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# **Audit of FirstNet Authority's Oversight of User Eligibility for the Nationwide Public Safety Broadband Network**

REPORT NO. OIG-26-016-A

APRIL 14, 2026

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April 14, 2026

**MEMORANDUM FOR:** Olivia J. Bradley  
Senior Procurement Executive and Director of Acquisition  
Management  
Office of the Secretary

Arielle Roth  
Assistant Secretary of Commerce for Communications and  
Information Administrator  
National Telecommunications and Information Administration

Michael A. Cannon  
Executive Director and Chief Executive Officer  
First Responder Network Authority

A handwritten signature in black ink, appearing to read "Arthur L. Scott Jr." with a stylized flourish at the end.

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

**SUBJECT:** *Audit of FirstNet Authority's Oversight of User Eligibility for the  
Nationwide Public Safety Broadband Network*  
Report No. OIG-26-016-A

Attached is the final report on our audit of FirstNet Authority's oversight of user eligibility. We will post the report on [our website](#) per the Inspector General Act of 1978, as amended (5 U.S.C. §§ 404, 420).

Within 60 calendar days, please provide an action plan addressing the report's recommendations, as required by Department Administrative Order 213-5.

We appreciate your staff's cooperation and professionalism during this audit.

Attachment





## Audit of FirstNet Authority's Oversight of User Eligibility for the Nationwide Public Safety Broadband Network

Audit Report OIG-26-016-A

April 14, 2026

► **What We Audited** | Our objective was to assess the First Responder Network Authority's oversight for ensuring that only eligible users have access to the Nationwide Public Safety Broadband Network (NPSBN).

► **Why This Matters** | The NPSBN, or FirstNet, was established in 2017 to give first responders a dedicated network for communicating during emergency response operations. Connection of devices to the NPSBN is intended only for verified, eligible users who provide a public safety service.

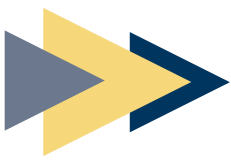
FirstNet Authority, an independent authority within the National Telecommunications and Information Administration (NTIA), manages and oversees the FirstNet program. In March 2017, FirstNet Authority awarded AT&T a \$6.5 billion, 25-year contract with a \$100 billion ceiling to deploy the network; FirstNet Authority manages and administers the contract.

Without adequate oversight and verification, FirstNet Authority cannot ensure that only eligible users have access to the NPSBN and that AT&T's performance meets contract requirements. Inadequate oversight and verification could lead to inflation of the number of device connections on the network, which could in turn cause the government to make unjustified payments to AT&T for meeting connection targets, or to incorrectly reduce or eliminate the disincentive payments AT&T must make for not meeting these targets.

► **What We Found** | We found that FirstNet Authority did not ensure that only eligible users have access to the network. Specifically, FirstNet Authority does not adequately oversee the user eligibility process and does not regularly verify user eligibility once it has been determined.

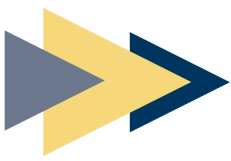
As a result, we are questioning as unsupported the costs that FirstNet Authority most recently paid AT&T for meeting device connection targets. We also identified potential cost savings for remaining connection target payments to AT&T as well as potential revenue risk from losing disincentive payments.

► **What We Recommend** | We made 11 recommendations to NTIA to improve FirstNet Authority's oversight of the user eligibility process, recover the costs we questioned if they cannot be verified, and independently verify the eligibility of users before issuing remaining payments to AT&T. NTIA concurred with our recommendations and is working to implement them.



# Contents

<b>Introduction.....</b>	<b>1</b>
➤ Eligible Users Defined.....	1
➤ User Eligibility Determinations .....	3
➤ Ongoing Oversight Weaknesses Detailed in Our Earlier Reports.....	3
➤ Denial of OIG Access to Records.....	3
➤ Objective .....	4
<b>Findings and Recommendations .....</b>	<b>5</b>
➤ FirstNet Authority Does Not Adequately Oversee the User Eligibility Process.....	5
Recommendation .....	7
➤ FirstNet Authority Does Not Consistently or Adequately Verify User Eligibility Determinations .....	7
Data Quality Issues in Subscription Report.....	8
FirstNet Authority’s Limited, Ad Hoc Reviews of User Eligibility.....	10
FirstNet Authority’s Overall Lack of Timely Access to User Eligibility Data .....	13
Recommendations.....	13
➤ Potential Impacts of FirstNet Authority’s Lack of Oversight.....	14
Recommendations.....	16
<b>Conclusion .....</b>	<b>17</b>
<b>Summary of NTIA Response and OIG Comments .....</b>	<b>18</b>
➤ Our Comments on NTIA’s Formal Response .....	18
Impact of Data Errors in AT&T Subscription Reports.....	18
Potential for Improper Payments to Contractor.....	18
Discussion of Contractor Performance .....	19
➤ Our Responses to Technical Comments from FirstNet Authority.....	20
Denial of OIG Access to Records.....	20
Verification Reports to Support Milestone Payment .....	20
Statistical Sampling Approach to Verification Process .....	20



**Appendix 1. OIG Reports on FirstNet Authority’s Oversight.....22**  
**Appendix 2. Scope and Methodology .....24**  
**Appendix 3. Potential Monetary Impacts .....27**  
**Appendix 4. NTIA’s Response.....29**



## Introduction

The Nationwide Public Safety Broadband Network (NPSBN, commonly known as FirstNet) is an interoperable network developed to give the nation’s first responders a dedicated, reliable wireless network for communicating when responding to emergencies.<sup>1</sup>

The Middle Class Tax Relief and Job Creation Act of 2012 established the First Responder Network Authority as an independent authority within the National Telecommunications and Information Administration (NTIA) to ensure the deployment and operation of the NPSBN.<sup>2</sup> In March 2017, FirstNet Authority awarded AT&T a \$6.5 billion, 25-year contract<sup>3</sup> with a \$100 billion ceiling to deploy the network. FirstNet Authority manages and oversees the network, including contract management and administration. In accordance with the act, the authority of FirstNet Authority is set to terminate in 2027<sup>4</sup> unless Congress decides to reauthorize FirstNet Authority to continue fulfilling the NPSBN’s statutory requirements and contract responsibilities.

The NPSBN contract states that a primary network objective is for eligible public safety entities (PSEs) to adopt and use the network. Adoption is measured by AT&T’s reported number of device connections (user devices connected to the network). Only eligible users who provide a public safety service are permitted to maintain NPSBN device connections.

For this audit, we assessed whether FirstNet Authority is providing sufficient oversight to ensure that only eligible public safety entities are being allowed access to the NPSBN.

### ► Eligible Users Defined

The contract refers to the act for its definition of PSEs. According to the definition cited in the act, PSEs include government entities or authorized nongovernmental organizations that provide public safety services that are intended to protect the safety of life, health, or property and are not made commercially available to the public by the provider.<sup>5</sup>

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<sup>1</sup> The NPSBN provides dedicated radio spectrum to public safety across the United States and its territories.

<sup>2</sup> See Pub. L. No. 112-96, §§ 6204, 6202 (codified at 47 U.S.C. §§ 1424, 1422).

<sup>3</sup> The U.S. Department of the Interior signed the contract on behalf of the U.S. Department of Commerce and FirstNet Authority, then transferred the contract’s management to FirstNet Authority in December 2017.

<sup>4</sup> See 47 U.S.C. § 1426(f).

<sup>5</sup> The act specifically defines a PSE as an entity that provides “public safety services,” which it defines as the meaning given in 47 U.S.C. § 337(f) and includes services provided by emergency response providers as defined in the Homeland Security Act of 2002. See 47 U.S.C. § 1401(26), (27). Public safety services are defined in 47 U.S.C. § 337(f) as services that have the sole or principal purpose of protecting the safety of life,

To date, AT&T has received approximately \$6.47 billion of the \$6.5 billion in contractual milestone payments from FirstNet Authority, including \$ [REDACTED] in December 2023 for delivering nationwide public safety device connection targets.<sup>6</sup> AT&T is entitled to the remaining \$ [REDACTED] for state-level public safety device connection target milestone payments in FY 2026 if it meets certain targets specified in the NPSBN contract. If AT&T fails to meet its public safety device connection targets, the contract requires AT&T to make up to \$3 billion in total maximum nationwide disincentive payments over the remaining life of the contract.

