
Audit of NTIA’s Review of the Broadband Equity, Access, and Deployment Program’s Planning Phase Requirements

REPORT NO. OIG-26-018-A

April 30, 2026

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





April 30, 2026

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

A handwritten signature in black ink, appearing to read "Arthur L. Scott Jr.".

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

SUBJECT: *Audit of NTIA's Review of the Broadband Equity, Access, and
Deployment Program's Planning Phase Requirements*
Report No. OIG-26-018-A

Attached is the final report on our audit of the National Telecommunications and Information Administration's review process to ensure that states' and territories' plans meet the Broadband Equity, Access, and Deployment program's planning phase requirements.

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 NTIA's Review of the Broadband Equity, Access, and Deployment Program's Planning Phase Requirements

Audit Report OIG-26-018-A

April 30, 2026

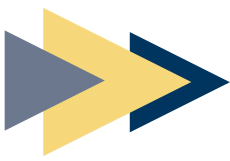
➤ **What We Audited** | Our objective was to determine whether the National Telecommunications and Information Administration (NTIA) has an adequate review process to ensure that states' and territories' plans meet the Broadband Equity, Access, and Deployment (BEAD) program's planning phase requirements.

➤ **Why This Matters** | One of NTIA's missions is to build a better-connected nation by ensuring affordable, reliable high-speed internet access for all Americans, which is essential for maintaining America's competitiveness in the 21st-century global economy and for addressing key national needs. To accomplish this, NTIA's Office of Internet Connectivity and Growth oversees the implementation of six broadband grant programs. The Infrastructure Investment and Jobs Act, passed in November 2021, allocated \$42.45 billion in new federal funding to NTIA for the creation of the BEAD program, the largest of the six broadband grant programs, which NTIA announced is intended to ensure that every American is connected to high-speed internet.

NTIA is charged with administering the BEAD program and will allocate BEAD program funding to U.S. states and territories for projects that will close the digital access gap for unserved and underserved locations and community anchor institutions, such as schools, libraries, and hospitals.

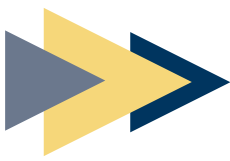
➤ **What We Found** | NTIA did not have an adequate review process to ensure that states' and territories' plans met the BEAD program's planning phase requirements. Specifically, we found that NTIA did not have complete and accurate documentation to support its decisions for the BEAD program planning phase deliverables and experienced delays during its review of the required planning phase deliverables for the BEAD program grant awards.

➤ **What We Recommend** | We made five recommendations to NTIA to provide adequate oversight of its review of the deliverables and establish milestones or performance metrics for completing its reviews of planning phase deliverables. NTIA concurred with our recommendations and is working to implement them.



Contents

Introduction	1
➤ NTIA’s Process for Reviewing Applications for BEAD Program Grants	3
➤ Objective	4
Findings and Recommendations	5
➤ Incomplete Support for the BEAD Program Planning Phase Deliverables	5
Recommendations.....	8
➤ Delays in the Review of BEAD Program Planning Phase Deliverables	9
Recommendation	12
➤ Other Matter: NTIA Limited OIG Access to Its System	12
➤ BEAD Restructuring Policy Notice.....	14
Summary of NTIA’s Response and OIG Comments	15
Appendix 1. Scope and Methodology	16
Appendix 2. NTIA’s Response	18



Introduction

The National Telecommunications and Information Administration (NTIA), part of the U.S. Department of Commerce, is the executive branch agency that is principally responsible for advising the President on telecommunications and information policy issues. One of NTIA's missions is to build a better-connected nation by ensuring affordable, reliable high-speed internet access for all Americans, which is essential for maintaining America's competitiveness in the 21st-century global economy and for addressing key national needs.

To accomplish this, NTIA's Office of Internet Connectivity and Growth oversees the implementation of six broadband¹ grant programs.² The Infrastructure Investment and Jobs Act (IIJA), passed in November 2021, allocated \$42.45 billion in new federal funding to NTIA for the creation of the Broadband Equity, Access, and Deployment (BEAD) program, the largest of the six broadband grant programs, which NTIA announced is intended to ensure that every American is connected to high-speed internet.

NTIA is charged with administering the BEAD program and will allocate BEAD program funding to U.S. states and territories for projects that will close the digital access gap for unserved and underserved locations³ and community anchor institutions, such as schools, libraries, and hospitals. Specifically, each state, the District of Columbia, and Puerto Rico received an initial allocation of \$100 million, and \$100 million was divided equally among the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands to support planning efforts including research, data collection, and outreach with local communities. The remaining funding was distributed based on a formula that considered the number of unserved and high-cost locations⁴ in each state.

