

# FirstNet Authority's Lack of Contract Oversight for Device Connection Targets Puts the NPSBN at Risk of Impacting First Responders' Use of the Network

FINAL REPORT NO. OIG-24-027-A

JUNE 12, 2024



U.S. Department of Commerce  
Office of Inspector General  
Office of Audit and Evaluation

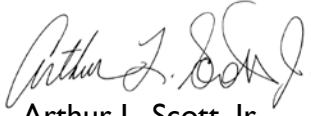


June 12, 2024

**MEMORANDUM FOR:** Jeremy Pelter  
Deputy Assistant Secretary for Administration, performing the  
non-exclusive functions and duties of the Chief Financial Officer  
and Assistant Secretary for Administration  
U.S. Department of Commerce

Alan Davidson  
Assistant Secretary of Commerce for Communications and  
Information and NTIA Administrator  
National Telecommunications and Information Administration

Joseph M. Wassel  
Chief Executive Officer  
First Responder Network Authority

**FROM:**   
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Assistant Inspector General for Audit and Evaluation

**SUBJECT:** *FirstNet Authority's Lack of Contract Oversight for Device Connection  
Targets Puts the NPSBN at Risk of Impacting First Responders' Use of  
the Network*  
Final Report No. OIG-24-027-A

Attached is our final report on our audit of the First Responder Network Authority's (FirstNet Authority's) oversight of the Nationwide Public Safety Broadband Network contract's device connection targets. We announced two concurrent audits with the following objectives: (1) to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for device connection targets for each state and territory and (2) to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for network coverage for each state and territory.

We separated these objectives into three different components that include (1) the evolution of the desired results for device connection targets and network coverage as executed through contract modifications, (2) oversight of device connection targets, and (3) oversight of network coverage. This report focuses on the second component—FirstNet Authority's oversight of device connection targets.

We found that FirstNet Authority did not adequately assess contractor performance to ensure AT&T achieved the desired results for device connections targets for each state and territory. Specifically, we found that FirstNet Authority did not:

- develop measurable performance standards and methods of surveillance to assess if reported device connections complied with the Act and contract requirements;
- develop an adequate performance metric to accurately measure public safety use and adoption;
- review AT&T's quality control program results or consistently conduct audits of raw data; or
- remediate deficiencies for device connections.

On April 12, 2024, we received NTIA's response to our draft report. In response to our draft report, NTIA concurred with all three of our recommendations and described actions it intends to take to address them. Within its response, NTIA provided an attachment with FirstNet Authority's letter responding to the draft report. Additionally, FirstNet Authority provided technical comments. We considered those comments but did not revise our report. Per requests made by FirstNet Authority, we have redacted certain business sensitive information and/or information otherwise protected from disclosure from the public version of this report. NTIA's formal response and FirstNet Authority's letter are included within this final report as appendix B. At AT&T's request, we met with AT&T representatives on May 9, 2024, for a listening session regarding their concerns about the issues reflected in this report.

Pursuant to Department Administrative Order 213-5, please submit to us an action plan that addresses the recommendations in this report within 60 calendar days. This final report will be posted on our website pursuant to sections 4 and 8M of the Inspector General Act of 1978, as amended (5 U.S.C. §§ 404 & 420).

Pursuant to Pub. L. No. 117-263, Section 5274, non-governmental organizations and business entities specifically identified in this report have the opportunity to submit a written response for the purpose of clarifying or providing additional context to any specific reference. Any response must be submitted to Analee Striner-Brown, Division Director, at [astriner-brown@oig.doc.gov](mailto:astriner-brown@oig.doc.gov) and [OAE\\_Projecttracking@oig.doc.gov](mailto:OAE_Projecttracking@oig.doc.gov) within 30 days of the report's publication date. The response will be posted on our public website at <https://www.oig.doc.gov/Pages/Audits-Evaluations.aspx>. If the response contains any classified or other non-public information, those portions should be identified as needing redaction in the response and a legal basis for the proposed redaction should be provided.

We appreciate the cooperation and courtesies extended to us by your staff during this audit. If you have any questions or concerns about this report, please contact me at (202) 577-9547 or Analee Striner-Brown, Director of Telecommunications, at (202) 893-8759.

Attachment

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# Report in Brief

June 12, 2024

## Background

The Middle Class Tax Relief and Job Creation Act of 2012 (the Act) established the First Responder Network Authority (FirstNet Authority) to ensure the building, deployment, and operation of the Nationwide Public Safety Broadband Network (NPSBN) dedicated to first responders. On March 28, 2017, FirstNet Authority entered into a contract with AT&T for the construction and operation of the NPSBN. The contract and a later task order originally included coverage/capacity and device connection target requirements that AT&T had to meet with six different milestones through the network buildout. All milestones have payments associated with them. FirstNet Authority and AT&T are responsible for verifying AT&T's performance against performance standards, and FirstNet Authority must also verify that AT&T met device connection targets.

Due to the importance of maintaining and growing public safety adoption of the NPSBN, we sought to determine whether FirstNet Authority took appropriate action to ensure that AT&T's reported device connections are accurate and meet contract requirements.

## Why We Did This Review

We announced two concurrent audits to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for (1) device connection targets for each state and territory and (2) network coverage for each state and territory. We separated these objectives into three components that include (1) the evolution of the desired results for device connection targets and network coverage as executed through contract modifications, (2) oversight of device connection targets, and (3) oversight of network coverage. This report focuses on the second component: FirstNet Authority's oversight of device connection targets.

## FIRST RESPONDER NETWORK AUTHORITY

FirstNet Authority's Lack of Contract Oversight for Device Connection Targets Puts the NPSBN at Risk of Impacting First Responders' Use of the Network

OIG-24-027-A

## WHAT WE FOUND

We found that FirstNet Authority did not adequately assess contractor performance to ensure AT&T achieved the desired results for device connection targets for each state and territory. Specifically, FirstNet Authority did not

- develop measurable performance standards and methods of surveillance to assess if reported device connections complied with the Act and contract requirements;
- develop an adequate performance metric to accurately measure public safety use and adoption;
- review AT&T's quality control program results or consistently conduct audits of raw data; or
- remediate deficiencies for device connections.

## WHAT WE RECOMMENDED

We recommended 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 quality assurance surveillance plan (QASP) to ensure:
  - a. surveillance methods are sufficiently defined and detailed to verify that AT&T's performance meets contract requirements and the Act's requirements for all work requiring surveillance, including all the criteria of a device connection.
  - b. device connection target key performance indicators are sufficiently designed to accurately measure performance.
2. Direct the contracting officer's representative to document and maintain all surveillance activities, to include surveillance activities conducted by subject-matter experts, in the official contract file.
3. Direct the contracting officer's representative to follow the QASP to conduct sufficient surveillance of device connection targets, to include performing random audits, reviewing AT&T's Quality Control Plan results, and holding AT&T accountable via remediation actions for deficiencies in reporting and performance.