To calculate milestone and disincentive payments, the contract divides PSEs into two categories of device connection targets: primary users and extended primary users. Primary users are in the following disciplines:

- Law enforcement, including public safety answering points, 911 operations, and emergency operations centers
- Fire and rescue service users
- Emergency medical services (EMS) users, including emergency medical care providers, emergency room or department facilities and staff, and disaster medical assistance teams, including emergency room workers and emergency management
- Emergency management, including emergency operations center facilities and staff, and incident management teams, facilities, and staff
- Emergency communication centers, including dispatch center facilities and personnel and governmental emergency communications technicians
- Federal, state, tribal, and local government leadership and senior staff who have a role in continuity of operations or government, or in supporting or facilitating federal, state, tribal, and local government emergency response
- The National Guard

The contract defines extended primary users as PSEs beyond those defined in the primary user group.

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health, or property; that are provided by state or local government entities or by nongovernmental organizations authorized by a governmental entity whose primary mission is the provision of such services; and that the provider has not made commercially available to the public. The Homeland Security Act of 2002 states that emergency response providers include federal, state, and local governmental and nongovernmental emergency public safety, fire, law enforcement, emergency response, emergency medical (including hospital emergency facilities), and related personnel, agencies, and authorities. See 6 U.S.C. § 101(6).

<sup>6</sup> According to the contract, AT&T was eligible to receive a milestone payment if AT&T met nationwide device connection targets by March 2026.

As of September 2024, FirstNet had approximately [REDACTED] users, with approximately [REDACTED] categorized as primary users and [REDACTED] as extended primary users. These users maintained almost 6 million connected devices altogether.

## ➤ **User Eligibility Determinations**

FirstNet primary and extended primary users are further categorized as agency-paid or subscriber-paid, depending on how they sign up and pay for network services. Agency-paid users are public safety practitioners whose FirstNet service is billed to and paid for by their employing agency. Subscriber-paid users sign up individually to FirstNet and pay for their own service. According to FirstNet Authority, user eligibility is determined by AT&T and a third-party verification service contracted by AT&T.

## ➤ **Ongoing Oversight Weaknesses Detailed in Our Earlier Reports**

We have reported on the NPSBN as a top management challenge for the U.S. Department of Commerce for fiscal years (FYs) 2017 through 2026. Our recent prior audit reports have also identified issues with FirstNet Authority’s oversight of AT&T’s contract performance. We list these reports in appendix 1.

Many of the issues we have identified continue to exist and relate directly to our findings in this report. For example, we reported in June 2024 that FirstNet Authority did not adequately verify that AT&T’s reported device connections met contract requirements, nor did it adequately assess AT&T’s performance related to PSEs’ network use and adoption.<sup>7</sup>

## ➤ **Denial of OIG Access to Records**

During this audit, we were denied access to supporting documentation related to user eligibility. On February 4, 2025, we requested that FirstNet Authority obtain and provide supporting eligibility documentation for 20 NPSBN users, and FirstNet Authority stated that it would require a restricted meeting with AT&T to view the documentation. However, according to FirstNet Authority, when FirstNet Authority staff tried to coordinate our attendance at a meeting scheduled for March 4, 2025, “AT&T as well as FirstNet [Authority] legal . . . advised against having the OIG participation.”

We were informed that FirstNet Authority employees could instead review the documentation for the 20 users in our sample and take notes to share with us. Although FirstNet Authority did provide its notes to us, our lack of direct access to the records meant that we could not independently substantiate FirstNet Authority’s oversight procedures in

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<sup>7</sup> Commerce OIG. June 12, 2024. *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](#).

the restricted meeting to verify that the 20 users were eligible and properly designated as primary or extended primary users.

We were still able to adequately address our audit objective in accordance with generally accepted government audit standards. However, denying our access to records that FirstNet Authority employees have access to contravenes our authority under the Inspector General Act of 1978, as amended, to timely access to all records available to FirstNet Authority.<sup>8</sup>

After our fieldwork was completed, FirstNet Authority allowed us to observe a 1-hour restricted session held on June 16, 2025. Our observation of the session did not change any of the oversight concerns we outline in this report.

## ➤ **Objective**

Our audit objective was to assess FirstNet Authority's oversight for ensuring that only eligible users have access to the network. Appendix 2 provides a detailed description of our scope and methodology.

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<sup>8</sup> See 5 U.S.C. § 406(a)(1)(A)); see also Department Administrative Order 213-3, § 4.03.



## Findings and Recommendations

**Summary:** We found that FirstNet Authority did not ensure that only eligible users have access to the network. Specifically, FirstNet Authority (1) does not adequately oversee the user eligibility process and (2) does not regularly verify user eligibility once it has been determined.

Without adequate oversight and verification, FirstNet Authority cannot ensure that only eligible users have access to the NPSBN and that AT&T's performance meets the requirements to build and deploy a network dedicated to public safety. As a result, we are questioning unsupported costs of \$ [REDACTED]—the amount that FirstNet Authority most recently paid AT&T for meeting device connection targets without adequately verifying NPSBN users' eligibility.

Inadequate oversight and verification could also lead to the inflation of the number of device connections on the network. This could in turn lead to the government making unjustified payments to AT&T or improperly reducing or eliminating AT&T's disincentive payments. As a result, we identified \$ [REDACTED] in potential cost savings for remaining milestone payments to AT&T, as well as potential revenue risk from losing up to \$242,635,137 in disincentive payments, and we are recommending that FirstNet Authority review sufficient data to verify that users are eligible.

### ➤ **FirstNet Authority Does Not Adequately Oversee the User Eligibility Process**

According to FirstNet Authority officials, AT&T owns the user eligibility determination process and is responsible for eligibility decisions. However, the act and the NPSBN contract mandate that FirstNet Authority is ultimately responsible for overseeing AT&T's user eligibility determination process to ensure that only eligible PSEs are allowed network access.<sup>9</sup>

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<sup>9</sup> The act requires FirstNet Authority to establish and maintain a network for use by only PSEs. See 47 U.S.C. §§ 1411, 1422, 1432. The contract requires FirstNet Authority to oversee AT&T's operation of the network, including adoption by eligible PSEs.

Despite this responsibility, FirstNet Authority does not review AT&T’s eligibility policy<sup>10</sup> to ensure that it aligns with the contract’s user eligibility requirements. However, the Federal Acquisition Regulation (FAR) requires agencies to ensure that services tendered by contractors meet contract requirements and that nonconformances are identified.<sup>11</sup> Thus, FirstNet Authority is ultimately responsible for ensuring that AT&T complies with the statutory objective of operating a network to be used by PSEs.

FirstNet Authority did not require AT&T to provide the policy to FirstNet Authority as a contract deliverable until July 2024—over 7 years into the contract.<sup>12</sup> Even when the policy became a required deliverable, the contract specified that FirstNet Authority could use it only for “informational, educational, and/or awareness purposes,” not to measure contractor performance.

Additionally, AT&T’s eligibility policy defines extended primary users differently from the contract. While the contract defines these users as “PSE users—beyond those defined within [the] primary user group,” AT&T’s policy defines extended primary users not as the PSEs themselves, but as staff or entities that support PSEs during or after an event or crisis. This includes entities with functions related to broadcasting, education, information technology, and transportation.<sup>13</sup> The difference in these definitions means that AT&T could still find extended primary users who do not meet the contract’s user eligibility requirements eligible to access the network.