¹ NTIA defines the term broadband in telecommunication as a wide bandwidth, which can transport multiple signals over a "broad" range of frequencies and support different internet traffic types, allowing multiple data streams to be sent at once. See [Introduction to Broadband and High Speed Internet](#), Fall 2022.

² The broadband grant programs include Broadband Equity, Access, and Deployment; Broadband Infrastructure; Connecting Minority Communities; Digital Equity; Middle Mile Broadband Infrastructure; and Tribal Broadband Connectivity.

³ NTIA's BEAD notice of funding opportunity defines unserved locations as those without any broadband service at all or with broadband service offering speeds below 25 megabits per second (Mbps) downstream/3 Mbps upstream and defines underserved locations as those without reliable broadband service offering speeds of 100 Mbps downstream/20 Mbps upstream.

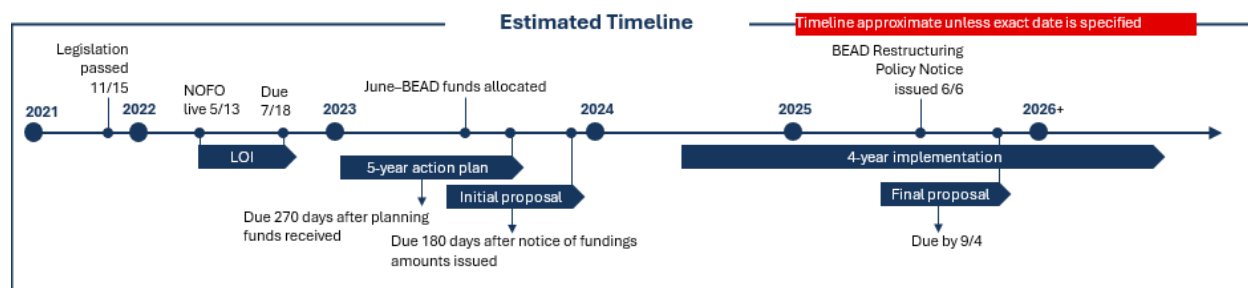
⁴ NTIA's BEAD notice of funding opportunity defines high-cost locations as unserved areas in which the cost of building out broadband service is higher compared to the average cost of building out broadband service in unserved areas in the United States.

NTIA issued a notice of funding opportunity (NOFO) to describe the requirements under which it will award grants for the BEAD program. To participate in the BEAD program, states and territories must timely comply with the multi-step application process outlined in the BEAD NOFO. Specifically, the BEAD program guidance requires the following steps for states’ and territories’ deliverables and NTIA’s reviews: (1) letter of intent (LOI), (2) request for initial planning funds, (3) five-year action plan, (4) program fund allocation and the notice of available amounts, (5) initial proposal,⁵ (6) challenge process, (7) subgrantee selection process, (8) 20 percent funding release, and (9) final proposal and release of remaining funds. Additionally, the NOFO sets specific milestones for the states’ and territories’ deliverables. The NOFO requires specialized reviews for each required deliverable and states that NTIA should review the deliverables in accordance with NTIA internal standard operating procedures.

During the audit, we focused on NTIA’s review of applicants’ planning phase deliverables including the LOIs, requests for initial planning funds, five-year action plans, and initial proposals (vols. 1 and 2). Specifically, we selected a judgmental sample of 18 of the 56 grants awarded and evaluated NTIA’s review of the states’ and territories’ planning phase deliverables.

As of the date of this report, NTIA reviewed and approved the BEAD program’s planning phase deliverables and completed its review of the challenge process but has not approved all final proposals.⁶ NTIA provided an estimated timeline for full implementation of the BEAD program (see figure 1).

Figure 1. NTIA’s Estimated Timeline for the BEAD Program Implementation



Source: Office of Inspector General (OIG)-derived from NTIA data as of June 2025

⁵ The BEAD initial proposal is divided into two volumes. Volume 1 identifies how states and territories plan to identify unserved and underserved locations for BEAD funding, and volume 2 details the actions of states and territories to ensure broadband access for all locations.

⁶ These dates were updated in June 2025 because of the *BEAD Program: BEAD Restructuring Policy Notice* issued by NTIA on June 6, 2025. The policy notice modifies and replaces certain requirements outlined in the BEAD NOFO. See the “BEAD Restructuring Policy Notice” section of this report for details.