# Contents

**Background**..... 1

**Objective, Finding, and Recommendations** ..... 4

    FirstNet Authority Did Not Adequately Assess Contractor Performance to Ensure AT&T Achieved the Desired Results for Device Connection Targets for Each State and Territory .....4

    A. *FirstNet Authority did not develop measurable performance standards and methods of surveillance to assess if reported device connections complied with the Act and contract requirements* .....5

    B. *FirstNet Authority did not develop an adequate performance metric to accurately measure public safety use and adoption* .....8

    C. *FirstNet Authority did not review AT&T’s quality control program results or consistently conduct audits of raw data* ..... 9

    D. *FirstNet Authority did not remediate deficiencies for device connections*..... 10

    Conclusion..... 11

    Recommendations ..... 12

**Summary of Agency Response and OIG Comments** ..... 13

**Appendix A: Objective, Scope, and Methodology** ..... 18

**Appendix B: Agency Response**..... 20

Cover: Herbert C. Hoover Building main entrance at 14th Street Northwest in Washington, DC. Completed in 1932, the building is named after the former Secretary of Commerce and 31st President of the United States.

## Background

The Middle Class Tax Relief and Job Creation Act of 2012 (the Act)<sup>1</sup> 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.

On March 28, 2017, FirstNet Authority<sup>2</sup> entered into a 25-year indefinite-delivery, indefinite-quantity (IDIQ) contract with AT&T for the construction and operation of the NPSBN. Objectives of this contract include (1) building, deploying, operating, and maintaining the NPSBN and (2) ensuring public safety user adoption of the NPSBN.

To meet these objectives, FirstNet Authority executed Task Order 4 (TO 4), valued at \$■ billion, on March 30, 2018. TO 4 included coverage/capacity and device connection target requirements<sup>3</sup> that AT&T had to meet with six different milestones,<sup>4</sup> or initial operational capabilities (IOCs), through the buildout of the network with full operational capability (FOC) to be achieved 5 years after signing TO 4.<sup>5</sup> All milestones, to include FOC, have payments associated with them. Some milestones have specific coverage and device connection target requirements for payment. Others only contain a specific coverage requirement for payment; however, those include a compliance requirement for device connection targets that AT&T must meet prior to moving to the next milestone.

The NPSBN contract states that public safety adoption and use of the network are primary FirstNet Authority programmatic objectives, and that it is important that AT&T maintain and grow public safety adoption throughout the life of the contract. The NPSBN contract measures network adoption through the attainment of public safety connections, also referred to as device connections. The TO 4 requirements include meeting or exceeding the original device connection targets to which AT&T committed in the contract, applicable through IOC-4 (March 30, 2021), and the revised device connection targets from IOC-5 (March 30, 2022) through the remaining life of the contract. The contract has five criteria defining what can count toward the device connection targets and three subcriteria that are limited by a connection cap.<sup>6</sup>

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<sup>1</sup> See Pub. L. No. 112-96, *Middle Class Tax Relief and Job Creation Act of 2012*, §§ 6204(a), 6206(b), codified at 47 U.S.C. §§ 1424(a), 1426(b).

<sup>2</sup> The U.S. Department of the Interior signed the contract on behalf of the U.S. Department of Commerce and FirstNet Authority. The U.S. Department of the Interior transferred management of the contract to FirstNet Authority in December 2017.

<sup>3</sup> The contract dictates that AT&T must complete a specific percentage of rural and nonrural coverage and a specific amount of device connections at predetermined milestones to receive payment.

<sup>4</sup> The contract defines the payment milestones for TO 4. Milestones begin 6 months after execution of TO 4, and additional milestones occur in 1-year increments until FOC.

<sup>5</sup> TO 4 referenced the NPSBN IDIQ Contract, Section J-8 (for the IOC-FOC timelines).

<sup>6</sup> See subfinding A for the full list of criteria and subcriteria.

The Federal Acquisition Regulation (FAR) states that the contractor is responsible for controlling the quality of services and tendering to the government only those services that conform to contract requirements.<sup>7</sup> The FAR also states that the contracting office is responsible for verifying that the contractor fulfills the contract quality requirements.<sup>8</sup>

The FAR further states that performance-based contracts for services shall include measurable performance standards and a method of assessing contractor performance against these standards<sup>9</sup> and includes the framework to provide surveillance of those standards in the form of a Quality Assurance Surveillance Plan (QASP).<sup>10</sup> The contract states that the QASP is a “living document,” and FirstNet Authority may review and revise it on a quarterly basis in coordination with AT&T to ensure that the QASP remains valid, useful, and enforceable.

The contract includes oversight requirements within the QASP to direct activities to collect, validate, verify, and report on customer support performance data as well as use of network monitoring and alarm tools to alert FirstNet Authority and AT&T when performance does not meet defined thresholds. FirstNet Authority and AT&T are responsible for overseeing the activities outlined in the QASP and the Quality Control Plan (QCP)<sup>11</sup> to verify AT&T’s performance against the established performance standards. The contract also requires FirstNet Authority’s inspection and acceptance verifying AT&T met the device connection targets at the end-of-year milestones. The QASP includes a methodology to evaluate AT&T’s performance and report findings through proper documentation. According to the QASP, after scoring AT&T’s performance, the contracting officer’s representative issues performance assessment reports on findings and discrepancies. Failure to meet the required service or performance level results in the government issuing a corrective action report (CAR). AT&T then develops a corrective action plan to demonstrate how and when it intends to bring performance up to the required levels.

The FirstNet Authority oversight process for device connection targets includes verification performed by government subject-matter experts (SMEs) using the deliverables and reports submitted by AT&T. The FAR states contract files should contain quality assurance records and any additional documents on which the contracting office took action or that reflect the office’s actions relating to the contract.<sup>12</sup>

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<sup>7</sup> FAR § 46.105.

<sup>8</sup> FAR § 46.103.

<sup>9</sup> FAR § 37.601.

<sup>10</sup> FAR § 46.401 states that the QASP should specify all work requiring surveillance and the method of surveillance. It also states that government contract quality assurance includes the designated place or places where the government will perform quality assurance, that government personnel shall perform or supervise the performance of the government inspection, and that government personnel shall document the inspection.

<sup>11</sup> The contract states that AT&T’s management of quality control actions—including risk identification and mitigation to meet contract terms, performance standards, and quality levels—is reflected in the QCP.

<sup>12</sup> FAR § 4.803.



## Why We Did This Review

Due to the importance of maintaining and growing public safety adoption of the NPSBN throughout the life of the contract, we audited FirstNet Authority's oversight of device connection targets. We sought to determine whether FirstNet Authority took appropriate action to ensure that AT&T's reported device connections are accurate and meet contract requirements. In our October 2022 *Top Management and Performance Challenges Facing the Department of Commerce* report, we identified ensuring proper NPSBN adoption and coverage as a challenge facing FirstNet Authority.<sup>13</sup>

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<sup>13</sup> U.S. Department of Commerce Office of Inspector General, October 13, 2022. *Top Management and Performance Challenges Facing the Department of Commerce in Fiscal Year 2023*, OIG-23-001. Washington, DC: DOC OIG, 26–29.