Without the contractual ability to regularly review the policy and work with AT&T to correct any nonconformances, FirstNet Authority cannot ensure that the policy aligns with contract eligibility requirements. This lack of oversight increases the risk of ineligible users accessing the network.

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<sup>10</sup> AT&T’s *C-005 Eligibility Policy* is used as a reference guide by AT&T when determining who is an eligible NPSBN user and whether to classify users as either primary or extended primary.

<sup>11</sup> FAR §§ 46.102(b), 46.103(e).

<sup>12</sup> The contract requires AT&T to provide the *C-005 Eligibility Policy* contract deliverable semiannually to FirstNet Authority beginning 6 months after the award of task order 11 (effective January 30, 2024). It also requires AT&T to give policy updates to FirstNet Authority before sharing them with AT&T sales teams.

<sup>13</sup> According to AT&T’s *C-005 Eligibility Policy*, these functions include Broadcasting, Energy and Utilities, Education K12/Higher Education, Hospitals/Public Health (non-EMS), Information Technology and Network, Transportation, Internet of Things Devices, and Alarms.

## Recommendation

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

1. Incorporate AT&T's *C-005 Eligibility Policy* into FirstNet Authority's deliverable management review process and implement formal procedures to regularly review the policy to ensure that it complies with the contract's user eligibility requirements.

### ► **FirstNet Authority Does Not Consistently or Adequately Verify User Eligibility Determinations**

The act and the NPSBN contract give FirstNet Authority oversight responsibility for all NPSBN functions, including the overarching responsibility of ensuring that only PSEs are on the network. However, FirstNet Authority does not regularly verify AT&T's user eligibility decisions to ensure that AT&T is meeting its contractual requirements, nor has it been regularly overseeing AT&T's process for reverification of user eligibility.<sup>14</sup>

This is because FirstNet Authority does not have policies and procedures in place to verify AT&T's user eligibility decisions and reverification. The FAR requires the government to develop and apply procedures for conducting contract quality assurance actions to verify that contract requirements are being met.<sup>15</sup>

Additionally, FirstNet Authority's quality assurance surveillance plan (QASP), which is used to assess contractor performance, does not have a specific metric for ensuring that network eligibility requirements are met, nor does it identify a method for FirstNet Authority to verify AT&T's determinations and reverification of eligibility, as required by the FAR. FirstNet Authority's QASP did not meet the FAR requirements<sup>16</sup> because it did not specify (1) all work requiring surveillance (in this case, user eligibility), and (2) the method of surveillance over user eligibility.

Every month, FirstNet Authority receives a contractually required deliverable from AT&T, the *D-068 Subscription Management Report*, that provides user eligibility and device

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<sup>14</sup> See FAR § 46.103(e) (requiring contracting offices to ensure that nonconformances are identified and establish their significance when considering acceptability of services) and see FAR § 46.104(b) (requiring contracting offices to perform all actions necessary to verify whether the supplies or services conform to contract quality requirements).

<sup>15</sup> FAR § 46.104.

<sup>16</sup> See FAR § 46.401(a).

connection information. This report is the only deliverable FirstNet Authority receives that includes eligibility-related information (such as the names of subscribing agencies, whether users are agency or subscriber paid and primary or extended primary, and whether primary users are associated with law enforcement, emergency medical, or fire services). However, because FirstNet Authority considers AT&T wholly responsible for verifying user eligibility, it assumes that the report includes only eligible users and primarily uses it to determine whether AT&T has met its device connection targets; FirstNet Authority does not review the report on a recurring basis to verify eligibility.

We identified several concerns during our review: (1) The subscription report contained data errors and quality issues, (2) FirstNet Authority conducted only limited, ad hoc reviews of user eligibility, and (3) FirstNet Authority lacked timely access to user eligibility data.

### Data Quality Issues in Subscription Report

During our review, we found that the October 2024 subscription report contained significant data errors and quality issues that must be corrected if it is to be useful. Even though the report is the only contract deliverable that FirstNet Authority can readily access to verify user eligibility, many data quality issues make it a flawed resource.

The FAR states that the contractor is responsible for carrying out its contract obligations by controlling the quality of services and tendering to the government only those services that conform to contract requirements, while the contracting office is responsible for verifying that the contractor fulfills the contract's quality requirements.<sup>17</sup> U.S. Government Accountability Office (GAO) standards also describe using quality information to achieve objectives and emphasize using reliable data sources that are not misleading and are reasonably free from error and bias.<sup>18</sup>

However, AT&T repeatedly submitted subscription reports that had significant data quality and data integrity issues. FirstNet Authority officials who reviewed the reports' device connection data told us that they found errors in the names of agencies listed in the reports, including missing or inaccurate agency names. These errors occurred in part because agency names were entered into a freeform text field and adequate controls are not in place to ensure that the names were complete, correct, and consistent.

The subscription reports also did not include a unique identifier for each user. A unique identifier is a number or other identifier, such as a combination of letters and numbers, used to identify a specific record or user. A unique identifier is crucial for oversight, as it helps to ensure that each data entry can be distinguished from other entries, mitigate

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<sup>17</sup> FAR §§ 46.105(a), 46.103(d).

<sup>18</sup> GAO. September 10, 2014. *Standards for Internal Control in the Federal Government*. [GAO-14-704G](#), 59.

duplicate or erroneous entries, and expedite the identification and retrieval of specific data. However, the FirstNet contract does not require the reports to include an assigned unique identifier for each user. Without a unique identifier assigned to each user, FirstNet Authority’s ability to identify duplicate or erroneous users in the report is greatly hindered.

Further, when we reviewed the agency names in the October 2024 subscription report, we identified approximately 96,000 records with agency name fields that included entries like “Subscriber Paid” or “Unknown” as well as names that were incorrect or missing, or for organizations that had no clear connection to a PSE function (one that appeared to be for a church, one that appeared to be dermatology related, etc.). These issues indicate that additional oversight is needed to verify the accuracy of the data in the reports and confirm user eligibility.

As a result of the recurring data quality issues in the subscription reports, FirstNet Authority rejected the reports for July through September 2024. At the time of our review, it also had not accepted the October through March 2025 reports.

Since 2022, FirstNet Authority has also issued three corrective action reports (CARs) to AT&T, requiring AT&T to submit plans describing the corrective actions it will take to address data quality issues found in the subscription reports. As part of its corrective actions, AT&T stated that it was going to “validate and correct missing/incomplete agency name details for subscriber-paid connections.” However, these actions did not identify the steps AT&T planned to take to make these updates, including when they would be accomplished and how long they would take. The CARs dated September 2024 and February 2025 remained open as of May 1, 2025, and state that “inaccurate identification of agencies continues to cause concern and [lack of] confidence in the integrity of the data provided to ensure eligibility requirements are being met.”

Moreover, the February 2025 CAR identified the following:

- AT&T’s continued resolution efforts are incomplete, and data integrity issues in the subscription report impact FirstNet Authority’s abilities to provide oversight of the

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➤➤ About **96,000** agency names in AT&T’s subscription report were incorrect, missing, or not clearly related to a PSE function. Some of the “names” we saw were:

- *Agency Paid User*
  - *Subscriber Paid*
  - *Missing*
  - *Unknown*
  - *Bulk Verify*
  - One- or two-letter entries like C and SA ◀◀
-

delivery of device connection targets required by AT&T, affecting FirstNet Authority's ability to monitor milestone and disincentive payments.

- AT&T needs to provide a corrective action plan that includes an explanation of why the data cleanup has not yet been completed, adjustments to ensure the timely completion of corrective actions, a milestone schedule of monthly incremental activities, and process improvements AT&T will deploy when signing users up and during its eligibility reviews.

At the time of our review, FirstNet Authority was still monitoring AT&T's corrective actions. Although FirstNet Authority has issued multiple CARs in an effort to improve the subscription reports, significant issues remain. We are concerned that the CAR process has not been an effective tool for improving data quality issues in the subscription report and holding AT&T accountable for the delays in implementing adequate corrective action. Accordingly, FirstNet Authority should take appropriate action to strengthen the quality and integrity of the subscription report data and to hold AT&T accountable.