➤ NTIA’s Process for Reviewing Applications for BEAD Program Grants

Applications for the BEAD program grants are subject to NTIA review at each step of the application process.⁷ See figure 2 for a description of each planning phase deliverable and a summary of NTIA’s review process.

Figure 2. BEAD Program Planning Phase Deliverables and NTIA’s Review Process

Planning Phase Deliverables	NTIA Review Process
<p>Letter of Intent</p> <hr/> <p>Intent to participate in the BEAD program</p>	<p>Review confirms that the applicants are eligible and the LOI is complete and responsive to the requirements in the BEAD NOFO.</p>
<p>Request for Initial Planning</p> <hr/> <p>Request for funding allocations</p>	<p>Review has two steps:</p> <ul style="list-style-type: none"> • Initial review ensures all required forms and documents are complete. • Merit review assesses the application’s alignment with program objectives and NOFO requirements.
<p>Five-Year Action Plan</p> <hr/> <p>Broadband goals, priorities, and needs assessment to inform entity’s initial proposals</p>	<p>Review confirms completeness and compliance with the BEAD NOFO and other plan requirements.</p>
<p>Initial Proposal</p> <hr/> <p>Actions to ensure all residents have reliable, affordable high-speed broadband access</p>	<p>Review has two steps:</p> <ul style="list-style-type: none"> • Pre-programmatic review assesses compliance, completeness, and alignment with program requirements. • Programmatic review confirms criteria met for each requirement.

Source: OIG-derived from an analysis of NTIA documentation

In addition to federal reviewers, NTIA hired contractors to support the development of standard operating procedures (SOPs) and assist with the review of BEAD program grant

⁷ BEAD program grant applicants had an opportunity to cure (address) NTIA review comments on their applications at each step of the application review process.

applications from April 2022 through March 2023 to ensure timely and efficient disbursement of the grant awards to recipients and subrecipients.

➤ **Objective**

Our objective was to determine whether NTIA has an adequate review process to ensure that states' and territories' plans meet the BEAD program's planning phase requirements. Appendix 1 details our scope and methodology.



Findings and Recommendations

Summary: NTIA did not have an adequate review process to ensure that states' and territories' plans met the BEAD program's planning phase requirements. Specifically, we found that:

- NTIA did not have complete and accurate documentation to support its decisions for the BEAD program planning phase deliverables.
- NTIA experienced delays during its review of the required planning phase deliverables for the BEAD program grant awards.

These conditions occurred because NTIA did not provide adequate oversight of its review of the deliverables and did not establish milestones or performance metrics for completing its reviews of most planning phase deliverables. Addressing these weaknesses in NTIA's planning phase deliverables is essential in effective stewardship of taxpayer dollars.

► **Incomplete Support for the BEAD Program Planning Phase Deliverables**

We found that NTIA's supporting documentation for the BEAD program planning phase deliverables was not complete and accurate. Specifically, all 18 of the grants in our sample had an issue in at least one step of NTIA's review of the BEAD program planning phase deliverables. We identified the following:

- **Five-Year Action Plan:** Of the 18 grants reviewed, 11 (61 percent) did not have complete documentation for the reviewers' conclusions. NTIA's five-year action plan reviewer SOP requires reviewers to evaluate all sections of the five-year action plan to ensure compliance with the BEAD NOFO.⁸ Additionally, this SOP states that reviewers must provide detailed justification including the location of their findings for each requirement from the BEAD NOFO and key data points to support their conclusions. Without those details, NTIA may be unable to comprehensively evaluate states' and territories' progress in identifying their communities' broadband needs and later support their initial proposal. We found that NTIA was unable to provide complete supporting documentation for the reviewers'

⁸ NTIA. March 6, 2023. *Five-Year Action Plan Review Standard Operating Procedures*, 3.

conclusions. Further, an NTIA official acknowledged that for the five-year action plans in our sample, reviewers were instructed to document where in the plan the BEAD NOFO requirements were located, but that the reviewers did not follow the instructions.

