

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number NT10BIX5570144	3. DUNS Number 001745512
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4. Recipient Organization

 Northern Illinois University, Inc. Lowden Hall, Ste 201, Dekalb, IL 60115-3080

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.

7a. Typed or Printed Name and Title of Certifying Official Lisa Bergeron	7c. Telephone (area code, number and extension)
	7d. Email Address lbergeron@niu.edu

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-20-2012
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).

The Broadband Technology Opportunities program is intended to accelerate broadband deployment in unserved and underserved areas, supporting strategic institutions that are likely to create jobs or provide significant public benefits. The Northern Illinois University team has been working on or completed the following:

- Completed final engineering design for 84% of the planned route.
- Received permits for 34% of the planned route.
- Completed duct installation for 30% of the new construction portion of the project totaling 187 miles.
- Completed fiber installation for 5% of the new construction portion of the project totaling 29 miles
- Met with 80% of CAIs and have secured letters of intent to participate from 41%
- Completed 6 CAI laterals for connectivity
- Selected wireless construction contractor, contract in progress.
- Selected CAI equipment vendor, contract in progress.
- Selected Construction Inspection contractor, contract in progress
- Selected locate and maintenance contractor, contract in progress
- On-going negotiations with potential iFiber Partners to provide ISP/Content/Cloud services to anchor institutions over the iFiber transport network; anticipate some agreements in place by end of Q12012.
- Hired business development staff dedicated to securing agreements with private sector partners to supply bandwidth services and developing the private sector portion of the network
- Hired Network Engineer to start 1/3/2012

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	20	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>At 12/31/2011, 84% of the network is designed and 34% permitted. over 187 miles of conduit have been installed and 29 miles of fiber blown. Lateral terminations for 6 CAIs have been completed with many more in progress. We have selected both a wireless contractor and CAI equipment vendor and will be executing the final contract in January along with initial purchases.</p>
2b.	Environmental Assessment	100	no variance
2c.	Network Design	33	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>At 12/31/2011, over 84% of the network is designed and 34% permitted. We are currently meeting with CAIs to secure organizational commitment and routes. 80% of CAIs have been contacted for which we have secured letters of commitment from 41%.</p>

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
	2d. Rights of Way	20	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>34% of the constructed route has been permitted. Permitting and rights of way acquisition began in mid May. However resource limitations from the primary permitting agency caused turnaround times to more than double. Additional resources have been deployed at the permitting agency which is improving turnaround times. Construction companies have capacity to significantly increase the number of crews in the field pending availability of permits and good weather.</p>
	2e. Construction Permits and Other Approvals	44	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>34% of the constructed route has been permitted. Permitting and rights of way acquisition began in mid May. However resource limitations from the primary permitting agency caused turnaround times to more than double. Additional resources have been deployed at the permitting agency which is improving turnaround times. Construction companies have capacity to significantly increase the number of crews in the field pending availability of permits and good weather.</p>
	2f. Site Preparation	17	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>Increased permits during the quarter will allow contractors to fully deploy the maximum number of crews once winter weather clears.</p> <p>We have selected a Wireless contractor and anticipate executing the contract in January.</p>
	2g. Equipment Procurement	0	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>An equipment vendor was selected during the quarter and the final contract is in progress. The initial Purchase Order is ready and will be submitted upon contract execution anticipated in early January 2012.</p>
	2h. Network Build (all components - owned, leased, IRU, etc)	23	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>At 12/31/2011, 84% of the network is designed and 34% permitted. over 187 miles of conduit have been installed and 29 miles of fiber blown. Lateral terminations for 6 CAIs have been completed with many more in progress. We have selected both a wireless contractor and CAI equipment vendor and will be executing final contract in January along with initial purchases.</p>

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
	2i. Equipment Deployment	0	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>An equipment vendor was selected during the quarter and the final contract is in progress. The initial Purchase Order is ready and will be submitted upon contract execution anticipated in early January 2012.</p>
	2j. Network Testing	10	<p>There were more activities than federal dollars spent during the report period. Variance is also due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>Nearly 30 miles of fiber was installed during the quarter and will ramp up over the next quarter.</p>
	2k. Other (please specify): N/A	0	N/A

3. To the extent not covered above, please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

1) Incumbent providers have increased target marketing aggressiveness to sign up BTOP project CAIs in advance of our efforts. This has resulted in CAIs signing long term contracts with other providers in the past few months. This recent activity from incumbent providers may inhibit our ability to sign up anchor institutions. We have initiated extensive outreach campaigns to provide an update on the project and anticipated build plans. As of 12/31/2011, we have received letters of intent from 41% of our CAIs.