### FirstNet Authority's Limited, Ad Hoc Reviews of User Eligibility

FirstNet Authority formed an eligibility working group in 2023. From November 2023 to September 2024, the working group developed questions and requests for AT&T about its eligibility determination process, including inquiries related to AT&T's subscription report. The working group comprised staff across multiple functional areas, including public safety advocacy and contracting,<sup>19</sup> from which eligibility information could be obtained and leveraged as needed. However, according to FirstNet Authority, this working group was not established or used for conducting oversight or contract compliance of user eligibility.

In addition to the work completed through the eligibility working group, FirstNet Authority conducted limited, ad hoc reviews of user eligibility,<sup>20</sup> including for its first annual

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<sup>19</sup> The eligibility working group comprised FirstNet Authority staff from Network Business Services, Network Program Management, Network Technical Oversight, Public Safety Engagement, Office of the Chief Procurement Officer, and the Innovation and Investment Office.

<sup>20</sup> For example, in 2020 and 2021, FirstNet Authority made limited inquiries to AT&T related to eligibility verification, with AT&T responding to FirstNet Authority's eligibility questions about specific agency names. Additionally, in January 2022, FirstNet Authority initiated an eligibility verification audit inquiry with AT&T in which FirstNet Authority reviewed a sample of source eligibility documentation for select inquiries and AT&T responded to eligibility questions about specific agency names. However, we could not verify the audit findings and results since FirstNet Authority had not sufficiently documented them. Further, FirstNet Authority reported in its *Task Order 4 Full Operational Capability Verification* report, dated December 11, 2023, that it held restricted sessions with AT&T in May and September 2023 to verify device connections. FirstNet Authority reported verifying the methodology of AT&T's eligibility process as part of these sessions to confirm that subscriber-paid billing documents were tied to agencies listed in the subscription report, but it did not sufficiently document that AT&T had adequately verified user eligibility.

disincentive payment review cycle.<sup>21</sup> For that review, FirstNet Authority leveraged the eligibility information obtained by the working group and selected 143 users (out of around [REDACTED]) to verify that AT&T had conducted appropriate eligibility reviews.<sup>22</sup> FirstNet Authority then provided the list of users to AT&T along with requests for more information about each user’s agency, such as “Explain why employees of this agency are eligible for service.” FirstNet Authority began coordinating with AT&T in September 2024; however, AT&T was still in the process of responding to FirstNet Authority’s questions as of April 2025—approximately 7 months after the review began.<sup>23</sup>

This review, while limited, revealed inadequacies with FirstNet Authority’s oversight and AT&T’s user eligibility determination process. Specifically, FirstNet Authority (1) did not assess sufficient eligibility documentation and could not always review supporting eligibility documentation because the documentation was not available, (2) was not fully aware of AT&T’s process for determining eligibility, (3) identified discrepancies in data AT&T had collected during the eligibility verification process, and (4) did not have direct access to eligibility information outside of the subscription report.

**Insufficiently assessed or unavailable documentation.** FirstNet Authority initially selected only 19 of the 143 users for their review of available supporting eligibility documentation.<sup>24</sup> For 9 of the 19 users, although they were determined eligible by AT&T’s third-party verification service, no documentation was available to review because it was either missing or was not required because the user had been instantly verified.<sup>25</sup>

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<sup>21</sup> Based on contract terms, disincentive payment reviews were not required to begin until the network achieved full operational capability, which occurred in March 2023. In the “Potential Impacts of FirstNet Authority’s Lack of Oversight” section of this report, we discuss the nationwide maximum disincentive payments from AT&T for the first 2 applicable disincentive payment years if AT&T does not meet the contract’s required device connection targets.

<sup>22</sup> According to FirstNet Authority officials who participated in the eligibility working group, the selection of 143 users evolved from the working group’s manual review of approximately [REDACTED] users (out of around [REDACTED]) from the subscription report and required additional explanation of eligibility based on the agency name, location, and job role.

<sup>23</sup> When our fieldwork ended, FirstNet Authority was still conducting eligibility verification for its first annual disincentive payment review. Therefore, FirstNet Authority may have expanded its sample of users reviewed and made additional requests to AT&T.

<sup>24</sup> At the time of our review, FirstNet Authority also attempted to review supporting eligibility documentation for additional users outside of the initial 143 selected. These included 6 users we inquired about because the agency name was listed as “NA” and the 20 users we selected in order to try to further verify FirstNet Authority’s oversight of user eligibility. (As described in the “Denial of OIG Access to Records” section of this report, we were not allowed access to the records of these 20 users.)

<sup>25</sup> According to FirstNet Authority employees, AT&T informed them during their disincentive payment review that “instant verification” means the third-party service verified the user’s eligibility information against its databases and no supporting documentation is available to review.

**Inadequate knowledge about AT&T’s determination process.** FirstNet Authority was not fully aware of AT&T’s process for determining eligibility and just recently asked about AT&T’s quality control process for its third-party verification services, such as definitions for terms AT&T had used in the report, including “instant verification,” “not listed—instant,” and “approved properly.”

**Discrepancies in data AT&T collected during the eligibility verification process.**

Although the review was limited, FirstNet Authority did identify discrepancies in AT&T’s user data. Our review of FirstNet Authority’s preliminary documentation confirmed that FirstNet Authority found several issues with AT&T’s determinations, including:

- Ten agency names were listed as “Missing,” and AT&T could not identify four of them.
- The agency names of multiple users that third-party services had verified eligible were listed incorrectly in the subscription management report.
- Two subscriber-paid users had expired credentials and required reverification by AT&T. For example, an emergency medical technician’s credentials expired in 2022, but the technician was still listed as eligible 2 years later.

Additionally, for 125 of the users, AT&T had responded, “Approved properly but bad data from [third-party verification services] on Agency Name.” FirstNet Authority lacked insight into the third-party verification’s internal data or quality assurance process. The discovery of inaccurate data from the provider raises concerns about relying on these services to verify user eligibility.

**Lack of direct access to AT&T’s eligibility information.** FirstNet Authority did not have direct access to eligibility information outside of the subscriber report and was required to discuss and review eligibility information with AT&T in restricted meetings.<sup>26</sup> This restricted access hindered FirstNet Authority’s ability to review user eligibility source documentation in a timely and sufficient manner. Moreover, when we attempted to further verify FirstNet Authority’s oversight of user eligibility by requesting supporting eligibility documentation, we were denied access to it. (Refer to “Denial of OIG Access to Records” in this report’s introduction for more on this issue.)

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<sup>26</sup> According to the NPSBN contract, restricted documents are nonpublic documents containing proprietary information. They can be viewed either virtually or in a restricted area in an AT&T facility, and while FirstNet Authority employees can review the documentation and take notes, they are not permitted to photograph the documentation or record the viewing sessions. FirstNet Authority was first allowed to take notes during restricted sessions beginning in January 2024, approximately 7 years into the contract, after the contract was modified to allow it.

## FirstNet Authority's Overall Lack of Timely Access to User Eligibility Data

GAO standards recommend that management obtain data promptly so that it can be used for effective monitoring.<sup>27</sup> However, FirstNet Authority did not have direct access to any documentation outside of the subscription report to independently verify that users met the contract's eligibility requirements. This documentation was only available for review in a restricted setting, which FirstNet Authority must request from AT&T. It took over 7 months for FirstNet Authority to attend four restricted sessions<sup>28</sup> with AT&T as part of its review of just 143 users. The lengthy, yet insufficient, review was still in progress at the time of our fieldwork because FirstNet Authority does not have timely, unrestricted access to available documentation to verify eligibility.

Because of this restricted access, FirstNet Authority must rely on AT&T to schedule and conduct these meetings, which can take weeks. As a result, FirstNet Authority's visibility of user eligibility information and its ability to provide effective oversight is hindered.