- **Initial Proposal Vols. 1 and 2:** Of the 18 grants reviewed, 5 (28 percent) of vol. 1 and 4 (22 percent) of vol. 2 did not have supporting documentation for the required regional director's (RD's) review as outlined in NTIA's initial proposal reviewer SOPs.⁹ Furthermore, the U.S. Government Accountability Office (GAO) requires that federal agencies clearly document all transactions and other significant events in a manner that allows for the documentation to be readily available for examination.¹⁰ However, we were unable to validate that the RD's review was completed before advancing the deliverable in the review process. For example, NTIA provided the audit team with a screenshot of an email verifying that an RD reviewed the initial proposal; however, no such emails were uploaded into the Grants Management Information System (GMIS)¹¹ or NTIA's Grant Portal (NGP).¹² NTIA stated that at other times, the RD verification of review would occur verbally during a meeting or via an internal messaging app. NTIA was unable to provide supporting documentation for the RD's review for those instances.
- **Initial Proposal Vol. 2:** Of 18 grants reviewed, 10 (56 percent) did not have all the documents in the GMIS, as required by the *Department of Commerce Grants and Cooperative Agreements Manual*,¹³ resulting in incomplete grant award files. The missing documents included 2 of the 10 (20 percent) grant memorandum records and all 10 legal reviews. Furthermore, the GMIS had an inconsistent file structure, resulting in an unclear audit trail. Without complete grant award files or a consistent file structure, NTIA was unable to demonstrate whether the grants were awarded in accordance with the manual's requirements.

In addition to these items above, we also identified other missing documents in the grant award files, and, in most cases, NTIA subsequently uploaded the missing documents into GMIS. In other cases, the missing documents were located in a different folder within GMIS. Additionally, while the file naming conventions for like documents were similar among the award files, we found the file structure to be different. The inconsistent file structure made it difficult for the auditors to locate and verify the required documents in

⁹ NTIA. June 6, 2023. *BEAD Initial Proposal Reviewer Standard Operating Procedures*, 17 and 19.

¹⁰ GAO. September 10, 2014. *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#), 48.

¹¹ The official award file that NTIA uses to manage the BEAD program grants.

¹² A system used by NTIA to receive and review BEAD program applications.

¹³ U.S. Department of Commerce. April 20, 2021. *The Department of Commerce Grants and Cooperative Agreements Manual*, 56.

the award file. Additionally, in April 2024, we identified similar issues with NTIA’s quality assurance program and official grant management system during our audit of the Tribal Broadband Connectivity Program.¹⁴

GAO’s Standards for Internal Control in the Federal Government require federal agencies to oversee the operations of entities, provide constructive feedback, and make oversight decisions so that the entities achieve their objectives.¹⁵ Additionally, all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination. Furthermore, the *Department of Commerce Grants and Cooperative Agreements Manual* requires grants officers to maintain a single official award file for every award.¹⁶ Specifically, the official file must contain the required documents supporting the award and its management and provide a standardized system for keeping track of award activities. The *Department of Commerce Grants and Cooperative Agreements Manual* further states that the Federal Program Officer (FPO) is responsible for providing the grants officer with a complete and accurate funding recommendation package, including a summary of the review process results in the official award file.¹⁷

The conditions above occurred because NTIA did not provide documentation to support that it conducted the required reviews or ensured that the files were complete in GMIS as required by the *Department of Commerce Grants and Cooperative Agreements Manual*. As a result, we were unable to determine whether NTIA provided adequate oversight to ensure that the states’ and territories’ deliverables met the requirements outlined in NTIA SOPs prior to submission to the grants office. Further, NTIA hired contractors to support initial, merit, and programmatic reviews. According to the contract, the contractor “shall submit all work products to the government’s technical lead for each task area and/or program for review and approval.” Additionally, the reviewer SOP states that the FPO is the first level of review for the reviewers’ (contractors and NTIA personnel) work. However, the FPO did not provide oversight to ensure that the required reviews were conducted or the files were complete as detailed in the “Incomplete Support for the BEAD Program Planning Phase Deliverables” section of this report.

During an interview with contractor reviewers, when asked about the training NTIA provided, they stated that they received only a walk-through of the reviewer SOP from NTIA personnel. Additionally, for all 18 applications we reviewed, NTIA was unable to provide

¹⁴ Commerce OIG. April 8, 2024. *NTIA’s Award Processes Leave Tribal Broadband Grants Vulnerable to Fraud and Duplication*, [OIG-24-019-A](#).

¹⁵ GAO’s *Standards for Internal Control in the Federal Government*, 24.

¹⁶ U.S. Department of Commerce, *Department of Commerce Grants and Cooperative Agreements Manual*, 56.

¹⁷ U.S. Department of Commerce, *Department of Commerce Grants and Cooperative Agreements Manual*, 26.

documentation to substantiate that the BEAD application reviewers received training as required by NTIA's SOPs.¹⁸ Because the SOP requires that application reviewers receive training, documentation should exist to support compliance with the SOP. Without training certificates or other documentation supporting that the training was conducted, NTIA could not demonstrate that the reviewers responsible for evaluating the BEAD program's planning phase submissions were properly trained to evaluate all applicable phases of the application review process. Further, though the SOPs require training to be administered, they do not outline the specific requirements that the training should include to ensure that the reviewers are trained to evaluate the applications in a clear, transparent, and uniform manner. Insufficient NTIA oversight of the reviewers increased the potential for vulnerabilities or errors that could impact the integrity of NTIA's BEAD grant award decisions, risking the effective distribution of the \$42.45 billion in federal funds for the BEAD program.

