specialist	4	03/24/2009
Connected Nation - State Services Sr. Specialist	3	12/20/2009

Consultant - Associate Counsel		3	09/14/2009
Consultant - Financial Consultant		2	04/01/2008
Consultant - General Counsel		1	01/01/2007

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Sub Contracts

10o. Subcontracts Table

Name of Subcontractor	Purpose of Subcontract	RFP Issued (Y/N)	Contract Executed (Y/N)	Start Date	End Date	Federal Funds	In-Kind Funds
Throughbred Research Group	Research Surveys	Y	Y	02/09/2010	02/08/2012	167,350	0
Various	AK Planning & Application Development	N	N	06/01/2010	05/31/2015	18,622	0
Contract Labor	Contract Labor	N	Y	06/01/2010	05/31/2005	156,504	100,783
Reed Systems	Technical Writing	N	Y	03/27/2012	12/01/2012	25,000	0
Institute of Social and Economic Research (ISER)	Impact Study	N	Y	03/31/2012	09/30/2012	0	0
The Scenarios Network for Alaska and Arctic Planning (SNAP)	Geospatial Model	N	Y	03/31/2012	09/30/2012	0	0

[Add Row] [Remove Row]

Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $2,150,285   10q. How much Remains? $4,227,913

10r. How much matching funds have been expended as of the end of last quarter? $763,847   10s. How much Remains? $834,435

10t. Budget Worksheet

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Personal Salaries	$1,661,362	$113,635	$1,774,997	$655,989	$914	$656,903
Personnel Fringe Benefits	$356,364	$24,513	$380,877	$135,104	$196	$135,300
Travel	$436,598	$0	$436,598	$128,834	$582	$129,416
Equipment	$132,432	$0	$132,432	$74,320	$0	$74,320
Materials / Supplies	$47,610	$0	$47,610	$36,402	$0	$36,402
Subcontracts Total	$1,802,334	$319,791	$2,122,125	$391,637	$100,783	$492,420
Subcontract #1	$1,802,334	$319,791	$2,122,125	$391,637	$100,783	$492,420
Subcontract #2	$0	$0	$0	$0	$0	$0
Subcontract #3	$0	$0	$0	$0	$0	$0
Subcontract #4	$0	$0	$0	$0	$0	$0
Subcontract #5	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Other	$201,988	$1,110,343	$1,312,331	$31,880	$660,115	$691,995

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Total Direct Costs	$4,638,688	$1,568,282	$6,206,970	$1,454,166	$762,590	$2,216,756
Total Indirect Costs	$1,739,510	$30,000	$1,769,510	$696,119	$1,257	$697,376
Total Costs	$6,378,198	$1,598,282	$7,976,480	$2,150,285	$763,847	$2,914,132
% Of Total	80	20	100	74	26	100

Hardware / Software

10u. Has the project team purchased the software / hardware described in the application?   ⦿Yes ◯No

10v. If yes, please list
Hardware/Software purchases for the project to date include the following:
Interactive Mapping Application - $63,636
Computers & Software - $23,815
GIS Software & Maintenance - $4,160
Speed Test Software - $4,081
Google Earth Pro - $585

10w. Please note any software / hardware that has yet to be purchased and explain why it has not been purchased

Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage server, security application, additional backup replication solution, computers, a spectrum analyzer, GPS units, interactive map upgrades/ maintenance, ArchInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance.

10x. Has the project team purchased or used any data sets?   ⦿Yes ◯No

10y. If yes, please list
Connect Alaska received an Alaska Statewide Digital Mapping Initiative Orthoimagery dataset from the Alaska Department of Natural Resources as part of an in-kind match contribution to assist Connect Alaska with its mapping and planning goals - $177,933 in-kind match contribution.

The Department of Education and Early Childhood Development provided the Connect Alaska mapping initiative a school district speed test dataset as part of an in-kind match contribution to assist with its mapping and planning goals - $5,000 in-kind match contribution.

10z. Are there any additional project milestones or information that has not been included?   ⦿Yes ◯No

10aa. If yes, please list
The Connect Alaska (CAK) interactive mapping application and resources are supporting the Alaska Regional Development Organization (ARDOR) Southwest Alaska Municipal Conference broadband expansion project. Connect Alaska staff have nurtured the project from its infancy and continue to help in ARDOR relationship building, participate in leadership meetings, and assist with community outreach.

Program staff conducted outreach to all viable broadband providers in Alaska, requesting new or updated broadband data for inclusion in the Alaska broadband maps and upcoming mapping submission to the National Telecommunications and Information Administration.