# Objective, Finding, and Recommendations

We announced two concurrent audits with the following objectives: (1) to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for device connection targets for each state and territory and (2) to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for network coverage for each state and territory. We separated these objectives into three different components that include (1) the evolution of the desired results for device connection targets and network coverage as executed through contract modifications, (2) oversight of device connection targets, and (3) oversight of network coverage. This report focuses on the second component: FirstNet Authority's oversight of device connection targets. See appendix A for a more detailed description of our scope and methodology.

## FirstNet Authority Did Not Adequately Assess Contractor Performance to Ensure AT&T Achieved the Desired Results for Device Connection Targets for Each State and Territory

We found that FirstNet Authority did not ensure AT&T achieved the desired results for device connection targets for each state and territory. Specifically, FirstNet Authority did not:

- develop measurable performance standards and methods of surveillance to assess if reported device connections complied with the Act and contract requirements;
- develop an adequate performance metric to accurately measure public safety use and adoption;
- review AT&T's quality control program results or consistently conduct audits of raw data; or
- remediate deficiencies for device connections.

This increases the risks of (1) the government paying for services it did not actually receive and (2) AT&T not paying the government disincentive payments when appropriate.<sup>14</sup> Because FirstNet Authority is responsible for ensuring the overall success of the NPSBN, it is important that FirstNet Authority strengthen its oversight and verification process for device connection targets to ensure that AT&T is achieving the desired results for each state and territory.

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<sup>14</sup> If AT&T does not achieve device connection targets, it is subject to disincentive payments beginning at the start of the first government fiscal year following FOC in March 2023. These metrics are reviewed annually, and payments may continue over the remaining period of performance if AT&T does not meet device connection targets.

A. *FirstNet Authority did not develop measurable performance standards and methods of surveillance to assess if reported device connections complied with the Act and contract requirements*

We found that FirstNet Authority’s surveillance efforts were insufficient to ensure reported device connections met the criteria to be counted on the NPSBN. The NPSBN contract states that public safety adoption and use of the network are primary FirstNet Authority programmatic objectives, and that it is important that AT&T maintain and grow public safety adoption throughout the life of the contract. Public safety device connections—also referred to as “device connections” or “connections”—represent AT&T’s number of committed device connections for primary user groups and other public safety users by each of the 56 states and territories. The NPSBN contract QASP measures network adoption through the attainment of the number of device connections. However, the QASP did not assess whether reported device connections met the criteria to be counted as device connections on the NPSBN. The NPSBN contract states that to count toward the device connection targets, a device—to include [REDACTED] devices<sup>15</sup>—must meet all the following criteria:<sup>16</sup>

- access the NPSBN
- [REDACTED]<sup>17</sup>
- be quality of service priority and preemption (QPP) capable<sup>18</sup>
- provide a public safety service
- be certified as an AT&T “approved device” for use on its long-term evolution network by both AT&T and FirstNet Authority

These criteria were defined in the contract’s QASP; however, they were not reflected in the QASP surveillance matrix<sup>19</sup> as required by the contract. As such, FirstNet Authority did not develop measurable performance standards (i.e., quality, timeliness, quantity, etc.) or a method of assessing contractor performance against those

<sup>15</sup> This is the practice of allowing users to use devices and equipment that were not initially purchased for use on the NPSBN. Typically, it spans laptops, smartphones, and tablets, but other devices are permitted.

<sup>16</sup> [REDACTED]

<sup>17</sup> [REDACTED]

<sup>18</sup> [REDACTED]

<sup>19</sup> According to the contract, the QASP surveillance matrix describes the QASP elements and program metrics applied with corresponding performance standards, methods of measurement, and target thresholds that align with the performance requirements.

standards<sup>20</sup> in the performance-based contract to verify that devices met the criteria to be counted as a device connection on the NPSBN, contrary to FAR § 37.601(b)(2).

Without this critical information in the contract's QASP surveillance matrix, FirstNet Authority's contracting officer's representative could not adequately oversee the contract, also known as contract surveillance or quality assurance of contractor performance, to provide reasonable assurance that AT&T is performing in accordance with the statement of work. One way to ensure quality assurance is to develop an adequate QASP. FAR §§ 46.401 and 4.803 state that these plans should specify all work requiring surveillance, including the method of surveillance, and that quality assurance records should be maintained as part of the contract file.

However, we found the QASP surveillance matrix did not include all work requiring surveillance and an associated method of surveillance to adequately assess whether AT&T met specific contract requirements as required by FAR § 46.401, such as verifying that device connections met the criteria to be counted as a connection on the NPSBN. The purpose of the QASP is to provide guidelines for assessing the contractor's performance by describing the systematic methods used to identify and monitor acceptable levels of product and service performance. We reviewed FirstNet Authority's ongoing surveillance process and found that it did not perform sufficient testing to verify device connections met contract requirements leading up to the IOC-4 milestone.

Despite not having a QASP that fully addressed how to provide surveillance for device connections, FirstNet Authority asserts that it was manually reviewing the data provided by AT&T to identify agencies that did not appear to provide a public safety service and device types that did not appear to be approved (such as unknown device models or devices with an unauthorized manufacturer). Further, FirstNet Authority personnel stated that they compared device connections from month to month to determine if there were any inconsistencies, such as a substantial change in connection totals, to ensure the data was accurate. However, there was no audit trail to support that FirstNet Authority personnel systematically verified any of the following:

- devices were QPP<sup>21</sup> capable;
- device connections were associated with eligible users who provide a public safety service; or
- devices were approved by both AT&T and FirstNet Authority.

This occurred because FirstNet Authority does not have adequate policies and procedures to allow for effective surveillance and determine if reported device

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<sup>20</sup> FAR § 37.601(b)(2).

<sup>21</sup> Devices with QPP capabilities allow for priority access to the network.

connections met contract requirements.<sup>22</sup> As a result, FirstNet Authority could not substantiate or demonstrate how it counted approximately [REDACTED] device connections as meeting the QPP criteria.

Additionally, FirstNet Authority stated that SMEs manually reviewed large data sets containing thousands of lines of data by visually searching for anomalies without an automated tool to assist or a documented sampling methodology. FirstNet Authority oversight personnel told us their review of AT&T's device connection target deliverables includes some evaluation of trends, but they claimed the process is still maturing—even though FirstNet Authority has been receiving and accepting these deliverables since 2018. According to the FAR,<sup>23</sup> government contract files should contain quality assurance records. However, FirstNet Authority personnel stated they do not always store or retain the working files of SME reviews; instead, they delete the files. As a result, FirstNet Authority does not have reasonable assurance that the reported device connections met all the device connection criteria.

