

QUARTERLY PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

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 23-43-B10581	3. DUNS Number 607132466
4. Recipient Organization AXIOM Technologies, LLC 3 Water Street, Machias, ME 04654-1118		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No	
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 Susan M Corbett CEO	7c. Telephone (area code, number and extension) (207) 255-0679	
	7d. Email Address susan.corbett@axiom-tech.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-17-2012	

Project Indicators (This Quarter)

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

Axiom Activities:

Axiom's Project Director continues to promote broadband throughout the State and was the Keynote Speaker at Maine Development Foundation's Annual Meeting in September. The data entry portion of the software, MAPOnline has been completed, and the reporting function will be completed this coming quarter. The software will go "live" in October and farmers and fishermen will back-enter data into the software to begin to utilize MAPOnline. Farmers, Fishers, their crews and families have continued computer classes such as Basic Computer Skills, Microsoft Office, Excel, QuickBooks and PhotoShop. Over 1889 learning hours were completed this quarter by farmers, fishermen, their crews and families. Computer classes continue to be offered free of charge for Washington County residents at several locations. Axiom continues to partner with Maine State Library's BTOP Public Computer Center project and offers free computer classes at 18 libraries throughout Washington County. Classes are also being offered at the Passamaquoddy Tribal Office in Pleasant Point. 79 new citizens took advantage of the classes Q3/2012, logging in 578.1 learning hours. The Entrepreneurial Coach continues to meet with farmers and fishermen, assisting them in developing "best practice" technology into their business operations. Additional training has been identified through this process and classes and tutoring have been scheduled as needed. Axiom was invited to submit a proposal to the John T. Gorman Foundation to continue offering Digital Literacy classes to the residents of Washington County in 2013 and 2014 and we await approval. The goal will be to increase technology usage and digital literacy skills to businesses and residents in Washington County.

CoNHP Activities:

Nursing Distance Learning Education classes began at Downeast Community Hospital in August with a Senior class of seven students and an incoming Freshmen class of seven students. The Nursing Program logged in 3728.5 learning hours this quarter.

Other Activities:

The Project Director has begun meeting with funding institutions to discuss the marketing and promotion of MAPOnline. We are exploring adding other products, and expanding to other States. We have also met with a Marketing Consultant to discuss the short-term and long-term plan for bringing the software to market.

Axiom, in collaboration with Sunrise County Economic Council, also submitted a proposal to the Blackstone Foundation. The "Community Technical Assistance Plan" will provide technical assistance and consultation to 1,000 businesses in Washington County.

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 report, please insert them at the bottom of the table. 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 any other relevant information)
2.a.	Overall Project	81	As of September 30, 2012, the Project was approximately 81% complete with expenditures of \$1,509,275.91 (\$1,139,796.20 Federal and \$369,479.71 match) compared to a projected 84% (\$1,563,620 in total expenditures). This variation is less than 3.5% and \$54,344 below projections for the project during this quarter. SubRecipient expenditures were lower at this time of year until classes resumed in early September. The match percentage at this juncture is approximately 24.5%, or nearly 1% above requirements. The Project is running smoothly, within its projected time frame and budget and reaching or exceeding our stated goals and objectives. Our Baseline Plan had stated that by Year 3 Quarter 1 (end of September 30, 2012), we should be closer to the 90% mark, however, we have funding (\$365,768) for at least two more quarters, which will take us through the winter training season and the current semester and into the spring at CoNHP.
2.b.	Equipment / Supply Purchases	-	Progress reported in Question 4 below

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2.c.	Awareness Campaigns	-	Progress reported in Question 4 below
2.d.	Outreach Activities	-	Progress reported in Question 4 below
2.e.	Training Programs	-	Progress reported in Question 4 below
2.f.	Other (please specify):	-	Progress reported in Question 4 below

3. 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).

Axiom Challenges: Farmers and Fishermen found it difficult to meet during this quarter as this is their busiest season for harvesting during the spring, summer and fall months. However, they did meet with Axiom staff to review the ongoing software revisions and also found time to meet with the Entrepreneurial Coach.