2) A portion of the project region may require greater than anticipated depths for duct and fiber installation. Our team and engineering firm are working with the affected county to resolve the issue.

3) FONSI. The project's environmental assessment was submitted to NTIA on 2/7/2011. The FONSI was received on 5/8/2011. This three month period delayed construction start and will have an impact on progress in the next few quarters. Despite the delay in clearance to begin construction, we anticipate overcoming progress lost within the next three quarters and reaching the overall project target during the grant period.

4) Expenditures. Because the progress reported in this report is based on federal draw down of funds, there will be more activities than federal dollars spent during the report period. The overall project will have drawn 67% of federal expenditures by the project milestone, Q9 8/31/2012. We are working with sub recipients and contractors to ensure timely receipt of invoices for expenditures on the project. Additionally, the original baseline report was developed based on project progress not just expenditures. Actual expenditures can lag project progress by as much as 2 - 3 months. Therefore reflecting further variance from the baseline than actual.

5) Shortened First Quarter. The first official project quarter ended 9/30/2010, two weeks after notice of award on 9/14/2010. Therefore progress does not align with original baseline data which was based on full project quarters. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation. Despite the short initial period, we anticipate reaching the overall project target during the grant period.

6) Permitting. Nearly 75% of total permitting for the project is with a single agency who had limited resources available for permitting causing significant increases in turnaround time given this project and other numerous projects in the region. Turnaround time for permits has decreased significantly since the permitting agency deployed additional resources and we anticipate catching up over the winter months. Because the construction companies have held back on additional crew deployment until sufficient permitting existed, there is not as much progress as planned.

7) Private Property Easements. There are hundreds of private properties which may require easements through rights of way along County and Townships routes. An assessment was completed during the quarter and process for proceeding implemented. We do not anticipate construction delays due to private property easements at this time.

4. Please report the following information regarding network build progress. Write "0" in the Total column and "N/A" in the Narrative column if your project does not include this activity. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	29	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>At 12/31/2011, 84% of the fiber optic portion of the network is designed and 34% permitted. over 187 miles of conduit have been installed and 29 miles of fiber blown. Lateral terminations for 6 CAIs have been completed with many more in progress. We have selected both a wireless contractor and CAI equipment vendor and will be executing final contract in January along with initial purchases. We are confident the project will reach its 67% completion milestone.</p>
New network miles leased	0	<p>Variance is due in part to the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>The planned lease routes are in progress and we anticipate execution of a significant portion in the next quarter. Lease agreements with IDOT and ISTHA for 66 miles along I-90 and I-88 are nearing completion. Other lease agreements are in progress.</p>
Existing network miles upgraded	0	no variance
Existing network miles leased	0	no variance
Number of miles of new fiber (aerial or underground)	29	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>At 12/31/2011, 84% of the network is designed and 34% permitted. over 187 miles of conduit have been installed and 29 miles of fiber blown. Lateral terminations for 6 CAIs have been completed with many more in progress. We have selected both a wireless contractor and CAI equipment vendor and will be executing final contract in January along with initial purchases.</p>
Number of new wireless links	0	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>A wireless contractor has been selected and the final contract is in progress. We have secured CAI participation for 6 initial wireless links and anticipate initiation of those links during the next quarter.</p>
Number of new towers	0	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>A wireless contractor has been selected and the final contract is in progress. We have secured CAI participation for 6 initial</p>

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
		wireless links and anticipate initiation of those links during the next quarter.
Number of new and/or upgraded interconnection points	0	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>Fiber installation began during the quarter. We anticipate splicing and interconnections to begin during the next quarter.</p>

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your sub recipient, contractor or subcontractor is negotiating or entered into.

5a. If applicable, please provide the following information with regard to agreements with broadband wholesalers and/or last mile providers as a result of your project.

Indicators	
Number of signed agreements with broadband wholesalers or last mile providers	0
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	22
Average term of signed agreements (in quarters)	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: Negotiations are in progress, no signed agreements at this time. We anticipate receiving a minimum of 2 executed agreements in late Q1 2012 or early Q2 2012.