To further compound the above issues, FirstNet Authority did not test to verify that devices counted as connections were devices on the National Institute of Standards and Technology's (NIST's) list (the NIST List) to ensure compliance with the Act.<sup>24</sup> Instead, FirstNet Authority accepted an unsigned self-certification document from AT&T that stated, "All devices used on FirstNet have been certified as AT&T 'approved devices' for use on its [long-term evolution] network." This letter was the only documentation FirstNet Authority used to support the contract requirement that device connections are associated with devices certified as AT&T "approved devices" for use on its long-term evolution network by both AT&T and FirstNet Authority. After we briefed FirstNet Authority on our findings, FirstNet Authority provided documentation of a discrepancy it found that showed [REDACTED] device types reported by AT&T, contrary to the 285 device types approved on the NIST List. However, FirstNet Authority could not provide documentation to demonstrate how or if the discrepancy was resolved. Further, FirstNet Authority did not document in the official contract file or the verification and validation report that it identified mismatches between the AT&T-reported device models and the NIST List device models. As a result, FirstNet Authority does not have assurance that reported device connections comply with the Act and contract requirements to accurately determine public safety use and adoption of the NPSBN.

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<sup>22</sup> We provided a recommendation to address this issue in a separate report. See DOC OIG, June 5, 2024. *FirstNet Authority's Lack of NPSBN Contract Oversight for Coverage Puts at Risk First Responders' Ability to Serve the Public Effectively*, OIG-24-026-A. Washington, DC: DOC OIG.

<sup>23</sup> FAR § 4.803.

<sup>24</sup> The Act requires NIST to (1) maintain a list of certified devices to be used on the NPSBN and (2) ensure compliance with this requirement. See Pub. L. No. 112-96, *Middle Class Tax Relief and Job Creation Act of 2012*, § 6206(c)(6), codified at 47 U.S.C. § 1426(c)(6). To comply with the Act, NIST created a process that outlines testing requirements for devices to be added to the NIST List. The process includes device approval through AT&T carrier acceptance testing and FirstNet Authority's device approval program. That program encompasses the Act's device criteria requirements.

*B. FirstNet Authority did not develop an adequate performance metric to accurately measure public safety use and adoption*

We found that FirstNet Authority did not accurately assess AT&T's performance in meeting device connection targets in accordance with the contract requirements. The QASP identifies, in part, the oversight requirements to ensure AT&T meets public safety use and adoption performance standards (table I).

**Table I. Measurement for Public Safety Use and Adoption**

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

a [REDACTED]

b [REDACTED]

c [REDACTED]

Table I shows that the formula used to determine whether AT&T is on track to meet performance targets is [REDACTED], whereas the performance measurement [REDACTED] on [REDACTED]. Therefore, FirstNet Authority cannot accurately assess contractor performance, as the key performance indicator (KPI) [REDACTED].

This occurred because FirstNet Authority did not ensure the QASP contained sufficiently designed formulas to accurately determine if AT&T was on track to meet device connection targets. Per the FAR,<sup>25</sup> performance-based contracts for services shall include measurable performance standards (i.e., quality, timeliness, quantity, etc.) and the method of assessing contractor performance against the performance standards. The purpose of the QASP is to provide guidelines for assessing the contractor's performance by describing the systematic methods used to identify and monitor acceptable levels of product and service performance.

Having sufficiently designed performance metrics and measurement calculation formulas in the QASP for measuring AT&T's performance for device connection targets would allow FirstNet Authority to more accurately determine if AT&T is meeting contract requirements or if remediation is required.

<sup>25</sup> FAR § 37.601.

C. *FirstNet Authority did not review AT&T's quality control program results or consistently conduct audits of raw data*

We found that FirstNet Authority did not review AT&T's quality control review results or consistently conduct detailed audits of raw data to determine if the device connection target data met contract terms, despite FirstNet Authority oversight personnel stating they found anomalies and errors within the AT&T-provided reports. FirstNet Authority personnel stated they had identified errors such as device models and types showing as "unknown" and said AT&T has had to correct reports for duplicate device connections and ineligible devices. While FirstNet Authority noted that data integrity issues concerning unknown devices had always occurred, it did not issue a CAR until 2022—more than 4 years after TO 4 was executed—because FirstNet Authority primarily allowed AT&T to correct reports and resubmit them without the use of CARs. The 2022 CAR cited data integrity and quality control issues like those that FirstNet Authority previously discovered, but the corrective action plan would only correct specific deficiencies in reporting after FOC, not the prior milestones impacted, and did not correct the previously discovered "unknown" device makes and models.

Per the contract, FirstNet Authority and AT&T are responsible for overseeing the activities outlined in the QASP and the QCP to verify contractor performance, which ensures AT&T submits quality device connection target reports to allow FirstNet Authority to accurately verify performance. However, according to FirstNet Authority oversight personnel, they did not review the quality control review results and indicated that they would only review documentation that was a deliverable, despite it being a requirement of the QASP.

Additionally, as part of the quality assurance and control process, FirstNet Authority is required to supplement performance report reviews with random, detailed audits of raw data from the reporting system to confirm reported performance is consistent with raw data. However, we found that FirstNet Authority did not consistently conduct these detailed audits as directed by the QASP. According to FirstNet Authority personnel, they conducted only one audit, in January 2022, and it related to verifying a sample of users' eligibility for device connection targets. However, FirstNet Authority did not sufficiently document the audit or its results. The documentation FirstNet Authority provided did not clearly articulate resolutions to errors noted or state whether all connections reviewed were or were not eligible to be counted as device connections.

This occurred because FirstNet Authority did not follow the direction of the QASP to oversee the contractor's QCP and conduct random, detailed audits of the raw data. As a result of FirstNet Authority's failure to review AT&T's QCP and quality control review results, FirstNet Authority has no assurance that AT&T is meeting quality control requirements. Additionally, FirstNet Authority may not be able to determine why deficiencies are occurring or how to mitigate them. Further, because FirstNet Authority does not consistently conduct and properly document independent audits, it cannot provide reasonable assurance that AT&T-reported data is of high quality and complies with contract requirements.

*D. FirstNet Authority did not remediate deficiencies for device connections*

We found that FirstNet Authority did not remediate AT&T's performance deficiencies in meeting device connection target quantities, despite AT&T reporting below-acceptable performance levels throughout TO 4. Although the KPI used by FirstNet Authority to determine if AT&T was on track to meet device connection targets was improperly designed, results still indicated that AT&T was not on track to meet requirements. For example, within the IOC-2 and IOC-3 milestone timeframes, FirstNet Authority asked AT&T to stop reporting device connection target performance, as FirstNet Authority felt the network was not mature enough for AT&T to meet the device connection targets and repeatedly report underperformance of adoption. However, this is contrary to the NPSBN contract, which requires corrective actions for unsatisfactory performance.

Further, leading up to IOC-5, AT&T continued to report below-acceptable performance for the state-by-state device connection target requirements. Similarly, instead of implementing corrective action, FirstNet Authority executed a modification to the contract. This modification adjusted device connection targets to new targets that AT&T proposed based on what it could meet and lowered the targets in states where AT&T had issues meeting the original targets. For example, at IOC-5, AT&T was originally required to achieve approximately [REDACTED] device connections for the primary user group in [REDACTED]. However, 2 months before IOC-5 was due, AT&T provided notice to FirstNet Authority that it was at risk of not meeting device connections for a series of states by the required timeframe. FirstNet Authority then agreed to execute a modification that adjusted device connection targets to what AT&T could achieve at that time. Because of this modification, AT&T now had to achieve approximately [REDACTED] device connections at IOC-5 for the primary user group in [REDACTED], which equated to about [REDACTED] fewer connections.