CoNHP Challenges: CONHP had three unexpected faculty vacancies this summer on the heels of a reduction in force done in May 2012, leaving the program with insufficient faculty. One of the faculty resignations was due to a serious illness in the family. The staff member left the area suddenly without reporting of the status of the program at DECH which has created additional problems related to supporting the remote site. The University of Maine at Machias (UMM) was uninformed of changes in the program structure, which resulted in students being unable to sign up for Anatomy and Physiology I at UMM. UMM is very supportive of the program and opened a new lab section in order to accommodate the students' requirements to enroll in the Anatomy & Physiology I courses. A meeting with UMM is being planned to review program changes. DECH has been cooperative and supportive in space considerations and the Program is expected to continue with minimum impact and consideration for the students enrolled.

4a. In the chart below, please provide the requested information on your BTOP grant-funded SBA activities. Please also provide a short description of the activity (600 words or less). Figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please ensure that the numbers of new household subscribers and business or community anchor institution (CAI) subscribers reflected in the "Total" row represent the unduplicated number of new subscribers that can be attributed to your SBA project as a whole.

Name of the SBA Activity	Location of SBA Activity	Description of Activity (600 words or less)	Size of Target Audience	Actual Number of Participants	New Subscribers: Households	New Subscribers: Businesses and/or CAIs
Awareness Campaign	Washington County, State of Maine and National	<p>Approximately 1,522 people attended various activities where both Axiom and CoNHP (the SubRecipient) raised awareness about the Project and collaborated with others through presentations, press conferences and participation.</p> <p>7/1/12 to 9/30/12: 7/5/2012 Susan Corbett Presented to Senate Candidate Angus King and invited guests. 10 7/16/2012 Susan Corbett Presented to EdGE Teen Leadership campers. 10 7/27/2012 Susan Corbett Radio Interview with MPBN 1000 (Radio Audience) 9/11/2012 Susan Corbett Presented to WC Democratic candidates forum 22 9/26/2012 Susan Corbett Keynote Speaker at MDF Annual Meeting 480 TOTAL 1522</p> <p>As a direct and indirect result of these awareness campaigns, in addition to the Project participants and other students receiving computer skills/ internet training, to date, there has been a cumulative total of 319 household subscribers and 24 new business installs, with a total of 718 new users within these households and 103 new users within the businesses (821 total). The Target Audience total is a cumulative number of attendees at Awareness Campaign Activities.</p>	8,456	821	319	23