5c. What wholesale services are being provided by this project? Please describe below. As an attachment to this report, please provide pricing plans (in \$ per month) associated with each wholesale service provided by your product (100 words or less). Wholesale services description: Wholesale services are being developed.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (600 words or less). Illinois Fiber Resources Group NFP (iFiber) - sub recipient will operate the entire network. Contact: John Lewis, Chairman (815) 753-0936 jlewis@niu.edu

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>We have secured a dedicated resource during the quarter for wholesale and last mile provider negotiations to expedite this process. Negotiations are in progress with 22 broadband wholesalers and/or last mile providers. There is significant increase in interest from wholesalers and last mile providers.</p>

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving improved access	0	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>We have secured a dedicated resource during the quarter for wholesale and last mile provider negotiations to expedite this process. Negotiations are in progress with 22 broadband wholesalers and/or last mile providers. There is significant increase in interest from wholesalers and last mile providers.</p>
	Providers with signed agreements receiving access to dark fiber	0	<p>Variance is due in part to permitting, the delayed FONSI, and Shortened First Quarter issue noted in Q3 below. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>We have secured a dedicated resource during the quarter for wholesale and last mile provider negotiations to expedite this process. Negotiations are in progress with 22 broadband wholesalers and/or last mile providers. There is significant increase in interest from wholesalers and last mile providers.</p>
	Please identify the speed tiers that are available and the number of subscribers for each	0	Tiers will be available once agreements are finalized.
Community Anchor Institutions (including Government institutions)	Total subscribers served	6	<p>Variance is due in part to the delayed FONSI and Shortened First Quarter issue noted in Q3 above. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>We have met with 80% of CAIs and have secured letters of intent to participate from 41%. During the quarter, we completed 6 CAI lateral terminations for connectivity and anticipate a significant increase during the next two quarter with 2 contractors deployed on the project.</p>
	Subscribers receiving new access	0	<p>Variance is due in part to the delayed FONSI and Shortened First Quarter issue noted in Q3 above. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>We have met with 80% of CAIs and have secured letters of intent to participate from 41%. During the quarter, we completed 6 CAI lateral terminations for connectivity and anticipate a significant increase during the next two quarter with 2 contractors deployed on the project.</p>
	Subscribers receiving improved access	6	<p>Variance is due in part to the delayed FONSI and Shortened First Quarter issue noted in Q3 above. According to full project quarters, there is less variance from the baseline plan for the project at fifteen months and two weeks from initiation.</p> <p>We have met with 80% of CAIs and have secured letters of intent to participate from 41%. During the quarter, we completed 6 CAI lateral terminations for connectivity and anticipate a significant increase during the next two quarter with 2 contractors deployed on the project.</p>
	Please identify the speed tiers that are available and the number or subscribers for each	2	1 Gbps for 461 CAIs and 100 Mbps for 72 CAIs
Residential / Households	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A

7. Please describe any special offerings you may provide (600 words or less).

N/A

8a. Have your network management practices changed over the last quarter? Yes No

8b. If so, please describe the changes (300 words or less).

N/A

9. Community Anchor Institutions:

Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Figures should be reported for the most recent reporting quarter only (NOT cumulatively). Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a short narrative description with examples of how institutions are using BTOP-funded infrastructure (300 words or less).

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure
Amboy High School	Amboy	K-12	No	to expand and improve access to resources
Amboy Jr. High School	Amboy	K-12	No	to expand and improve access to resources
Amboy Central Elementary School	Amboy	K-12	No	to expand and improve access to resources
Dixon High School	Dixon	K-12	No	to expand and improve access to resources
Reagan Middle School	Dixon	K-12	No	to expand and improve access to resources
Fire Station 2	Belvidere	Public Safety	No	to expand and improve access to resources

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

We are actively negotiating with 22 leased and last mile providers and anticipate finalizing partner agreements with wholesale and last mile providers in addition to IRUs for portions of the network. Several of these agreements are in their final stages.

We will have selected and executed agreements for a wireless contractor, equipment vendor for CAI gear, construction inspection, locate and maintenance contractor. We will have received responses and evaluated vendors for core equipment who respond to the planned RFP.

Contractors began blowing fiber in October and we anticipate a minimum of 40 new network miles deployed during the next quarter.