The contract QASP contains remediation actions for FirstNet Authority to initiate if AT&T fails to meet the required performance levels, such as issuing a CAR, which is intended to bring performance up to required levels. However, FirstNet Authority never issued a CAR to address performance issues with device connection target quantities. Additionally, the contract states that should AT&T fail to meet or maintain device connection targets, FirstNet Authority may exercise other actions at its discretion to drive public safety adoption.<sup>26</sup>

This occurred because oversight personnel did not follow the QASP for remediation. Instead, they modified the contract when device connections were not going to meet the required targets. Further, the FAR states that the CO must discourage the repeated tender of nonconforming supplies or services, including those with only minor

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<sup>26</sup> Additional remediation includes requesting AT&T to provide discounted pricing to meet connections or owning or contracting out functions responsible for driving public safety adoption at AT&T's expense.



nonconformances, by appropriate action, such as rejecting the supplies or services and documenting the contractor's performance record.<sup>27</sup>

FirstNet Authority's lack of remediation actions related to performance deficiencies hinders its ability to achieve the desired results for device connection targets and defeats the purpose of the contract QASP, which is meant for measuring performance and enforcing corrective actions. FirstNet Authority must hold AT&T accountable to the contract performance standard of meeting or exceeding the device connection target quantities at the applicable contract milestones to ensure that (1) AT&T provides services as required, (2) adoption objectives are achieved, and (3) the contract is meeting public safety needs. If FirstNet Authority had taken steps to address needed improvements via remediating known performance issues, it may have compelled AT&T to meet the goal of increasing NPSBN adoption and use as required by the contract.<sup>28</sup>

## Conclusion

FirstNet Authority cannot be certain that AT&T is achieving the desired results for device connection targets for each state and territory or that it received adequate services for which it previously paid AT&T. Specifically, FirstNet Authority does not have reasonable assurance that the data AT&T is reporting is accurate and reliable to support the primary program objectives of public safety adoption and use of the network. This occurred because FirstNet Authority

- did not ensure that the QASP was sufficiently designed to measure device connection targets;
- lacked adequate policies and procedures that would allow for effective surveillance and document retention requirements of device connection target activity to ensure that AT&T met requirements; and
- did not follow the QASP for remediation, QCP review requirements, and the requirement to perform supplemental audits of raw data using detailed sampling techniques.

To accomplish the primary program objectives of public safety adoption and use of the NPSBN and for success of the NPSBN overall, it is crucial that FirstNet Authority oversees, monitors, verifies, and holds AT&T accountable for accurate, reliable, and quality reporting of device connections and for meeting established contractual performance standards for device connection target requirements. If FirstNet Authority does not provide adequate oversight, it cannot accurately determine if only eligible users and approved devices are being used on the network in compliance with the Act—and therefore cannot accurately determine if AT&T is meeting the programmatic objectives of public safety use and adoption of the NPSBN. Further, inadequate oversight may allow ineligible users and unapproved devices on the NPSBN, which could impact first responders' use of the network.

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<sup>27</sup> FAR § 46.407.

<sup>28</sup> We address this issue in more detail in a separate report. See DOC OIG, May 30, 2024. *FirstNet Authority Did Not Ensure the Nation's First Responders' Needs Were Continuing to Be Met Timely When Modifying Key Objectives of the NPSBN Contract*, OIG-24-024-A. Washington, DC: DOC OIG.

## Recommendations

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:
  - a. surveillance methods are sufficiently defined and detailed to verify that AT&T's performance meets contract requirements and the Act's requirements for all work requiring surveillance, including all the criteria of a device connection.
  - b. device connection target KPIs are sufficiently designed to accurately measure performance.
2. Direct the contracting officer's representative to document and maintain all surveillance activities, to include surveillance activities conducted by subject-matter experts, in the official contract file.
3. Direct the contracting officer's representative to follow the QASP to conduct sufficient surveillance of device connection targets, to include performing random audits, reviewing AT&T's QCP results, and holding AT&T accountable via remediation actions for deficiencies in reporting and performance.

# Summary of Agency Response and OIG Comments

On April 12, 2024, we received NTIA's response to our draft report. In response to our draft report, NTIA concurred with all three of our recommendations and described actions it intends to take to address them. Within its response, NTIA provided an attachment with FirstNet Authority's letter responding to the draft report. Additionally, FirstNet Authority provided technical comments. We considered those comments but did not revise our report. Per requests made by FirstNet Authority, we have redacted certain business sensitive information and/or information otherwise protected from disclosure from the public version of this report. NTIA's formal response and FirstNet Authority's letter are included within this final report as appendix B. At AT&T's request, we met with AT&T representatives on May 9, 2024, for a listening session regarding their concerns about the issues reflected in this report.

## *FirstNet Authority's Response and Our Comments*

The response from FirstNet Authority included statements that were inaccurate and misleading. To provide clarity and perspective, we have commented on FirstNet Authority's response below. However, FirstNet Authority's response does not change our conclusions and recommendations.

*FirstNet Authority Response:* "The FirstNet Authority has established and rigorously enforced clear performance standards as outlined in our Quality Assurance Surveillance Plan (QASP). Our commitment to excellence is evidenced by our methodical approach to evaluating AT&T's performance, which includes thorough reviews of contract required deliverables, monthly and quarterly reporting, risk briefings, and milestone audits. These efforts are not merely procedural; they are instrumental in maintaining the high quality of our network services, as demonstrated by remediation activities and targeted corrective actions issued to address and remediate any identified deficiencies."

*OIG Comment:* We disagree with FirstNet Authority's assertion that the contract QASP established clear performance standards for device connections. As we noted in section B of our report, the existing performance standard in the QASP surveillance matrix is not designed to accurately assess contractor performance for device connections. Additionally, the contract QASP surveillance matrix lacked measurable performance standards and a method of assessing contractor performance to ensure the quantities of device connections counted met the device connection criteria. As a result, FirstNet Authority cannot accurately assess AT&T's progress in meeting device connection requirements and does not have assurance that reported device connections comply with the Act and contract requirements.

We also disagree that FirstNet Authority "rigorously enforced clear performance standards..." As we discussed in our report, although FirstNet Authority had knowledge of AT&T not being on track to meet device connection targets, it failed to implement corrective action as outlined in the contract QASP remediation activities for performance deficiencies.

FirstNet Authority inaccurately describes the annual milestone verification of AT&T's attainment of device connections as an audit. When asked, FirstNet Authority officials stated that only one audit inquiry was performed through the life of TO 4. That audit inquiry related to eligibility requirements, took place in January of 2022, and was not part of an annual milestone verification. Further, as we mentioned in our report, the documentation provided to us was incomplete and did not include resolutions to errors identified. Therefore, audits of device connections are not a consistent practice of FirstNet Authority's oversight—and the one audit conducted did not provide sufficient documentation to determine the audit's results. For the device connections milestone we reviewed, we found the verification FirstNet Authority performed was inadequate to ensure AT&T's reported device connection data met device criteria outlined in the contract and the Act. FirstNet Authority's annual milestone verification for device connections did not have a documented sampling methodology, test all device connection criteria to ensure compliance with the contract and Act, or document discrepancies found and resolutions.