Name of the SBA Activity	Location of SBA Activity	Description of Activity (600 words or less)	Size of Target Audience	Actual Number of Participants	New Subscribers: Households	New Subscribers: Businesses and/or CAIs
Outreach Activities	Washington County, State	<p>The following is a summary of the Outreach Activities of Axiom's CEO who discussed, promoted and collaborated on the Project locally and throughout the State and beyond for the period July 1, 2012 through September 30, 2012: Phone conference with Northeast Wireless to discuss use of 2.5 GHz frequency to bring broadband to unserved areas in Washington County; Met with Senator Kevin Raye, Representatives Joyce Maker and David Burns, SCEC Executive Director to discuss broadband development and challenges in Washington County, including the financial limitations of building a fiberoptic network to the very remote areas in WC; Met with Downeast Conservancy to discuss the Two Rivers Campaign and designing an interactive map/information for hikers and kayak/canoes users; Met with U.S. Senate Candidate, Angus King and discussed broadband challenges in Maine and the need to increase broadband adoption. Briefed former Gov. King on Axiom's BTOP project; Phone conference with the JTG Foundation to discuss potential funding to continue digital literacy classes in Washington County in 2013; Met with Executive Director for Mobilize Maine and Mobilize Maine Project Manager for Washington County. Discussed Axiom's BTOP project and vision for increasing digital literacy for all residents in the State of Maine. Discussed the development of the software for the farmers and fishermen and ways to promote the product and add other agricultural and marine products to expand the software; Met with EdGE Teen Leadership Campers at the Axiom office to discuss Axiom's operations and how to be a success entrepreneur; Attended the Mozilla Ignite Webinar; Attended the BTOP Webinar, PCC-SBA Project Close-out Training Webinar; Attended Harrington Family Health Center BOD Meeting; met with Harrington Family Health Center CEO and Executive Director of Washington County; One Community to discuss community outreach and use of technology; Attended Local Workforce Investment Board Annual Meeting; Attended the NTIA Webinar, New Public Safety Broadband Network; Conference call with Acting Dean of Student Affairs at Washington County Community College to discuss the state of broadband in WC and how students need to access the online services at WCCC; Conference call with Passages to discuss providing broadband connectivity and support to Passages students across Maine; Interviewed by Maine Public Broadcasting to discuss the impact of the Three Ring Binder for rural areas; Attended BTOP Webinar, Rural Development 101: Funding Opportunities from the USDA; Met with Tilson Technology and discussed the Three Ring Binder and Axiom's BTOP grant; Weekly Phone conference with Portland Webworks team to discuss software development; Phone conference with Exec. Director, Mobilize Maine and Planning Decisions to strategize and discuss expanding Axiom's Digital Literacy Program across the State of Maine; Meeting with from Penn. State staff to discuss research and report that is completed focusing on Washington County and broadband. Axiom was a participant in this research project; Maine Community Foundation Educational Task Force meeting to continue to find solutions and identify barriers for educational attainment in Washington County; Phone Conference with Mobilize Maine Leadership Team; Phone Conference with Maine Development Foundation to discuss keynote address for MDF's Annual Meeting in September; Mobilize Maine meeting and Goal Setting for Washington County; Meeting with Greenlight Solutions to discuss Axiom's BTOP project; Attended State Workforce Investment Board meeting in Augusta; Conference Call with Maine Rural Partners to discuss mission of MRP and role of Axiom and Washington County; Conference Call to discuss marketing of MAPOnline; Conference Call with United Cerebral Policy to discuss telehealth options; Meeting with Pioneer Broadband to discuss broadband expansion in northern Washington County; Conference Call, Pennisi & Lamarre Marketing to discuss entrepreneurship in Maine and the need for high-capacity broadband connectivity; Conference Call with ConnectME, Network Maine, Sewall Company to discuss Air U. and the use of whitespace spectrum for the unserved and underserved; Meeting with CEO, Harrington Family Health Center and Dr. Jerri Jensen to discuss healthcare disparities in Washington County and the use of telemedicine technology; Meeting with Maine Fiber Advisory Board/ Augusta; Meeting with Tilson Technology to discuss last mile broadband delivery and build-out of fiber; Attended University of Maine's Board of Visitors meeting. Met with University Meeting with North Star Tower to discuss tower build on Great Wass Island; Presented at Washington County Democratic candidates forum to explain the state of broadband in Washington County and in Maine; Interview with Bangor Metro Magazine; Attended Mano en Mano Open House and discussed setting up public computer center in Milbridge for area residents; Invited to submit a proposal to the John T. Gorman</p>	0	0	0	0
		<p>Foundation for funding to continue digital literacy classes in Washington County for 2013 and 2014; Conference call to discuss Air U. proposal for Washington Cty; Meeting with Coastal Enterprises team which includes a financial advisor, agricultural and fisheries expert, to discuss funding options for marketing and promoting MAPOnline; Meeting with GWI, to discuss broadband expansion in rural Maine; Keynote Speech at Maine Development Foundation's Annual Meeting</p>				

Name of the SBA Activity	Location of SBA Activity	Description of Activity (600 words or less)	Size of Target Audience	Actual Number of Participants	New Subscribers: Households	New Subscribers: Businesses and/or CAIs
Training Activities	Machias; Washington County, Maine	<p>The data entry portion of the software, MAPOnline has been completed during the third quarter of 2012, and the reporting function will be completed this coming quarter. The software will go "live" in October and farmers and fishermen will back-enter data into the software to begin to utilize MAPOnline. Farmers, Fishers, their crews and families have continued computer classes such as Basic Computer Skills, Microsoft Office, Excel, QuickBooks and PhotoShop. Over 1,889 learning hours were completed this quarter by farmers, fishermen, their crews and families. Computer classes continue to be offered free of charge for Washington County residents at several locations. Axiom continues to partner with Maine State Library's BTOP Public Computer Center project and offers free computer classes at 18 libraries throughout Washington County. Classes are also being offered at the Passamaquoddy Tribal Office in Pleasant Point. Seventy-nine citizens took advantage of the classes Q3/2012, logging in 578.1 learning hours. The Entrepreneurial Coach continues to meet with farmers and fishermen, assisting them in developing "best practice" technology into their business operations. Additional training has been identified through this process and classes and tutoring have been scheduled as needed. Axiom was invited to submit a proposal to the John T. Gorman Foundation to continue offering Digital Literacy classes to the residents of Washington County in 2013 and 2014 and we await approval. The goal will be to increase technology usage and digital literacy skills to businesses and residents in Washington County. Nursing Distance Learning Education classes began at Downeast Community Hospital in August with a Senior class of seven students and an incoming Freshmen class of seven students. The Nursing Program logged in 3728.5 learning hours this quarter. During this quarter, the Farmers/Fisherman (including crew and families) accumulated a total of 1,889 training hours; the Nursing students 3,728.5 hours (with 7 new students); and all other students (72 of them new) 571.8 hours; for a total of 293 students, who have trained a cumulative total of 6,189.3 training hours for the quarter. Axiom's Training Plan goal was to train 96 students a cumulative total of 16,579.2 hours (approximately 172.7 hours per student). To date, the Program has had a total of 293 students who have received training that have accumulated 30,219.5 hours. This is 197 students and 13,640.3 hours above our goal. In addition, 36 Project participants have had Broadband installed as a result of this project.</p>	0	262	0	36
Total:			8,456	1,083	319	59

