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|---|--|--|-------------------------------------|--|---|
| <b>U.S. DEPARTMENT OF COMMERCE</b><br><br><b>Performance Progress Report</b>  |  |  |                                     | <b>2. Award or Grant Number</b><br>02-50-M09071                                  |   |
|   |  |  |                                     | <b>4. Report Date (MM/DD/YYYY)</b><br>04-10-2013                                 |   |
|   |  |  |                                     |  |   |
| <b>1. Recipient Name</b><br>Connected Nation, Inc.- Alaska  |  |  |                                     | <b>6. Reporting Period End Date:</b><br>03-31-2013                               |   |
| <b>3. Street Address</b><br>1020 College Street,  |  |  |                                     |  |   |
| <b>5. City, State, Zip Code</b><br>Bowling Green, KY 42102-3448   |  |  |                                     |  |   |
| <b>7a. Project / Grant Period Start Date: (MM/DD/YYYY)</b><br>06-01-2010  | <b>7b. End Date: (MM/DD/YYYY)</b><br>05-31-2015                                      | <b>8. Designated Entity on Behalf of:</b><br>The State of Alaska |                                     |  |   |
| <b>9. List the individual projects in your approved project plan</b>  |  |  |                                     |  |   |
|   | <b>Project Type (Data Collection, Capacity Building, Technical Assistance, etc.)</b> | <b>Project Name (if different from Project Type)</b>             | <b>Total Federal Funding Amount</b> | <b>Total Federal Funding Amount expended at the end of this reporting period</b> | <b>Percent of Total Federal Funding amount expended</b> |
| 1   | Data Collection  | N/A  | 3,040,701                           | 1,960,638  | 64%   |
| 2   | Capacity Building  | N/A  | 774,013                             | 423,798  | 55%   |
| 3   | Technical Assistance   | N/A  | 1,637,487                           | 614,193  | 38%   |
| 4   | Application Usage and Development  | N/A  | 925,997                             | 148,232  | 16%   |
| 5   | N/A  | N/A  | 0                                   | 0  |   |
| 6   | N/A  | N/A  | 0                                   | 0  |   |
|   |  |  | \$6,378,198                         | \$3,146,861  | 49%   |
| <b>10. Personnel</b><br><br><b>10a. If the project is not fully staffed, describe how any lack of staffing may impact the project's timeline and when the project will be fully staffed.</b><br><br>N/A, this project is fully staffed. |  |  |                                     |  |   |

| 10b. Staffing Table           |       |                     |           |
|-------------------------------|-------|---------------------|-----------|
| Job Title                     | FTE % | Project(s) Assigned | Change    |
| Program Coordinator           | 75    | Application Usage   | No Change |
| Manager Program Support       | 10    | Capacity Building   | No Change |
| Partnership Manager           | 6     | Capacity Building   | No Change |
| President & COO               | 11    | Capacity Building   | No Change |
| Program Manager               | 19    | Capacity Building   | No Change |
| Project Manager 2             | 7     | Capacity Building   | No Change |
| State Services Specialist     | 1     | Capacity Building   | No Change |
| State Services Sr. Specialist | 8     | Capacity Building   | No Change |
| Broadband Planning Manager 1  | 12    | Data Collection     | No Change |
| Broadband Planning Manager 2  | 6     | Data Collection     | No Change |
| Business Affairs Intern       | 29    | Data Collection     | No Change |
| Business Programmer Analyst   | 5     | Data Collection     | No Change |
| CAI Manager                   | 4     | Data Collection     | No Change |
| Chief Policy Counsel          | 5     | Data Collection     | No Change |
| Compliance Coordinator        | 4     | Data Collection     | No Change |
| Contract Compliance Manager   | 8     | Data Collection     | No Change |
| ETS Analyst 1                 | 22    | Data Collection     | No Change |
| ETS Analyst 2                 | 14    | Data Collection     | No Change |
| ETS Manager                   | 19    | Data Collection     | No Change |
| GIS Analyst 1                 | 18    | Data Collection     | No Change |
| GIS Analyst 2                 | 2     | Data Collection     | No Change |