Furthermore, we also disagree that FirstNet Authority employed a “methodical approach to evaluating AT&T's compliance...” We found the surveillance processes ineffective to ensure AT&T met the device criteria in the contract and the Act and to substantiate that AT&T's reported data was accurate. We received no documentation or evidence from FirstNet Authority of recurring monitoring and analysis of device connections' deliverables, quarterly or monthly, as FirstNet Authority officials stated the personnel performing those reviews do not maintain copies of their work but instead delete the files. Additionally, as we stated in this report, we did not find a systematic process to conduct surveillance of device connections in the QASP or within FirstNet Authority internal processes and procedures.

We do agree that oversight controls “are instrumental in maintaining the high quality of our network services” and hope FirstNet Authority implements the recommendations in this report to help it achieve quality network services and ensure the services are being provided as intended and paid for.

*FirstNet Authority Response:* “The available data on network performance and continued subscriber growth may appear to not fully support the suggestion that our oversight ‘puts the NPSBN at risk of impacting First Responders’ Use of the Network’. Our reviews and audits have found a consistent correlation between subscribers and the established eligibility criteria for First Responders.”

*OIG Comment:* We disagree with FirstNet Authority's assertion regarding “continued subscriber growth” and that its reviews and audits have found a consistent correlation between subscribers and eligibility criteria. A FirstNet Authority official explained that the review process entailed making sure the reported device connection columns matched the total. Also, as noted in section A of our report, there was no audit trail to support that FirstNet Authority systematically verified that device connections within AT&T-provided data were for a public safety service. Since FirstNet Authority did not provide adequate oversight, it is unable to substantiate its claim of “continued subscriber growth.”

Further, according to FirstNet Authority, it conducted one audit in January 2022, during which it reviewed the eligibility of multiple agencies without a documented sampling methodology. We

found the documentation supporting this effort to be insufficient, as it did not articulate resolutions to errors found or whether the agency accounts with code errors were eligible to be counted. As such, FirstNet Authority did not provide us with adequate documentation to support its claims that its “reviews and audits have found a consistent correlation between subscribers and the established eligibility criteria.”

FirstNet Authority Response: “With over 5,500,000 connections supporting first responders on the FirstNet network, representing a 30% growth since 2023 and encompassing 27,000 public safety agencies and organizations across all 56 states and territories, our efforts far exceed the original adoption targets set for 2042...Our multifaceted assessment system, including both gross and net connection metrics, provides a comprehensive view of these adoption trends, affirming our network's vital role in public safety.”

OIG Comment: We disagree with FirstNet Authority’s assertion that it provides a comprehensive view of adoption trends. As we stated in section B of our report, we found that the QASP performance metric to measure public safety use and adoption was not adequately developed. We maintain that this QASP performance metric should be updated so that FirstNet Authority can accurately measure and assess contractor performance.

As stated in our report, our audit focused on the sufficiency of FirstNet Authority’s surveillance processes for reviewing contract deliverables as well as determining how it assessed AT&T data for accuracy and compliance with device criteria outlined in the Act and contract. We found that FirstNet Authority must improve its surveillance to substantiate with reasonable assurance that device connections AT&T reports are accurate.

FirstNet Authority Response: “Our commitment to maintaining the highest quality standards is further demonstrated through our rigorous quality control, annual reviews, and data audits. Detailed reviews occur on an annual basis. Where eligibility processes have been described and reviewed for specific cases, the control mechanisms instituted by the Contractor have properly accounted for and identified eligible vs. ineligible users. When areas for improvement have been identified, we have not hesitated to implement corrective actions, thereby reinforcing our dedication to excellence and accountability.”

OIG Comment: We disagree that FirstNet Authority has performed high-quality, rigorous quality assurance and control activities over AT&T’s reported device connections. FirstNet Authority officials stated they did not review the internal results of AT&T’s QCP, which would help to determine if “the control mechanisms instituted by the Contractor have properly accounted for and identified eligible vs. ineligible users” among the other criteria outlined in the contract. We found that FirstNet Authority’s surveillance efforts were insufficient, as we outlined in our report. As such, FirstNet Authority cannot substantiate that (1) AT&T properly identified and accounted for eligible vs. ineligible users and (2) AT&T’s internal controls are effective to ensure the data it provides is accurate and meets contract requirements.

As we stated above, we found FirstNet Authority did not implement corrective actions as outlined in the QASP for AT&T’s performance deficiencies or conduct consistent audits for device connections, as FirstNet Authority only performed one audit through the life of TO 4. Therefore, we reiterate our recommendation in the audit report to follow the QASP and

review AT&T's QCP results; perform consistent, random, detailed audits; and hold AT&T accountable for deficiencies in reporting and performance.

*FirstNet Authority Response:* "The FirstNet Authority proactively addresses any deficiencies through targeted remediation efforts, including reduced payments, adjusted targets, contract modifications, and introducing incentives to compliment disincentives to align with our network deployment goals. Such oversight actions reflect our unwavering commitment to network performance, public safety, and responsible fiscal management."

*OIG Comment:* We disagree with FirstNet Authority's assertion that it proactively addressed deficiencies. Our review found that leading up to the IOC-3 and IOC-5 milestones, AT&T reported below-acceptable performance standards for device connection targets, and FirstNet Authority never issued a CAR to address these performance issues. In both cases, FirstNet Authority issued contract modifications that changed the device connection requirements. For example, at IOC-5, FirstNet Authority issued a contract modification that adjusted device connection targets and lowered the targets in states where AT&T had issues meeting those targets. As such, FirstNet Authority did not follow the QASP for remediation. Instead, it issued contract modifications rather than holding AT&T accountable to the performance standards of meeting or exceeding the device connection target quantities to drive public safety use and adoption of the network—a primary programmatic objective. We address these modifications in more detail in a separate report.<sup>29</sup>

*FirstNet Authority Response:* "The Office of Inspector General's report, while offering a perspective on our operations, appears to not fully capture the comprehensive scope of our oversight efforts and achievements. The FirstNet Authority remains confident in the efficacy of our actions, always aiming to promote the best interest of public safety and ensure the long-term success of our network. The success story of FirstNet is not just in meeting but exceeding initial expectations and contractual requirements defined in 2016 at contract award."