4b. Please describe your method for determining the number of households, businesses, and/or (CAIs) subscribing to broadband as a result of your SBA programs (600 words or less).

As previously explained, Axiom and CoNHP have not changed their methods of determining numbers of subscribers. Axiom tracks all installation of Broadband in homes and businesses, and surveys the home or business owner as to how many people/employees will be using the Broadband and also makes them aware of the ongoing training it offers throughout the County free of charge for users (including the new Library sites and the one at Pleasant Point) These numbers are given to Axiom's BTOP Program Director for the Quarterly Reporting process. The Broadband and computer usage and training that Axiom offers to Program Participants (and their families and crews), as well as the general public is tracked by the instructors, with the assistance of the students when they are not in the classroom. A usage sheet is collected from the students during each class that track hours of training and usage when not in the classroom, classroom training hours are added and the sheets are returned to the students to keep with them. The figures are compiled by the instructors and are given to the BTOP Program Director on a monthly basis, who in turn records and compiles the figures for the Quarterly Reports. The SubRecipient tracks the nursing students usage and training in the same manner and CoNHP BTOP Program Manager provides these figures to Axiom's BTOP Project Director for reporting.

4c. Please provide a narrative explanation if the total number of new subscribers is different from the targets provided in your baseline plan (600 words or less).

At the end of this reporting quarter (September 30, 2012), (Year 3, Quarter 1), Axiom expected to have approximately 684 New Broadband Household Subscribers and 104 Business Subscribers. As of the end of this reporting quarter, we had 319 Household Subscribers (47% of target) and 59 Business Subscribers (57% of target), with approximately 1,083 new Users. We are approximately 81% finished with the project (time frame/cost) and feel that it is highly likely to attain our goals as we move forward and the attributes of the Program and its assets are being widely recognized. Part of the issue with the business installations is that many are very small operations; they either already have broadband or cannot afford it; or their location makes it challenging to bringing Broadband to them. One of the recent achievements of the Program in solving the later issue is bringing a tower and Broadband to Great Wass Island. Many of our new trainees are highly interested and engaged in Broadband usage, as evidenced by the consistent and growing

numbers of Household installs, users and those taking advantage of the free training offered throughout the Region. Axiom has been Invited to submit a proposal to the John T. Gorman Foundation for funding to continue digital literacy classes in Washington County for 2013 and 2014.

We continue to conduct extensive Outreach and Awareness activities; provide no cost training to interested residents instruction on how Broadband can overcome the obstacles they face in both their personal and professional lives, in an oftentimes harsh climate in a very remote part of the State. Although the installations are below expectations (which could be, in part, due to the economy), we continue to have large numbers of people attend the free training classes and expect those numbers to continue to grow. This past quarter we have had 37 home and 4 new business installations; 7 new Program participants with Broadband installations; and 72 new enrollees in the free training classes.

4d. Please provide the number of households and the number of businesses and CAIs receiving discounted broadband service as result of BTOP funds.