|                                       |    |                      |           |
|---------------------------------------|----|----------------------|-----------|
| GIS Services Manager                  | 4  | Data Collection      | No Change |
| Grants Management Officer             | 13 | Data Collection      | No Change |
| Outreach & Awareness Intern           | 2  | Data Collection      | No Change |
| Outreach & Awareness Manager          | 8  | Data Collection      | No Change |
| Outreach & Awareness Specialist 1     | 20 | Data Collection      | No Change |
| Outreach & Awareness Specialist 2     | 19 | Data Collection      | No Change |
| Outreach & Awareness Specialist 3     | 8  | Data Collection      | No Change |
| Outreach & Awareness Specialist 4     | 6  | Data Collection      | No Change |
| Policy & Research Outreach Specialist | 5  | Data Collection      | No Change |
| Project Coordinator                   | 3  | Data Collection      | No Change |
| Project Management Director           | 8  | Data Collection      | No Change |
| Project Manager 1                     | 52 | Data Collection      | No Change |
| Project Manager 3                     | 4  | Data Collection      | No Change |
| Project Manager 4                     | 2  | Data Collection      | No Change |
| Provider Relations Manager            | 3  | Data Collection      | No Change |
| State & Local Program Director        | 10 | Data Collection      | No Change |
| State Services Sr. Specialist         | 1  | Data Collection      | No Change |
| CAI Manager                           | 2  | Technical Assistance | No Change |
| Chief Policy Counsel                  | 1  | Technical Assistance | No Change |
| Program Coordinator                   | 24 | Technical Assistance | No Change |
| Program Manager                       | 4  | Technical Assistance | No Change |
| Research & GIS Analyst                | 1  | Technical Assistance | No Change |
|                                       |    |                      |           |

| Research Analyst 1  |                       |                  |                         | 11                    | Technical Assistance |                               | No Change                      |  |
|---|-----------------------|------------------|-------------------------|-----------------------|----------------------|-------------------------------|--------------------------------|--|
| Research Analyst 2  |                       |                  |                         | 1                     | Technical Assistance |                               | No Change                      |  |
| Research Manager  |                       |                  |                         | 18                    | Technical Assistance |                               | No Change                      |  |
| <div>Add Row</div>  |                       |                  |                         | <div>Remove Row</div> |                      |                               |                                |  |
| <b>11. Subcontracts</b>   |                       |                  |                         |                       |                      |                               |                                |  |
| 11a. Subcontracts Table - Include all subcontractors. The totals from this table equal the "Subcontracts Total" from the Program Budget Worksheet (Q. 12, Column 2, 3, and 4) |                       |                  |                         |                       |                      |                               |                                |  |
| Name  | Subcontract Purpose   | RFP Issued (Y/N) | Contract Executed (Y/N) | Start Date            | End Date             | Total Federal Funds Allocated | Total Matching Funds Allocated | Project and % Assigned (Example: Data Collection 75) |
| Thoroughbred Research Group   | Data Collection       | Yes              | Yes                     | 02/09/2010            | 08/31/2013           | 93,510                        | 0                              | Data Collection 20                                   |
| Thoroughbred Research Group   | Technical Assistance  | Yes              | Yes                     | 02/09/2010            | 08/31/2013           | 383,317                       | 0                              | Technical Assistance 80                              |
| ETS Contract Labor  | Data Collection       | No               | Yes                     | 06/01/2010            | 05/31/2015           | 180,021                       | 158,704                        | Data Collection 100                                  |
| GIS Consultants   | Data Collection       | Yes              | Yes                     | 06/01/2010            | 05/31/2015           | 15,462                        | 0                              | Data Collection 100                                  |
| Legal Consultants   | Data Collection       | No               | Yes                     | 06/01/2010            | 05/31/2015           | 30,690                        | 21,170                         | Data Collection 51                                   |
| Legal Consultants   | Technical Assistance  | No               | Yes                     | 06/01/2010            | 05/31/2015           | 29,833                        | 14,917                         | Technical Assistance 49                              |
| Reed Systems  | Technical Assistance  | No               | Yes                     | 03/27/2012            | 12/01/2012           | 60,000                        | 0                              | Technical Assistance 100                             |
| Hosting   | Data Collection       | No               | No                      | 06/01/2010            | 05/31/2015           | 38,683                        | 0                              | Data Collection 100                                  |
| Various   | Technical Assistance  | No               | No                      | 06/01/2010            | 05/31/2015           | 17,508                        | 0                              | Technical Assistance 100                             |
| Various   | Data Collection       | No               | No                      | 06/01/2010            | 05/31/2015           | 13,310                        | 0                              | Data Collection 100                                  |
| State of Alaska   | Technical Assistance  | No               | No                      | 06/01/2010            | 05/31/2015           | 206,316                       | 125,000                        | Technical Assistance 29                              |
| State of Alaska   | Application Usage and | No               | No                      | 06/01/2010            | 05/31/2015           | 500,000                       | 0                              | Application Usage and 71                             |
|   |                       |                  |                         |                       | <div>Add Row</div>   |                               | <div>Remove Row</div>          |  |

**11b. Describe any challenges encountered with vendors or subrecipients.**

The University of Alaska Anchorage Institute of Social and Economic Research (ISER) and Connected Nation worked to extend the existing research sub-award expiring at the end of Q1. The Alaska Broadband Task Force expressed a desire to keep ISER's sub-award current in order to fulfill additional research for the Task Force now that their timeline has been extended into Q2 2013.