*OIG Comment:* We disagree with FirstNet Authority's assertion that it met and exceeded the initial expectations and contractual requirements. Our review found that FirstNet Authority changed the device connection target requirements for multiple milestones throughout the buildout. For example, at IOC-5, FirstNet Authority lowered targets in states where AT&T had issues meeting the original targets, giving AT&T up to 4 additional years to achieve these targets after they were originally due—well beyond the initial expectation timeline. We address these modifications for multiple milestones in more detail in a separate report.<sup>30</sup>

As illustrated throughout this report, we have identified significant internal control weaknesses regarding contract oversight as it relates to device connection targets. Based on FirstNet Authority's comment concerning its allegedly rigorous quality assurance and control activities, we have serious concerns that FirstNet Authority will not resolve the issues we identified in this report or take the necessary actions to improve internal controls.

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<sup>29</sup> OIG-24-024-A.

<sup>30</sup> OIG-24-024-A.

*FirstNet Authority Response:* “To date, the network's coverage has expanded to over 2.6 million square miles of the United States, exceeding initial projections by more than 700,000 square miles, and exceeding the reach of all other commercial networks by over 250,000 square miles. This vast coverage ensures that first responders across the nation have the reliable communication tools they need in their critical missions, further solidifying FirstNet's role as an indispensable asset to the public safety community.”

*OIG Comment:* The objective of this audit was to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for device connection targets for each state and territory. As such, this report focuses on FirstNet Authority's oversight of device connection targets and not coverage oversight. We address coverage oversight deficiencies in a separate report.<sup>31</sup>

*FirstNet Authority Response:* “While we respect the process of audit and oversight, we believe that the accomplishments and progress of the FirstNet Authority paint a compelling picture of a program that not only meets but significantly exceeds the goals described in the enabling legislation. Our efforts have established a robust and reliable network that is critically acclaimed by the public safety community we serve and always ensures public safety needs are driving the evolution of the FirstNet network.”

*OIG Comment:* The Act directed FirstNet Authority to ensure the building, deployment, and operation of the NPSBN dedicated to first responders. FirstNet Authority entered into a contract with AT&T to accomplish the goals of the Act. The contract included public safety adoption and use of the network as primary FirstNet programmatic objectives, as measured by public safety devices connected to the network. However, we found FirstNet Authority's oversight and verification efforts were ineffective to substantiate with reasonable assurance that device connections reported by AT&T comply with the requirements outlined in the contract and the Act. Without adequate controls to assess compliance, FirstNet Authority cannot have assurance the program is meeting or exceeding the goals and intent of the Act.

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<sup>31</sup> OIG-24-026-A.

# Appendix A: Objective, Scope, and Methodology

We announced two concurrent audits with the following objectives: (1) to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for device connection targets for each state and territory and (2) to determine whether FirstNet Authority is ensuring that AT&T is achieving the desired results for network coverage for each state and territory. We separated these objectives into three different components that include (1) the evolution of those desired results as executed through contract modifications, (2) oversight of device connection targets, and (3) oversight of network coverage. This report focuses on the second component—FirstNet Authority’s oversight of device connection targets.

To accomplish our objective, we did the following:

- Reviewed the following policies, procedures, and guidance:
  - *Middle Class Tax Relief and Job Creation Act of 2012*, Public Law 112-96
  - Process document for the NIST List of Certified Devices, Version 2.30
  - FAR Part 4, *Administrative and Information Matters*
  - FAR Part 37, *Service Contracting*
  - FAR Part 46, *Quality Assurance*
  - U.S. Government Accountability Office (GAO) *Standards for Internal Control in the Federal Government*, GAO-14-704G
  - GAO PEMD-10.1.6, *Using Statistical Sampling*
  - FirstNet Authority NPSBN QASP Management Processes
  - FirstNet Authority NPSBN Deliverable Management Process
  - FirstNet Authority NPSBN Requirements Traceability Matrix Process
  - FirstNet Authority NPSBN Requirements Traceability Matrix Development and IOC Verification and Acceptance Process
  - FirstNet Authority Receipt, Inspection, Acceptance, and Invoice Process
- Obtained and reviewed NPSBN Contract and TO 4 terms and conditions and applicable modifications.
- Obtained and reviewed FirstNet Authority documentation that supported the verification, validation, and acceptance of deliverables and QASP items for device connection targets.
- Obtained and reviewed FirstNet Authority’s IOC-4 validation and verification report.
- Used statisticians within our Data Analytics office to evaluate (1) the quality and reliability of the AT&T data FirstNet Authority relied on for verification of device



connection targets AT&T reported and (2) FirstNet Authority's sampling methodology for adequacy.

- Interviewed FirstNet Authority officials responsible for oversight of reported device connection targets.
- Interviewed NTIA and Office of Acquisition Management officials to obtain an understanding of their roles and responsibilities regarding contract oversight and to identify any applicable U.S. Department of Commerce policies and procedures.

We gained an understanding of the internal controls significant within the context of the audit objective by reviewing policies and procedures and interviewing FirstNet Authority and Department personnel. We identified weaknesses in internal controls related to oversight as noted in the Objective, Finding, and Recommendations section of the report.

In satisfying our audit objective, we did not rely solely on computer-processed data to make our conclusions. Although we did review AT&T deliverables associated with device connection targets during the audit, we focused on determining if FirstNet Authority's oversight was sufficient to ensure data provided by AT&T was of adequate quality and met contract requirements.

We conducted our review from July 2022 through February 2024 under the authority of the Inspector General Act of 1978, as amended (5 U.S.C. §§ 401-24), and Department Organization Order 10-13, dated October 21, 2020. We performed our fieldwork remotely.

We conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that provides a reasonable basis for our finding and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit objective.

## Appendix B: Agency Response

NTIA's response to our draft report, along with FirstNet Authority's letter, begins on the following page.

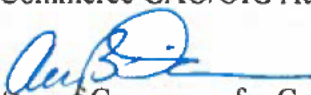


UNITED STATES DEPARTMENT OF COMMERCE  
National Telecommunications and  
Information Administration  
Washington, D.C. 20230

April 12, 2024

TO: Arthur L. Scott Jr.  
Assistant Inspector General for Audit and Evaluation

THRU: MaryAnn Mausser  
Department of Commerce GAO/OIG Audit Liaison

FROM: Alan Davidson  4/11/2024  
Assistant Secretary of Commerce for Communications and Information and NTIA  
Administrator

SUBJECT: Response for Draft Audit Report entitled *FirstNet Authority's Lack of Contract Oversight for Device Connection Targets Puts the NPSBN at Risk of Impacting First Responders' Use of the Network*

Report Date: March 13, 2024

Audited Entities: First Responder Network Authority (FirstNet Authority) and  
National Telecommunications and Information Agency (NTIA)

This memorandum contains the response from the National Telecommunications and Information Administration (NTIA) to the Office of the Inspector General (OIG) draft report entitled *FirstNet Authority's Lack of Contract Oversight for Device Connection Targets Puts the NPSBN at Risk of Impacting First Responders' Use of the Network*. NTIA concurs with all the recommendations in the draft report with the comments noted below. We will prepare a formal action plan upon issuance of OIG's final report.

The OIG recommends 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:

**OIG's Recommendation #1:** Modify the QASP to ensure:

- a. Surveillance methods are sufficiently defined and detailed to verify that AT&T's performance meets contract requirements and the Act's requirements for all work requiring surveillance, including all the criteria of a device connection.
- b. Device connection target KPIs are sufficiently designed to accurately measure performance.