Households: 20	Businesses and CAIs : 1
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Project Indicators (Next Quarter)

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

Axiom: Project accomplishments planned for the upcoming Quarter include: Subjects will meet with both the Consultants and Axiom staff for Final meetings; University of Maine at Machias will finalize its Project study data; submit a proposal to the John T. Gorman Foundation for funding to continue digital literacy classes in Washington County for 2013 and 2014; as well as discuss and seek funding options for marketing and promoting MAPOnline program. The data entry portion of the software, MAPOnline has been completed, and the reporting function will be completed this coming quarter. The software will go "live" in October and farmers and fishermen will back-enter data into the software to begin to utilize MAPOnline.

collaborate with local, state and federal agencies for replication and implementation of Program outcomes; and Project completion under the BTOP funding. Axiom will also continue to conduct outreach, awareness and training activities to promote the installation and usage of Broadband throughout the Region, other rural areas and across the State.

CoNHP: CoNHP will continue to gather data on their Distance Learning Program, investigate ways to expand the Program into other rural areas, offer continuing classes and student support as needed.

2. Please provide the percent complete anticipated for the following key milestones in your project as of the end of the next quarter. Write "0" in the second column if your project does not include this activity. If you provided additional milestones in your baseline report, please insert them at the bottom of the table. Figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the planned 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 any other relevant information)
2.a.	Overall Project	89	Expenditures for the upcoming Quarter are expected to total \$162,134, with a cumulative for the Program to date of \$1,671,410, or 89% of the Project costs. According to the Baseline Plan projections, through the end of December 2012, (our next quarter being Year 3, Q2) we should have total expenditures of \$1,875,044 or 100% of Project costs. This is a difference of \$203,634 or approximately 10%, which is somewhat over a projected quarter's expenses, which is correct according to our current Plan. We again reference the difficulty of the first two reporting quarters: the first being only 17 days long and the second being utilized to issues contracts and order equipment and we feel that this is actually only our 7th quarter of actual operations, which would reduce the amounts and percentages significantly. Project expenses for the upcoming Quarter will mainly consist of payroll, consultant costs, travel, marketing and Broadband fees.
2.b.	Equipment Purchases	-	Milestone Data Not Required
2.c.	Awareness Campaigns	-	Milestone Data Not Required
2.d.	Outreach Activities	-	Milestone Data Not Required
2.e.	Training Programs	-	Milestone Data Not Required
2.f.	Other (please specify):	-	Milestone Data Not Required

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).

Axiom and its SubRecipient does not anticipate any unexpected challenges as they near the last few quarters of the Project that may impeded our planned progress and Project completion. SubRecipient CoNHP has had its challenges with a recent staff shortage, but they have addressed the issues with little to no impact to the nursing students. Moving forward, the challenges will likely be related to continued funding of various aspects of the Programs that will continue to benefit the residents and the economy in this remote Region and throughout the State.

Sustainable Broadband Adoption Budget Execution Details

Activity Based Expenditures (Sustainable Broadband Adoption)

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. Personnel	\$348,800	\$61,460	\$287,340	\$302,089	\$60,462	\$241,627	\$337,589	\$67,562	\$270,027
b. Fringe Benefits	\$94,171	\$16,594	\$77,577	\$81,784	\$16,324	\$65,460	\$91,284	\$18,224	\$73,060
c. Travel	\$23,050	\$13,050	\$10,000	\$24,387	\$18,661	\$5,726	\$25,987	\$20,261	\$5,726
d. Equipment	\$129,517	\$0	\$129,517	\$129,517	\$0	\$129,517	\$129,517	\$0	\$129,517
e. Supplies	\$500	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Contractual	\$312,198	\$433	\$311,765	\$163,756	\$0	\$163,756	\$210,156	\$0	\$210,156
g. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Other	\$966,808	\$353,411	\$613,397	\$807,743	\$274,033	\$533,710	\$876,877	\$309,192	\$567,685
i. Total Direct Charges (sum of a through h)	\$1,875,044	\$445,448	\$1,429,596	\$1,509,276	\$369,480	\$1,139,796	\$1,671,410	\$415,239	\$1,256,171
j. Indirect Charges									
k. TOTALS (sum of i and j)	\$1,875,044	\$445,448	\$1,429,596	\$1,509,276	\$369,480	\$1,139,796	\$1,671,410	\$415,239	\$1,256,171

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
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Empty space for providing additional details or comments.