Within the Q3 2012 Performance Progress Report (PPR), Connect Alaska presented two sub-recipient organizations in the Subcontracts Table totaling \$233,684. Per clarification received by the National Telecommunication and Information Administration's (NTIA) State Broadband Initiatives' (SBI) program office, funds designated for sub-awards should be classified and included within the "Other" budget category. As a result of this clarification, Connect Alaska has removed the two sub-recipients from the Subcontracts Table in the Q4 2012 PPR and continues to show a variance in the federal funds awarded between the subcontracts table (above) and the subcontracts line item on the Budget Worksheet of \$233,684.

| 12. Budget worksheet   |                       |                         |              |                        |                                  |                      |
|--|-----------------------|-------------------------|--------------|------------------------|----------------------------------|----------------------|
| Columns 2, 3, and 4 will match your current project budget for your entire award, which is the SF-424A on file. Only list matching funds that the Department of Commerce has already approved. |                       |                         |              |                        |                                  |                      |
| Project Budget Element   | Federal Funds Awarded | Approved Matching Funds | Total Budget | Federal Funds Expended | Approved Matching Funds Expended | Total Funds Expended |
| Personnel Salaries   | \$1,661,362           | \$113,635               | \$1,774,997  | \$952,584              | \$914                            | \$953,498            |
| Personnel Fringe Benefits  | \$356,364             | \$24,513                | \$380,877    | \$205,781              | \$196                            | \$205,977            |
| Travel   | \$436,598             | \$0                     | \$436,598    | \$141,601              | \$583                            | \$142,184            |
| Equipment  | \$132,432             | \$0                     | \$132,432    | \$84,457               | \$0                              | \$84,457             |
| Materials / Supplies   | \$47,610              | \$0                     | \$47,610     | \$46,220               | \$0                              | \$46,220             |
| Subcontracts Total   | \$1,802,334           | \$319,791               | \$2,122,125  | \$447,123              | \$141,938                        | \$589,061            |
| Construction   | \$0                   | \$0                     | \$0          | \$0                    | \$0                              | \$0                  |
| Other  | \$201,988             | \$1,110,343             | \$1,312,331  | \$373,186              | \$809,531                        | \$1,182,717          |
| Total Direct Costs   | \$4,638,688           | \$1,568,282             | \$6,206,970  | \$2,250,952            | \$953,162                        | \$3,204,114          |
| Total Indirect Costs   | \$1,739,510           | \$30,000                | \$1,769,510  | \$895,909              | \$1,257                          | \$897,166            |
| Total Costs  | \$6,378,198           | \$1,598,282             | \$7,976,480  | \$3,146,861            | \$954,419                        | \$4,101,280          |
| % of Total   | 80                    | 20                      | 100          | 77                     | 23                               | 100                  |

  

| 13. Hardware / Software  |
|--|
| <p>13a. List any hardware/software purchased during this reporting period.</p> <p>New purchases this quarter include the following:</p> <ul style="list-style-type: none"> <li>- Interactive Mapping application - \$225</li> <li>- GIS Software &amp; Maintenance - \$2,262</li> <li>- Computers &amp; Software - \$2,427</li> </ul> <p>Hardware/Software purchases for the project to date include the following:</p> <ul style="list-style-type: none"> <li>- Interactive Mapping Application - \$70,329</li> <li>- GIS Software &amp; Maintenance - \$6,422</li> <li>- Computers &amp; Software - \$24,879</li> <li>- Speed Test Software - \$5,476</li> <li>- Google Earth Pro - \$585</li> <li>- Multiple dedicated storage servers and backup replication solution - \$1,975</li> </ul> |
| <p>13b. Please note any hardware/software that has yet to be purchased and explain why it has not been purchased.</p> <p>Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage servers, security application, additional backup replication solution, computers, a spectrum analyzer, GPS units, interactive map upgrades/maintenance, ArcInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance. These items will only be purchased if necessary for the successful completion of the project.</p>   |

**14. SBI PPR Project Attachment (Skip question 14b if Data Collection is your only project).**

14a. Complete a SBI PPR Project Data Collection Attachment and attach it to the PPR.

14b. Complete a SBI PPR Attachment for each additional funded project and attach it to the PPR.

**15. 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.**

15a. Typed or Printed Name and Title of Authorized Certifying Official

Bernie Bogle

Grants Management Officer

15c. Telephone  
(area code, number, and extension)

270-781-4320

15d. Email Address

bbogle@connectednation.org

15b. Signature of Authorized Certifying Official

Submitted Electronically

15e. Date Report Submitted  
(MM/DD/YYYY)

04-29-2013