Connect Alaska reached out to stakeholders in local governments. Contacts in the Adak community and St. Paul Island completed the Community Anchor Institution (CAI) survey and provided Connect Alaska with information regarding broadband challenges in the area. In addition, program staff continue to reach out to and develop relationships with contacts in the public safety sector.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

The continued challenge exists to educate CAIs about Connect Alaska and the intent of gathering address and broadband connectivity information. This obstacle is easily avoided if we engage sector leaders and ask them to distribute the survey on our behalf – which supports the validity of the survey. Across the board, the response is significantly higher when the survey is distributed by a sector leader or organization. Program staff will continue to focus on building relationships with state leaders who can distribute the survey on our behalf, and will focus on one sector per month to better direct attention and outreach efforts toward specific sectors.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
Connect Alaska supported a unique Hackathon event in Anchorage in June. The event, held at the University of Alaska Anchorage's Rasmunson Hall, challenged local programmers, database designers, IT specialists, and web developers to show up and get free use of government data to create new apps, databases, and web-based services. Connect Alaska participated by providing programming contestants with public broadband datasets as one of several government dataset sources available for developing a mobile or PC

application. http://www.connectak.org/blog/post/hackathon-offers-alaska-techies-big-opportunity

The Connect Alaska initiative celebrated several milepost successes this quarter, including positive mainstream media stories on the project's mapping resources and broadband expansion efforts to more than 23,000 news consumers. The Connect Alaska monthly e-newsletter has been distributed to more than 247 subscribers. The April and May e-newsletters have been included as supplemental support to this report.

Alaska's Perks of Propagation – "Geocoding" describes the process of assigning geographic coordinates (e.g. latitude and longitude) to street addresses or other points. Potential customers can be pinpointed by overlaying geocoded address locations atop an engineering map tool, called a propagation study. Connect Alaska is offering resources as the expansion of broadband access into unserved areas continues. Providers are faced with a litany of questions regarding the best practices for facilitating a reliable last-mile solution. Such questions may include identification of potential subscriber locations, how to reach them, types of equipment to be used, and ways to minimize truck rolls. Profitability requires keeping road-time down and customer installation numbers high.

Please refer to the Q2 2012 Alaska Supplemental Answers Document for further details.

11. Broadband Planning

11a. Please describe progress made against all goals, objectives, and milestones detailed in the approved Project Plan. Be sure to include a description of each major activity / milestone that you plan to complete and your current status

Broadband Capacity Building Milestones Year 3, Quarter 2 per approved project plan:

Milestone: Year 3, Quarter 2 Connect Alaska program office administration.
This milestone was met. The Connect Alaska Program Office in Anchorage is fully staffed and interacting with our Alaskan stakeholders. Staff meet weekly with a representative from the Department of Commerce, Community, and Economic Development (DCCED) to discuss the status of the project and have briefed the Alaska State Rural Subcabinet and Broadband Task Force as well. The Connect Alaska team provided administrative support to the Task Force this quarter, including creating agendas and disseminating minutes following the meetings.

Milestone: Year 3, Quarter 2 Meeting of the Alaska Broadband Task Force complete.
 This milestone was met. The Alaska Statewide Broadband Task Force convened meetings on April 25, 2012 and June 20, 2012. At the April meeting the Task Force received a status report on the two major research studies that were approved at the February meeting. One study is being conducted by the Institute of Social and Economic Research, University of Alaska Anchorage (ISER-UAA). This research compares socio-economic conditions in rural Alaska communities before and after the arrival of terrestrial broadband. The other, performed by the Scenarios Network for Arctic Planning (SNAP) at the University of Alaska, Fairbanks (UAF), is a geo-visualization economic model that demonstrates the effect of various speed tiers on economic development.

Technical Assistance Milestones Year 3, Quarter 2 per approved project plan:

Milestone: Analyze 2012 statewide residential survey research results.
This milestone was not met. Connect Alaska did not initiate the statewide residential survey in Q2 and is awaiting NTIA approval of the project plan submitted in Q2 2012 before the residential survey is initiated.

Please refer to the Q2 2012 Alaska Supplemental Answer Document for further details.

11b. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Broadband Capacity Building
The Connect Alaska Program Manager continues to assist the Alaska Broadband Task Force in order to make up time for delays in Task Force planning that occurred earlier in the year. An amended project plan has been submitted to the NTIA reflecting the revised timeline and milestones.

Technical Assistance
Connect Alaska submitted changes to NTIA for the research plan years 3 through 5. Upon approval, the 2012 residential survey will be initiated.

Connect Alaska has experienced turn over in the Digital Literacy Manager role overseeing the ARDOR partnership activities. This void has resulted in a need to adjust our project timeline. As such, a revised project plan has been submitted to the SBI program office that illustrates the impact on the project's timeline. Connect Alaska hopes to have the position filled next quarter.

Other state/local organizations in Alaska have been contacted and discussions are underway to fulfill the partnership activities previously specified as ARDOR activities. It is anticipated that as many as 4 current ARDORs may participate in the program.