### Recommendations

We recommend that the Assistant Secretary of Commerce for Communications and Information Administrator, in coordination with the Department's Senior Procurement Executive and Director of Acquisition Management, direct FirstNet Authority's Chief Executive Officer to:

2. Modify the QASP to implement a user eligibility performance metric that meets the contract's user eligibility requirement, including a method of surveillance to verify that AT&T meets the established performance metric.

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

3. Strengthen user eligibility oversight by developing and implementing formal processes for actively monitoring and providing recurring contract surveillance over user eligibility, including continual verification of eligibility.
4. Develop and implement formal processes to obtain timely, recurring access to documentation needed to verify user eligibility.

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<sup>27</sup> GAO. *Standards for Internal Control*, 59.

<sup>28</sup> At the time of our review, restricted sessions had been held in October 2024, December 2024, March 2025, and April 2025.

5. Hold AT&T accountable for submitting inadequate *D-068 Subscription Management Reports* that do not meet quality standards by implementing effective remediation actions.
6. Continue improving the *D-068 Subscription Management Report's* data quality and reliability by:
  - a. Implementing stronger controls surrounding freeform text.
  - b. Ensuring that accurate agency names and other identifying information are provided.
7. Require AT&T to include unique identifiers in the *D-068 Subscription Management Report*.

### ► Potential Impacts of FirstNet Authority's Lack of Oversight

FirstNet Authority has not provided adequate oversight to ensure that only eligible users have access to the NPSBN and that AT&T's performance meets the act's requirement to build and deploy a network dedicated to public safety. This is especially concerning since ineligible users have been identified on the network. For example, in April 2022, AT&T notified FirstNet Authority that an AT&T reseller was improperly allowing ineligible users to be on the network as extended primary users. After an internal investigation, FirstNet Authority reported that AT&T had deactivated [REDACTED] device connections related to this issue. Had AT&T not notified FirstNet Authority of this issue, FirstNet Authority may not have known about ineligible users on the network because of its inadequate oversight process.

Because FirstNet Authority did not adequately verify NPSBN user eligibility, we are questioning unsupported costs of \$ [REDACTED],<sup>29</sup> which represents the most recent payment from FirstNet Authority to AT&T for nationwide device connection targets. Furthermore, this inadequate oversight could lead to several other issues:

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<sup>29</sup> On May 5, 2025, we asked FirstNet Authority to provide support of its verification activities of this payment. FirstNet Authority contracting personnel provided the *Task Order 4 Performance Incentive-2 Nationwide Compliance with Full Operational Capability +3 Connection Targets Verification* report, dated December 1, 2023. The report stated that there was no restricted session examination of the device connection data, as FirstNet Authority had concluded that it was not required for this milestone because a restricted session in June 2023 had examined data from March 30, 2023. The report did not include eligibility verification activities performed as part of the examination, and we did not receive supporting documentation of such activities. Despite the lack of support, FirstNet Authority concluded that AT&T had satisfied its requirement for primary and total device connections nationwide. After we briefed FirstNet Authority on June 10, 2025, FirstNet Authority contracting personnel provided two emails that contained notes describing validation efforts for device connections. However, these notes did not sufficiently demonstrate that FirstNet Authority had conducted appropriate oversight to verify the \$ [REDACTED] paid for device connection targets.

- Device connections could be inflated, which could override AT&T’s requirement to make disincentive payments and lead to improper milestone payments to AT&T. (See appendix 3 for details of potential monetary impacts.)
  - We identified \$ [REDACTED] in potential cost savings, which represents the total remaining milestone payment to AT&T for delivering state-level device connection targets due March 30, 2026.
  - If AT&T does not meet the contract’s required device connection targets, FirstNet Authority may miss the opportunity to receive up to \$242,635,137 in nationwide maximum disincentive payments from AT&T for its first 2 applicable disincentive payment years.<sup>30</sup>
- Network performance at individual FirstNet cell sites is put at risk if ineligible users, who should not have network access, are on the network.

Beyond those issues, we discovered during our review that the QASP does not correctly allocate AT&T’s disincentive payments. As a result, FirstNet Authority may not benefit fully from the maximum value of nationwide disincentive payments over the life of the contract.

The \$3 billion disincentive payments<sup>31</sup> are spread across each performance year of the contract after the network achieved full operational capability and are allocated among all U.S. states and territories based on population size. Incorrectly included in the year’s disincentive payment calculations, however, are four U.S. territories—the U.S. Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands [REDACTED]

[REDACTED]. If the QASP is not modified to correct the allocations, FirstNet Authority risks not receiving payments of up to \$108,941,415 if AT&T does not meet the contract’s device connection targets.

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<sup>30</sup> The \$242,635,137 does not include disincentive payments for the U.S. Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands as discussed in this section.

<sup>31</sup> During contract negotiations, FirstNet Authority and AT&T agreed to total disincentive payments of \$3 billion, subject to AT&T’s performance measured against the device connection targets. The \$3 billion was allocated across U.S. states and territories with connection targets for performance over a 20-year period.

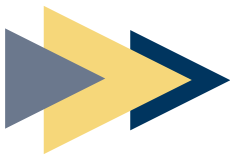
## Recommendations

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

8. Independently verify that NPSBN users were eligible, representing the \$ [REDACTED] milestone payment for nationwide connection targets, and determine the allowability of and recover, as appropriate, any costs that FirstNet Authority paid to AT&T without adequate verification of NPSBN user eligibility that could not be verified.
9. Independently verify that NPSBN users are eligible before issuing remaining milestone payments totaling \$ [REDACTED] to AT&T, and deobligate any funds associated with device connection targets that cannot be verified.
10. Independently verify that NPSBN users are eligible when determining how much of AT&T's disincentive payments, totaling \$242,635,137 for the first 2 applicable years, as well as for future years, are payable to FirstNet Authority, and either provide documentation to justify nonpayment or enact disincentive mechanisms as applicable.

We recommend that the Assistant Secretary of Commerce for Communications and Information Administrator, in coordination with the Department's Senior Procurement Executive and Director of Acquisition Management, direct FirstNet Authority's Chief Executive Officer to:

11. Modify the QASP to remove the \$108,941,415 in disincentive payments incorrectly allocated to the four U.S. territories [REDACTED] and reallocate that amount to the states and territories that have device connection targets for the remaining disincentive years.



## Conclusion

Our audits have repeatedly found that FirstNet Authority’s oversight of AT&T is inadequate, and this issue remains a concern—here, with the inadequate oversight and verification of AT&T’s user eligibility process. The flawed data provided to FirstNet Authority and restrictions on FirstNet Authority’s access to eligibility data add further concerns about FirstNet Authority’s ability to access the information it needs, and to do so in a timely manner. Without adequate verification, FirstNet Authority cannot ensure that only eligible users have access to the NPSBN and that AT&T’s performance meets the act’s requirement to build and deploy a network dedicated to public safety.

As we have discussed, ineligible users on the network could impact network availability, as well as have significant financial impacts. Immediate improvement is needed if FirstNet Authority is to ensure that AT&T meets its requirements to allow only eligible users on the NPSBN.



## Summary of NTIA Response and OIG Comments

NTIA reviewed a draft version of this report and responded to our findings and recommendations. In its response, NTIA concurred with all of our recommendations. NTIA's complete response, which also included general comments, is included in this report as appendix 4. We address specific comments from NTIA below.

In addition, at FirstNet Authority's request, we have redacted from the public version of this report certain business-sensitive information and other information otherwise protected from disclosure. FirstNet Authority also provided technical comments on the draft report. We considered these comments and revised the report where appropriate, and we address three of the comments later in this section.

We are pleased that NTIA concurs with our recommendations. We look forward to receiving NTIA's action plan, which will provide details on its corrective actions.

### ► **Our Comments on NTIA's Formal Response**

#### Impact of Data Errors in AT&T Subscription Reports

In its response, NTIA commented that data errors in AT&T's subscription reports "are unlikely, on their own, to result in ineligible users gaining access to the network." NTIA explained that because subscriber-paid users must submit specific, approved forms of documentation as proof of eligibility, "the risk that data quality deficiencies alone would result in a significant number of ineligible users on the network is low."

