Report in Brief

April 8, 2024

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

NTIA's Award Processes Leave Tribal Broadband Grants Vulnerable to Fraud and Duplication

OIG-24-019-A

WHAT WE FOUND

For this report, we reviewed awards made under NTIA's first round of TBCP funding. Between September 1, 2021, and December 31, 2022, NTIA awarded about $1.73 billion.

Overall, we found that NTIA did not adequately design and implement the award process to ensure that TBCP funds were awarded only for eligible proposed service areas. For the awards we reviewed, we determined that NTIA did not:

I. Independently verify that grant recipients needed funding for broadband infrastructure deployment.

II. Consistently document its process for reviewing TBCP applications.

As a result of these issues, the TBCP's fraud risk is higher, and NTIA could not provide assurance that TBCP awards were made to tribes that did not have access to broadband and actually needed the funds.

WHAT WE RECOMMEND

We recommend that NTIA's Associate Administrator for the Office of Internet Connectivity and Growth:

1. Develop and implement formal policy and procedures for validating self-certifications to determine applicants' eligibility for future broadband grant program awards.

2. Independently validate past awards to confirm whether applicants proposed broadband service areas that were unserved or whether funding of other federal programs was duplicated. If applicants do not meet the requirements for awarded grants, NTIA should recover the funds and flag the proposed service areas as ineligible.

3. Update the office's internal policies and procedures to require reviewers to document detailed justifications for each stage of the review and award processes, and maintain these justifications in the official award files.

4. Design quality assurance procedures and implement them throughout the application review process.