



Report in Brief

March 1, 2023

Background

The Middle Class Tax Relief and Job Creation Act of 2012 established the First Responder Network Authority (FirstNet Authority) as an independent authority within the National Telecommunications and Information Administration (NTIA) to ensure the building, deployment, and operation of the Nationwide Public Safety Broadband Network (NPSBN) dedicated to first responders. In 2017, FirstNet Authority entered into a 25-year contract with AT&T for the construction and operation of the NPSBN. The contract includes (a) the initial obligation of up to \$6.5 billion, (b) AT&T's use of dedicated broadband spectrum, and (c) scheduled payments from AT&T to FirstNet Authority during the contract for use of the dedicated spectrum. FirstNet Authority must reinvest funds received from payments that were not used for operations back into the network to construct, maintain, operate, and improve the NPSBN.

In June 2020, the FirstNet Authority Board approved its first two reinvestment opportunities that added task orders (TOs) to the NPSBN contract. FirstNet Authority's oversight activities regarding the NPSBN contract are comprised of, but not limited to, the review and acceptance of deliverables and Quality Assurance Surveillance Plan (QASP) items. We audited the FirstNet Authority reinvestment process due to the importance of the network to first responders and the substantial amount—approximately \$15 billion—that will be reinvested in the network over the next several years.

Why We Did This Review

Our audit objective was to determine whether FirstNet Authority's process for reinvesting fee payments is effective and consistent with established practices, procedures, and regulations. This report focuses on whether FirstNet Authority had effective processes for contract oversight of its initial two reinvestments.

FIRST RESPONDER NETWORK AUTHORITY

FirstNet Authority Failed to Provide Adequate Contract Oversight for Its Initial Two Reinvestment Task Orders

OIG-23-012-A

WHAT WE FOUND

We found that FirstNet Authority did not adequately assess contractor performance of its initial two reinvestments. Specifically,

- I. FirstNet Authority did not have sufficient performance measurements in the QASP to adequately assess contractor performance for its first two reinvestment TOs.
- II. FirstNet Authority did not perform independent verification of contractor performance regarding deployables.
- III. FirstNet Authority contracting officer's representatives relied on NPSBN Program Management Office personnel that are not certified or formally appointed to conduct contract monitoring.
- IV. FirstNet Authority's Senior Management Council (SMC) reviews were not conducted in a transparent manner for the NPSBN reinvestment TOs.

WHAT WE RECOMMEND

We recommend that the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer and Chief Procurement Officer to do the following:

1. Modify the current QASP to ensure that NPSBN contract QASP items, for TOs 6 and 7, are complete and sufficiently detailed to measure the contractor's performance regarding the quality of NPSBN services expected to be provided for the respective TOs.
2. Ensure the QASP is adequately updated for future reinvestment TOs and QASP items are complete and sufficiently detailed to measure the contractor's performance regarding the quality of NPSBN services expected to be provided for the TOs.
3. Strengthen FirstNet Authority's contract monitoring activities, including conducting on-site surveillance activities to verify services are provided.
4. Ensure that any personnel conducting surveillance activities on the NPSBN are appointed, in writing, and complete any necessary training and certifications as required by the *Commerce Acquisition Manual* and/or the Federal Acquisition Regulation.

We recommend that the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to do the following:

5. Ensure that SMC meetings are conducted in a transparent manner by allowing our attendance or providing an alternative that clearly and comprehensively demonstrates FirstNet Authority's oversight.
6. Ensure management discussions and decisions are fully documented with sufficient detail to (a) support adequate investment oversight and (b) justify key decision approvals.