However, as we reported, the subscription report is the only deliverable FirstNet Authority can readily access to verify user eligibility information. Therefore, data errors in these reports—including the discrepancies identified in AT&T's user data—can adversely affect FirstNet Authority's ability to conduct adequate oversight. Due to FirstNet Authority's inadequate oversight, there is insufficient assurance of the subscription report data's accuracy, and FirstNet Authority cannot determine whether ineligible users may be gaining access to the network or assess the potential impact of such access. Therefore, the risk that data quality deficiencies would result in ineligible users accessing the network is unknown, and NTIA cannot reasonably conclude that the risk is low.

#### Potential for Improper Payments to Contractor

According to NTIA, the draft report "provides scant evidence" to support our finding that device connections could be inflated and thus lead to improper milestone payments to

AT&T. NTIA also questioned whether we conducted a risk-based analysis to support our position that the user eligibility process “could have led to improper payments to AT&T or could trigger the requirement for AT&T to make disincentive payments.”

We disagree that the report provides “scant evidence” to support our conclusions, and we maintain that inadequate oversight and inadequate verification could lead to the inflation of the number of device connections on the network. As we reported, [REDACTED] of ineligible users were previously identified on the network. The presence of [REDACTED] of ineligible individuals on a network intended for public safety use constitutes more than “scant” evidence. This situation continues to pose a risk that additional unauthorized users may be present, as our findings reflect only what is currently known. These observations underscore that the oversight process is inadequate, and we have substantial evidence supporting this conclusion.

In addition, based on the sufficient and appropriate evidence gathered during our audit, we concluded that FirstNet Authority did not adequately verify NPSBN user eligibility before paying AT&T the milestone payment for nationwide connection targets. FirstNet Authority also needs to independently verify that NPSBN users are eligible before issuing remaining milestone payments to AT&T and when determining how much of AT&T’s disincentive payments are payable to FirstNet Authority.

## Discussion of Contractor Performance

NTIA stated that it “believes that suggestions of contractor nonperformance at this stage are premature.” NTIA explained that FirstNet Authority has implemented new measures that, according to NTIA, are intended to improve oversight of AT&T’s performance; NTIA called for “a comprehensive review that incorporates FirstNet Authority’s newly implemented oversight measures . . . and OIG’s recommendations” in order to assess whether the user eligibility process is adequate.

To be clear, we did not report contractor nonperformance. We reported that FirstNet Authority did not provide the oversight needed to determine whether AT&T was performing under the contract. Further, because we were denied access to supporting documentation, we were unable to assess the accuracy of any user eligibility determinations. Without adequate oversight, FirstNet Authority cannot attest to the sufficiency of AT&T’s user eligibility process or have reasonable assurance that only eligible users are on the network. We agree that after controls are implemented, FirstNet Authority will be in a better position to confirm AT&T’s performance related to NPSBN user eligibility.

## ► Our Responses to Technical Comments from FirstNet Authority

### Denial of OIG Access to Records

**FirstNet Authority comment.** “AT&T is required . . . to protect sensitive personal information (SPI) and customer proprietary network information (CPNI) of its customers. FirstNet Authority’s contract with AT&T outlines the manner in which the Authority may access such information to ensure compliance with these privacy and informative safeguards. The contract provides for Restricted Meetings during which the Authority is able to review eligibility SPI and CPNI such as government [issued] IDs, home addresses, account numbers, telephone numbers, dates of birth, [and] social security numbers in a controlled setting. However, the contract does not confer upon the Authority possession, custody, or control of the data. Accordingly, the Authority could not unilaterally grant OIG access to the meeting or the data.”

**OIG response.** Although AT&T is required to protect sensitive customer information, the contract allows for FirstNet Authority officials to view user eligibility information in a restricted meeting. Denying us access to records that FirstNet Authority employees can access contravenes our authority under the Inspector General Act of 1978, as amended, which grants us timely access to all records available to FirstNet Authority.

### Verification Reports to Support Milestone Payment

**FirstNet Authority comment.** “FirstNet Authority provided documentation supporting the \$█ in cost to the OIG on 5/9/2025 and 6/18/2025. This documentation includes two verification reports in addition to notes and specifically addresses FirstNet Authority's oversight as it relates to eligibility.”

**OIG response.** As stated in our report, we reviewed the documentation FirstNet Authority provided. Although FirstNet Authority provided documentation that it had reviewed AT&T’s methodology for the user eligibility process, the documentation did not include eligibility verification activities, such as reviewing user credentials, that it performed as part of this examination. Despite the lack of support, FirstNet Authority concluded that AT&T had satisfied its requirements for primary and total device connections nationwide.

### Statistical Sampling Approach to Verification Process

**FirstNet Authority comment.** “FirstNet uses a sampling based approach to assert statistical confidence in the verification process. As such, eligibility is included within regular FirstNet Authority reviews of the Contractor’s connection counts, including specific questions pertaining to how a user remains eligible.”

**OIG response.** FirstNet Authority did not provide evidence to us that it uses statistical sampling in its verification process. FirstNet Authority officials told us their user eligibility reviews were a manual process, and the documentation we reviewed supported a manual review. In addition, although FirstNet Authority provided evidence that it had in prior years selected agency names for its limited inquiries and its 2022 audit inquiry, it provided no evidence that it used a statistical sampling approach. The sampling of the 143 users (out of around [REDACTED]) for the disincentive mechanism did not include statistical confidence either. Finally, FirstNet Authority did not provide evidence that it regularly verified user eligibility.



## Appendix 1. OIG Reports on FirstNet Authority's Oversight

We have reported on the NPSBN as a top management challenge for the U.S. Department of Commerce for FYs 2017 through 2026. See the following *Top Management and Performance Challenges Facing the Department of Commerce* reports:

- FY 2017: September 30, 2016, [OIG-16-049](#), 3
- FY 2018: September 29, 2017, [OIG-17-033](#), 17
- FY 2019: November 14, 2018, [OIG-19-004](#), 11
- FY 2020: October 16, 2019, [OIG-20-001](#), 11
- FY 2021: October 15, 2020, [OIG-21-003](#), 12
- FY 2022: October 14, 2021, [OIG-22-001](#), 36
- FY 2023: October 13, 2022, [OIG-23-001](#), 26
- FY 2024: October 12, 2023, [OIG-24-002](#), 32
- FY 2025: October 16, 2024, [OIG-25-001](#), 22
- FY 2026: December 1, 2025, [OIG-26-003](#), 31

Our recent audit reports identifying issues with FirstNet Authority's oversight of AT&T's contract performance include:

- March 1, 2023, *FirstNet Authority Failed to Provide Adequate Contract Oversight for its Initial Two Reinvestment Task Orders*, [OIG-23-012-A](#)
- May 16, 2024, *Management Alert: The NPSBN Band 14 Signal Strength Does Not Consistently Provide Adequate Band 14 Service for First Responders*, [OIG-24-022-M](#)
- 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](#)
- 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](#)
- June 12, 2024, *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](#)

- July 18, 2024, Management Alert: *February 2024 FirstNet Authority's Nationwide Public Safety Broadband Network Outage Raised a Significant Risk to the Readiness of First Responders Across the Country*, [OIG-24-030-M](#)
- December 5, 2024, *Nationwide Public Safety Broadband Network Was Not Always Available to First Responders During the Catastrophic 2023 Maui Wildfires*, [OIG-25-004-A](#)



## Appendix 2. Scope and Methodology

The objective of our audit was to assess FirstNet Authority's oversight for ensuring that only eligible users have access to the network. To accomplish our objective, we:

- Reviewed and analyzed the following laws, policies and guidance:
  - Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. No. 112-96
  - GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G
  - FAR Part 37, *Service Contracting*
  - FAR Part 46, *Quality Assurance*
  - NPSBN contract terms and conditions
  - FirstNet Authority NPSBN *Deliverable Management Process*
- Reviewed and analyzed documentation related to user eligibility, including:
  - *D-068 Subscription Management Report*
  - *C-005 Eligibility Policy*
  - Disincentive and milestone payments for device connection targets
  - Corrective action reports and the associated corrective action plans
  - Eligibility Working Group documentation
- Interviewed FirstNet Authority staff involved with oversight of contract requirements and the review of contract deliverables related to user eligibility

For our calculations of potential monetary impact, we:

- Questioned unsupported costs of \$ [REDACTED] in milestone payments that FirstNet Authority paid to AT&T in December 2023 for NPSBN contract line item [REDACTED] for nationwide device connection targets without adequately verifying the eligibility of users on the NPSBN as required
- Determined funds to be put to better use totaling \$ [REDACTED] in milestone payments due March 30, 2026, to AT&T for contract line item [REDACTED] for AT&T meeting state-level device connections
- Determined revenue at risk totaling up to \$242,635,137 in maximum nationwide disincentive payments by adding \$120,175,898 due September 30, 2024 (first year disincentive), and \$122,459,239 due September 30, 2025 (second year disincentive), for states and territories outlined in the NPSBN contract's maximum

disincentive payments table, after deducting \$9,143,022 in maximum disincentive payments incorrectly allocated to the U.S. Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands ( [REDACTED] ) for FYs 2024 and 2025

- At the time of our audit, FirstNet Authority was still reviewing the FY 2024 disincentive payment because the annual checkpoint changed from the March 2024 program milestone year to the September 2024 government fiscal year, as described by the disincentive mechanism requirements in the contract

In satisfying our audit objective, we did not rely solely on computer-processed data to make our conclusions. Although we reviewed the *D-068 Subscription Management Report* for user eligibility information during the audit, we focused on FirstNet Authority's oversight for ensuring that only eligible users have access to the network.

We judgmentally selected 20 users out of approximately [REDACTED] from the October 2024 *D-068 Subscription Management Report* to verify their eligibility and FirstNet Authority's process for verifying AT&T's user eligibility decisions. As described in the report ("Denial of OIG Access to Records"), we asked FirstNet Authority for supporting eligibility documentation for each of the users, but we were denied access to these records; as a result, we could not independently substantiate the eligibility of the 20 users.

We also analyzed the October 2024 subscription report to identify relevant user eligibility information, which we used to support the development of our conclusions and findings in this report. We assessed the reliability of the data in the October 2024 report by (1) performing electronic testing for obvious errors in accuracy and completeness, (2) reviewing existing information about the data and the systems that produced them, (3) interviewing agency officials knowledgeable about the data, and (4) requesting supporting documentation for our judgmental sample of users. We identified data quality issues with the subscription report, and we were denied access to supporting eligibility information for our judgmental selection of 20 users. Overall, we concluded that the data was of undetermined reliability but was appropriate for supporting our conclusions and findings.

We learned about the internal controls that were significant to our objective by interviewing FirstNet Authority personnel and reviewing policies and procedures. We identified weaknesses in internal controls related to contract oversight, as noted in the "Findings and Recommendations" section. Because we limited our review to addressing our audit objective, our work may not have identified all internal control deficiencies that may have existed at the time of this audit.

We conducted our audit from October 2024 through August 2025 under the authority of the Inspector General Act of 1978, as amended (5 U.S.C. §§ 401–424), and Department Organization Order 10-13, as amended October 21, 2020.

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



## Appendix 3. Potential Monetary Impacts

Table 1 summarizes the questioned costs we identified. We categorize questioned costs as either (1) unallowable or unreasonable or (2) unsupported.

1. An unallowable or unreasonable cost is a cost that we determined does not comply with governing law, regulation, contract, or agreement or that should not have been charged to the government because it is not justifiable or necessary.
2. An unsupported cost is a cost that we determined is not supported by adequate documentation.

We determined that FirstNet Authority did not adequately verify the eligibility of NPSBN users and could not substantiate through sufficient documentation that milestone payments of \$ [REDACTED] were allowable prior to payment. As a result, we are questioning unsupported costs of \$ [REDACTED] in milestone payments that FirstNet Authority paid to AT&T in December 2023 for nationwide device connection targets without adequately verifying the eligibility of NPSBN users.

Table 1. Summary of \$ [REDACTED] in Questioned Costs

Finding	Recommendation	Unallowable or	
		Unreasonable Costs	Unsupported Costs
<b>FirstNet Authority Does Not Consistently or Adequately Verify AT&amp;T's User Eligibility Determinations</b>	8	\$0	\$ [REDACTED]
<b>Totals</b>	–	<b>\$0</b>	<b>\$ [REDACTED]</b>

Source: OIG analysis of milestone payments paid to AT&T for nationwide device connection targets.

Table 2 summarizes funds we identified that FirstNet Authority could put to better use. A recommendation to put funds to better use is based on our conclusion that the funds could be used more efficiently—for example, via reducing spending or deobligating funds.

We determined funds to be put to better use totaling \$ [REDACTED] in remaining milestone payments due March 30, 2026, to AT&T for contract line item [REDACTED] for meeting state-level device connection targets.

Table 2. Summary of Funds to Be Put to Better Use

Finding	Recommendation	Funds to Be Put to Better Use
<b>FirstNet Authority Does Not Consistently or Adequately Verify AT&amp;T’s User Eligibility Determinations</b>	9	\$ [REDACTED]
<b>Total</b>	–	\$ [REDACTED]

Source: OIG analysis of total future milestone payments to AT&T for delivery of state-level device connection targets due March 30, 2026, outlined in the NPSBN contract.

Table 3 summarizes the revenue at risk that we identified. Revenue at risk occurs when the Department is at risk of losing revenue such as user fees—in this case, disincentive payments.

We determined revenue at risk totaling up to \$242,635,137 in nationwide disincentive payments if AT&T fails to meet its device connection targets. We reached this amount by adding \$120,175,898 due September 30, 2024 (first year disincentive), and \$122,459,239 due September 30, 2025 (second year disincentive), for states and territories outlined in the NPSBN contract’s maximum disincentive payments table, after deducting \$9,143,022 in maximum disincentive payments for FYs 2024 and 2025 that were incorrectly allocated to the U.S. Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands [REDACTED].

Table 3. Summary of \$242,635,137 in Revenue at Risk

Finding	Recommendation	Revenue at Risk
<b>FirstNet Authority Does Not Consistently or Adequately Verify AT&amp;T’s User Eligibility Determinations</b>	10	\$242,635,137
<b>Total</b>	–	<b>\$242,635,137</b>

Source: OIG analysis of total maximum nationwide disincentive payments outlined in the NPSBN contract by state and territory across FYs 2024 and 2025, respectively, less total maximum nationwide disincentive payments incorrectly allocated to the territories [REDACTED].



## Appendix 4. NTIA's Response

NTIA's response to our draft report begins on the next page.



**UNITED STATES DEPARTMENT OF COMMERCE**  
**The Assistant Secretary for Communications and Information**  
Washington, D.C. 20230

DATE: February 5, 2026

TO: Arthur L. Scott, Jr.  
Assistant Inspector General  
Office of Audit and Evaluation  
Office of Inspector General  
U.S. Department of Commerce

**ARIELLE** Digitally signed  
by ARIELLE ROTH  
**ROTH** Date: 2026.02.05  
18:02:50 -05'00'

FROM: Arielle Roth  
Assistant Secretary of Commerce for Communications and Information and  
Administrator, National Telecommunications and Information Administration

SUBJECT: Draft Report: *Audit of FirstNet Authority's Oversight of User Eligibility for the Nationwide Public Safety Broadband Network (August 25, 2025)*

Thank you for the opportunity to respond to the Department of Commerce Office of Inspector General (OIG) draft report on the First Responder Network Authority's (FirstNet Authority) oversight of processes designed to ensure that only eligible users have access to the Nationwide Public Safety Broadband Network (NPSBN).

