

## Budget Narrative

### MassBroadband 123 Project Extension Request

All Federal Expenditures under the project and the original match required are projected to be incurred by June 30, 2013 so the attached SF424C shows \$0 for the extension period. Because the payment terms of the Design Build contract require certain deliverables and/or testing to be completed prior to payment by MassTech to the Design Build contractor, some payments related to the work completed by June 30, 2013 will not be paid out until during the extension period. While these funds will not be paid out until the extension period, the costs were incurred and the funds are treated as expended during the period prior to June 30, 2013. This treatment of expended funds is consistent with MassTech's treatment throughout the project.

MassTech currently projects that \$5 million in federal funds will be drawn down during the extension period. All other project payments during the extension period will be funded with non-federal funds.

All additional costs incurred during the extension period will be funded from non-federal sources that are incremental to the match required under the federal award due to the increased total project budget previously discussed with NTIA.