NTIA concurs with the recommendation that the FirstNet Authority review and modify, if appropriate, the QASP to ensure that surveillance methods are sufficiently defined and detailed.

Additionally, NTIA concurs with the recommendation that the FirstNet Authority, as a part of that review, ensure that the QASP KPIs for device connection targets are sufficiently designed to accurately measure performance. As part of the review referenced in Recommendation #1 to the OIG report entitled *FirstNet Authority Did Not Ensure the Nation's First Responders' Needs Were Continuing to Be Met Timely When Modifying Key Objectives of the NPSBN Contract* ("OIG Modifications Report"), the Office of Acquisition Management (OAM) will be reviewing the QASP for TO4, and NTIA, in conjunction with the Department, will take available steps to support that review.

**OIG's Recommendation #2:** Direct the contracting officer's representative to document and maintain all surveillance activities, to include surveillance activities conducted by subject-matter experts in the official contract file.

NTIA concurs with the recommendation that the FirstNet Authority contracting officer's representative document and maintain all surveillance activities, including those conducted by subject-matter experts, in the official contract file. As part of the review referenced in Recommendation #1 to the OIG Modification Report, OAM will be reviewing the documentation of surveillance activities, and NTIA, in conjunction with the Department, will take available steps to support that review.

**OIG's Recommendation #3:** Direct the contracting officer's representative to follow the QASP to conduct sufficient surveillance of device connection targets, to include performing random audits, reviewing AT&T's QCP results, and holding AT&T accountable via remediation actions for deficiencies in reporting and performance.

NTIA concurs with the recommendation that the FirstNet Authority contracting officer's representative follow the QASP to conduct surveillance of device connection targets, including techniques such as random audits, reviews of AT&T's QCP results, and holding AT&T accountable through remediation actions for reporting and performance deficiencies, if identified. As part of the review referenced in Recommendation #1 to the OIG Modification Report, OAM will be reviewing the COR activities to follow the QASP, and NTIA, in conjunction with the Department, will take available steps to support that review.

We look forward to working with you as we continue to address the recommendations in this report. Should you have questions, please contact Josephine Scarlett, NTIA Audit Liaison at [jscscarlett@ntia.gov](mailto:jscscarlett@ntia.gov).

Attachments: FirstNet Authority Letter  
FirstNet Authority Technical Comments



April 10<sup>th</sup>, 2024

Arthur L. Scott, Jr.  
Assistant Inspector General for Audit and Evaluation  
Office of Inspector General  
U.S. Department of Commerce  
1401 Constitution Avenue, N.W.  
Washington, DC 20230

Dear Mr. Scott,

Re: Audit Report re Oversight of NPSBN Connections

We acknowledge receipt of the audit report concerning the First Responder Network Authority's (FirstNet Authority) oversight of device connections and appreciate the Office of Inspector General's efforts to ensure accountability and effectiveness in our operations. We wish to address the findings presented, emphasizing our program's significant achievements and the diligent oversight we've implemented to ensure its success.

### **Performance, Standards, and Surveillance**

The FirstNet Authority has established and rigorously enforced clear performance standards as outlined in our Quality Assurance Surveillance Plan (QASP). Our commitment to excellence is evidenced by our methodical approach to evaluating AT&T's compliance, which includes thorough reviews of contract required deliverables, monthly and quarterly reporting, risk briefings, and milestone audits. These efforts are not merely procedural; they are instrumental in maintaining the high quality of our network services, as demonstrated by remediation activities and targeted corrective actions issued to address and remediate any identified deficiencies.

The available data on network performance and continued subscriber growth may appear to not fully support the suggestion that our oversight "puts the NPSBN at risk of impacting First Responders' Use of the Network". Our reviews and audits have found a consistent correlation between subscribers and the established eligibility criteria for First Responders. Additionally, we continue to see effective controls implemented by the Contractor for identifying ineligible users during the established eligibility process as well as controls for monitoring network access once established.

### **Public Safety Adoption**

A cornerstone of our program's success is its widespread adoption by the public safety community. With over 5,500,000 connections supporting first responders on the FirstNet network, representing a 30% growth since 2023 and encompassing 27,000 public safety agencies and organizations across all 56 states and territories, our efforts far exceed the original adoption targets set for 2042. This remarkable achievement, realized without mandating subscription and amidst

increasing competition, underscores the value and trust the public safety community places in the network that they fought and advocated for, FirstNet. Our multifaceted assessment system, including both gross and net connection metrics, provides a comprehensive view of these adoption trends, affirming our network's vital role in public safety.

### **Quality Control, Reviews, and Data Audits**

Our commitment to maintaining the highest quality standards is further demonstrated through our rigorous quality control, annual reviews, and data audits. Detailed reviews occur on an annual basis. Where eligibility processes have been described and reviewed for specific cases, the control mechanisms instituted by the Contractor have properly accounted for and identified eligible vs. ineligible users. When areas for improvement have been identified, we have not hesitated to implement corrective actions, thereby reinforcing our dedication to excellence and accountability.

### **Audits, Remediation of Deficiencies**

The FirstNet Authority proactively addresses any deficiencies through targeted remediation efforts, including reduced payments, adjusted targets, contract modifications, and introducing incentives to compliment disincentives to align with our network deployment goals. Such oversight actions reflect our unwavering commitment to network performance, public safety, and responsible fiscal management. It's crucial to note that our evolutionary approach to metrics and processes is indicative of proactive, diligent management rather than any lapse in control.

### **Conclusion**

The Office of Inspector General's report, while offering a perspective on our operations, appears to not fully capture the comprehensive scope of our oversight efforts and achievements. The FirstNet Authority remains confident in the efficacy of our actions, always aiming to promote the best interest of public safety and ensure the long-term success of our network. The success story of FirstNet is not just in meeting but exceeding initial expectations and contractual requirements defined in 2016 at contract award. To date, the network's coverage has expanded to over 2.6 million square miles of the United States, exceeding initial projections by more than 700,000 square miles, and exceeding the reach of all other commercial networks by over 250,000 square miles. This vast coverage ensures that first responders across the nation have the reliable communication tools they need in their critical missions, further solidifying FirstNet's role as an indispensable asset to the public safety community.

While we respect the process of audit and oversight, we believe that the accomplishments and progress of the FirstNet Authority paint a compelling picture of a program that not only meets but significantly exceeds the goals described in the enabling legislation. Our efforts have established a robust and reliable network that is critically acclaimed by the public safety community we serve and always ensures public safety needs are driving the evolution of the FirstNet network. We are committed to continuing our work with the same level of dedication and rigor, and we welcome any further dialogue with the Office of Inspector General to enhance this vital public service.

Sincerely,

**JOSEPH  
WASSEL**

Digitally signed by JOSEPH  
WASSEL  
Date: 2024.04.10 09:40:08  
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Joseph M. Wassel  
Executive Director and CEO

# REPORT

# FRAUD & WASTE ABUSE



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