The Trump Administration believes that the NPSBN must meet the operational needs of first responders, and as such, is working to improve FirstNet Authority's oversight of the NPSBN contract. Under President Trump's Executive Order 14222, NTIA and the Department of Commerce have significantly increased oversight of all contracts and task orders proposed by FirstNet as compared to past administrations. Furthermore, since the change in Administration, the Department and NTIA have installed new leadership at FirstNet Authority to help address accountability and oversight shortcomings. NTIA will continue to work with the FirstNet Authority and OIG to improve FirstNet Authority's oversight of the NPSBN contract.

NTIA agrees with OIG that there are opportunities for FirstNet Authority to enhance its oversight of the NPSBN contract, including by improving its oversight of the user eligibility process. In fact, FirstNet Authority has already taken several actions beyond those noted in the draft report to do so. For example, FirstNet Authority has increased the number of in-person reviews of user eligibility data with AT&T and, through a new Task Order in 2024, augmented its documentation processes for these reviews. Related to the draft report's call in Recommendation 1 to incorporate AT&T's eligibility policy into FirstNet Authority's deliverable management review process, FirstNet Authority now requires AT&T to submit its eligibility policy as a formal contract deliverable and reviews AT&T's verification processes. FirstNet Authority now also requires that AT&T's subscription reports include agency names, correct missing data, clean historical records, and use technical tools to identify similar entries and prevent errors. NTIA believes that these measures will improve FirstNet Authority's oversight of the user eligibility process and is committed to further augmenting such efforts.

NTIA concurs with the OIG's recommendations and agrees that the draft report identifies significant lapses in FirstNet Authority's oversight of the user eligibility process. Further, NTIA believes that implementing OIG's recommendations will strengthen FirstNet Authority's oversight going forward. NTIA, however, seeks to clarify certain implications suggested by the draft report.

First, while the accuracy of the data submitted by AT&T in its subscription reports is important for the FirstNet Authority to conduct proper oversight, errors in the data itself—such as missing agency names or agency names with no obvious connection to public safety—are unlikely, on their own, to result in ineligible users gaining access to the network. As FirstNet Authority explained to OIG, positive eligibility determinations are based on substantial proof of eligibility, not on any single data field such as agency names. Eligible users are either subscriber-paid (i.e., the user signs up directly with AT&T) or agency-paid (i.e., the user's public safety agency provides a connection to the user). Agency-paid users are further divided into "primary" and "extended-primary" categories. Primary agencies are traditional public safety entities, such as police, fire, and EMS. Extended primary agencies are organizations that directly support public safety. Subscriber-paid users, primary agency-paid users, and extended primary-agency paid users are all verified through separate processes.

Subscriber-paid users verify through a third-party industry standard identity verifier that requires users to submit evidence of eligibility, including a valid ID badge issued by a public safety entity, a contract with a public safety entity, or another valid form of proof of eligibility, such as a paystub from a public safety entity, valid public safety certifications, or a signed contract between the individual and a public safety entity. Agency-paid users, whether primary or extended primary, only receive connections to the NPSBN after AT&T verifies that the public safety entity itself meets the criteria established by the FirstNet Authority's user eligibility policy. Primary agencies receive verification by submitting a request directly to AT&T, which AT&T then reviews against the eligibility policy use cases developed by FirstNet Authority for the specific primary agency type (e.g., "Law Enforcement for sworn officers"). Extended primary agencies receive verification by providing documentation to AT&T demonstrating direct support of public safety functions, such as inclusion in an emergency operations plan, a contract with a public safety agency, or a letter of support. Accordingly, the risk that data quality deficiencies alone would result in a significant number of ineligible users on the network is low. Nonetheless, NTIA agrees that improving the quality of subscription report data is important to assist FirstNet Authority in identifying inconsistencies and performing its oversight functions effectively.

Second, although the draft report states that "[d]evice connections could be artificially inflated, which could override AT&T's requirement to make disincentive payments and lead to improper milestone payments to AT&T," the draft report provides scant evidence to support this conclusion. In fact, the draft report mentions only a single instance of ineligible users accessing the NPSBN, which AT&T itself identified, reported to the FirstNet Authority, and rectified. Moreover, the draft report does not indicate that OIG conducted a risk-based analysis to support its projections that the current user eligibility verification process could have led to improper payments to AT&T or could trigger the requirement for AT&T to make disincentive payments. Therefore, NTIA believes that suggestions of contractor nonperformance at this stage are premature. Only after a comprehensive review that incorporates FirstNet Authority's newly

implemented oversight measures detailed above and OIG's recommendations in the draft report, will NTIA, FirstNet Authority, and OIG be properly positioned to assess the adequacy of the current user eligibility verification process.

## RECOMMENDATIONS

- **OIG Recommendation #1:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Incorporate AT&T's C-005 Eligibility Policy into FirstNet Authority's deliverable management review process and implement formal procedures to regularly review the policy to ensure that it complies with the contract's user eligibility requirements.

*RESPONSE: Concur.*

- **OIG Recommendation #2:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator, in coordination with the Department's Senior Procurement Executive and Director of Acquisition Management, direct FirstNet Authority's Chief Executive Officer to: Modify the QASP to implement a user eligibility performance metric that meets the contract's user eligibility requirement, including a method of surveillance to verify that AT&T meets the established performance metric.

*RESPONSE: Concur.*

- **OIG Recommendation #3:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Strengthen user eligibility oversight by developing and implementing formal processes for actively monitoring and providing recurring contract surveillance over user eligibility, including continual verification of eligibility.

*RESPONSE: Concur.*

- **OIG Recommendation #4:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Develop and implement formal processes to obtain timely, recurring access to documentation needed to verify user eligibility.

*RESPONSE: Concur.*

- **OIG Recommendation #5:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Hold AT&T accountable for submitting inadequate D-068 Subscription Management Reports that do not meet quality standards by implementing effective remediation actions.

*RESPONSE: Concur.*

- **OIG Recommendation #6:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Continue improving the D-068 Subscription Management Report's data quality and reliability by:
  - a. Implementing stronger controls surrounding freeform text.
  - b. Ensuring that accurate agency names and other identifying information are provided.

*RESPONSE: Concur.*

- **OIG Recommendation #7:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Require AT&T to include unique identifiers in the D-068 Subscription Management Report.

*RESPONSE: Concur.*

- **OIG Recommendation #8:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Determine the allowability of and recover, as appropriate, [REDACTED] in questioned costs that FirstNet Authority paid to AT&T without adequate verification of NPSBN user eligibility.

*RESPONSE: Concur.*

- **OIG Recommendation #9:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Independently verify that NPSBN users are eligible before issuing remaining milestone payments totaling [REDACTED] to AT&T, and deobligate any funds associated with device connection targets that cannot be verified.

*RESPONSE: Concur.*

- **OIG Recommendation #10:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator direct FirstNet Authority's Chief Executive Officer to: Independently verify that NPSBN users are eligible when determining how much of AT&T's disincentive payments, totaling [REDACTED] for the first two applicable years, as well as for future years, are payable to FirstNet Authority, and either provide documentation to justify nonpayment or enact disincentive mechanisms as applicable.

*RESPONSE: Concur.*

- **OIG Recommendation #11:** That the Assistant Secretary of Commerce for Communications and Information and NTIA Administrator, in coordination with the

Department's Senior Procurement Executive and Director of Acquisition Management, direct FirstNet Authority's Chief Executive Officer to: Modify the QASP to remove the [REDACTED] in disincentive payments incorrectly allocated to the four U.S. territories [REDACTED] and reallocate that amount to the states and territories that have device connection targets for the remaining disincentive years.

*RESPONSE: Concur.*

Again, thank you for your input and ongoing collaboration. We look forward to continuing to work with you. If you have any questions, please contact, Patrick Sullivan, Audit Liaison, at [psullivan@ntia.gov](mailto:psullivan@ntia.gov).

# REPORT

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