Connect Alaska and DCCED have decided to adjust their approach to the summit and instead of hosting a single summit a robust round of presentations during the annual Alaska fall conference season is being scheduled. The round of conferences will run from September 2012 – November 2012. An amended project plan has been submitted to the NTIA reflecting the revised timeline and

milestones.

Application Use
The Alaska Broadband Task Force may disband before the application development project proposals have been submitted. As a result, program staff have submitted a revised project plan amending oversight of the Application Development Fund to DCCED.

11c. Does the Project Team anticipate any changes to the project plan for Broadband Planning?   ●Yes ○ No

11d. If yes, please describe these anticipated changes. Please note that NTIA will need to approve changes to the Project Plan before they can be implemented
Broadband Capacity Building
Nothing to report.

Technical Assistance
An amended project plan has been submitted to the NTIA with revised project timelines and project milestones. These revisions account for potential new partners should the ARDORs decline to participate in the program, a research plan for years 3 through 5, as well as a revised timeline and milestones for the broadband summit series.

Application Use
The Alaska Broadband Task Force may disband before the application development project proposals have been submitted. As a result, program staff have submitted a revised project plan amending oversight of the Application Development Fund to DCCED.

Funding

11e. How much Federal funding has been expended as of the end of the last quarter? $0   11f. How much Remains? $0

11g. How much matching funds have been expended as of the end of last quarter? $0   11h. How much Remains? $0

11i. Planning Worksheet						
Personal Salaries	$0	$0	$0	$0	$0	$0
Personnel Fringe Benefits	$0	$0	$0	$0	$0	$0
Travel	$0	$0	$0	$0	$0	$0
Equipment	$0	$0	$0	$0	$0	$0
Materials / Supplies	$0	$0	$0	$0	$0	$0
Subcontracts Total	$0	$0	$0	$0	$0	$0
Subcontract #1	$0	$0	$0	$0	$0	$0
Subcontract #2	$0	$0	$0	$0	$0	$0
Subcontract #3	$0	$0	$0	$0	$0	$0
Subcontract #4	$0	$0	$0	$0	$0	$0
Subcontract #5	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Other	$0	$0	$0	$0	$0	$0
Total Direct Costs	$0	$0	$0	$0	$0	$0
Total Indirect Costs	$0	$0	$0	$0	$0	$0
Total Costs	$0	$0	$0	$0	$0	$0
% Of Total	0	0	0	0	0	0

Additional Planning Information

11j. Are there any additional project milestones or information that has not been included?
Connect Alaska discussed partnership opportunities with the Association of Alaska School Boards (AASB) to assist in with technical assistance activities utilizing community engagement and digital literacy opportunities.

Connect Alaska staff attended the Alaska Telephone Association Annual Meeting to discuss current broadband issues in Alaska and develop relationships within the provider community.

11k. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the Project Team is employing

The Connect Alaska project team continues to facilitate the planning process for DCCED and the Alaska Broadband Task Force in order to keep the state broadband planning report from getting too far behind. The Alaska Broadband Task Force had originally planned to disband within one year of its commencement. However, a variety of issues have kept the Task Force intact, including the introduction of Federal Communications Commission (FCC) Universal Service Fund reform in Q2 and Q3 of 2011, which has had a disproportionately large impact on broadband policy planning being conducted by the Task Force.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project

Broadband Capacity Building

Connect Alaska's interactive mapping application and resources are supporting the Southwest Alaska Municipal Conference's (SWAMC) current broadband expansion project. The ARDOR is using its USDA RBOG grant to enhance broadband infrastructure in portions of the SWAMC region and maximize the use of the new investment for the benefit of the region. Connect Alaska staff have nurtured the project from its infancy and continue to help in ARDOR relationship building, participate in leadership meetings, and assist with community outreach.

Connect Alaska maintains a blog (http://www.connectak.org/blog) and posted ten entries this quarter. Connect Alaska also issued two press releases (http://www.connectak.org/recent-news) this quarter.

Blog posts this quarter include:

Laptops Improve Learning in Alaska - It's undeniable - digital learning is the future of education! And now, thanks to a hugely successful program, more than 12,000 Alaskan students are learning like never before. Six years ago, the Alaska Association of School Boards launched the Consortium for Digital Learning (CDL). Today, 28 of the state's 53 school districts are benefitting from the program that puts laptop computers directly into the hands of students. http://www.connectak.org/blog/post/laptops-improve-learning-alaska (4/27)

Please refer to the Q2 2012 Alaska Supplemental Answer Document for further details.

12. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purpose set forth in the award documents.	
12a. Typed or Printed Name and Title of Authorized Certifying Official Bernie Bogle	12c. Telephone (area code, number, and extension)
	12d. Email Address bbogle@connectednation.org
12b. Signature of Authorized Certifying Official Submitted Electronically	12e. Date Report Submitted (Month, Day, Year) 07-27-2012