We have several leased miles under negotiation and in the final stages of execution. We will have a minimum of 20 CAI subscribers connected during the next quarter and 90% of all CAIs contacted. While we are in negotiations with 22 broadband wholesalers and last mile providers, we anticipate several fully executed agreements will be received in late Q1 2012 or early Q2 2012.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Planned Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	37	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>We anticipate nearing completion of the new fiber optic network design and significant permitting during the next quarter. Construction activity will continue despite the winter weather with more activity focused on boring rather than plowing. We anticipate having more than 40% of conduit completed and 20% of fiber blown by the end of the next quarter. The wireless vendor contract will be executed with design on the initial wireless links initiated. We anticipate reaching over 90% of our CAIs and securing commitments from 60%. The CAI equipment will be received during February with installation activities beginning late in the quarter. The core network equipment RFP will be released by mid February.</p>
2b.	Environmental Assessment	100	no variance
2c.	Network Design	40	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>We anticipate having over 95% of the new fiber optic network designed and submitted with 60% of the network permitted. Engineering will begin on 6 of the wireless network links during the quarter.</p>
2d.	Rights of Way	61	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>We anticipate having 60% of the new fiber optic network permitted during the quarter.</p>
2e.	Construction Permits and Other Approvals	72	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>We anticipate having 60% of the new fiber optic network permitted during the quarter.</p>
2f.	Site Preparation	32	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>We anticipate having more than 40% of conduit completed and 20% of fiber blown by the end of the next quarter. The wireless vendor contract will be executed with design on the initial wireless links initiated.</p>
2g.	Equipment Procurement	15	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>The CAI equipment will be received during February with installation activities beginning late in the quarter. The core network equipment RFP will be released by mid February.</p>
2h.	Network Build (all components - owned, leased, IRU, etc.)	41	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>We anticipate having more than 40% of conduit completed and 20% of fiber blown by the end of the quarter. The wireless vendor contract will be executed with design on the initial wireless links initiated. We anticipate executing IRUs for 60 of the leased miles planned.</p>

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2i.	Equipment Deployment	20	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>The CAI equipment will be received during February with deployment/installation activities beginning late in the quarter. The core network equipment RFP will be released by mid February.</p>
2j.	Network Testing	21	<p>There will be more activity than federal dollars expended during the quarter. Variance is also due in part to permitting, delayed FONSI, and Shortened First Quarter issue noted in Q3.</p> <p>We anticipate having more than 40% of conduit completed and 20% of fiber blown by the end of the next quarter. Network testing will take place on a majority of the completed new fiber miles.</p>
2k.	Other (please specify): N/A	0	N/A

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Weather. Midwest weather could delay construction depending on snow levels and frost lines. However, both contractors were still plowing in late December and anticipated plowing well into January 2012.

Infrastructure Budget Execution Details

Activity Based Expenditures (Infrastructure)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

Budget for Entire Project				Actuals from Project Inception through End of Current Reporting Period			Anticipated Actuals from Project Inception through End of Next Reporting Period		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Administrative and legal expenses	\$3,711,487	\$1,213,656	\$2,497,831	\$1,100,349	\$214,297	\$886,052	\$1,454,577	\$214,297	\$1,240,279
b. Land, structures, right-of-ways, appraisals, etc.	\$4,647,688	\$1,519,794	\$3,127,894	\$603,649	\$120,730	\$482,919	\$1,132,730	\$120,730	\$1,012,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,223,700	\$400,150	\$823,550	\$402,371	\$80,474	\$321,897	\$502,371	\$80,474	\$421,897
e. Other architectural and engineering fees	\$841,250	\$275,089	\$566,161	\$134,721	\$26,944	\$107,776	\$194,721	\$26,944	\$167,776
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$48,327,740	\$15,810,021	\$32,517,719	\$11,641,109	\$2,607,378	\$9,033,732	\$21,171,684	\$8,341,260	\$12,830,424
j. Equipment	\$9,778,411	\$3,197,540	\$6,580,871	\$0	\$0	\$0	\$960,000	\$0	\$960,000
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$68,530,276	\$22,416,250	\$46,114,026	\$13,882,199	\$3,049,823	\$10,832,376	\$25,416,083	\$8,783,705	\$16,632,376
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$68,530,276	\$22,416,250	\$46,114,026	\$13,882,199	\$3,049,823	\$10,832,376	\$25,416,083	\$8,783,705	\$16,632,376

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0

b. Program Income to Date: \$0