Recommendations

We recommend that for future broadband grant programs administered by NTIA, the Associate Administrator for NTIA, Office of Internet Connectivity and Growth, ensure that:

1. NTIA FPOs confirm that the official award files are complete and accurate before they are submitted to the grants officer.
2. The program office conducts reviews to confirm that initial, merit, and programmatic reviews are completed, ensuring applications meet program requirements.
3. Training is developed and implemented for grant file reviewers that, at a minimum, addresses the responsibility for (1) evaluating applications and (2) maintaining official grant award files that are consistent and complete.
4. Following the implementation of the training (described in recommendation 3), grant file reviewers complete the training and retain documentation in the grant files that support that the training was completed.

¹⁸ NTIA. May 31, 2022. *BEAD Letter of Intent & Request for Initial Planning Funds Application Review Standard Operating Procedures*, 1. NTIA. March 6, 2023. *Five-Year Action Plan Reviewer Standard Operating Procedures*, 8.

► Delays in the Review of BEAD Program Planning Phase Deliverables

We found that NTIA’s review process for the BEAD program planning phase deliverables took over 2 years. Specifically, the LOI was the first deliverable that the BEAD NOFO required from the states and territories. In our sample, the state of Louisiana was the first to submit an LOI on May 13, 2022. The final deliverable NTIA required for the planning phase was an initial proposal vol. 2. On November 14, 2024, the state of Texas was the last state in our sample to gain NTIA approval of its initial proposal vol. 2.

The BEAD NOFO requires NTIA to review and approve each planning phase deliverable. The reviewer SOPs outline the roles and responsibilities of each reviewer and approver¹⁹ involved in the review process; provide detailed guidance on how to review each submission in a clear, transparent, and consistent manner; and specify the information reviewers are required to document during their reviews. Further, the reviewer SOPs align with the requirements set forth in the IIJA and the BEAD NOFO.

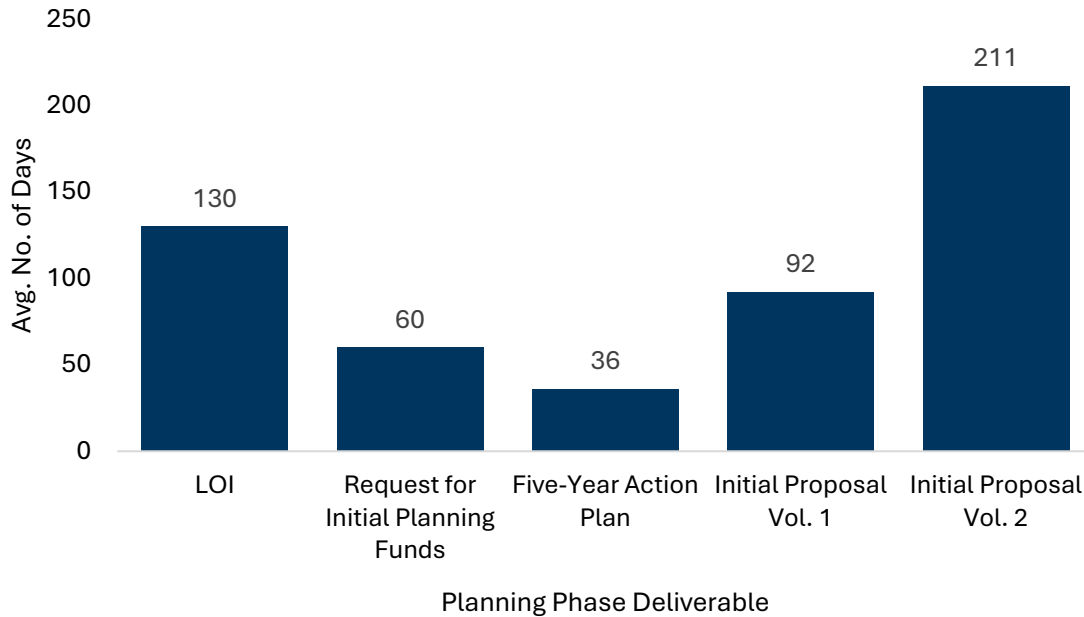
NTIA did not have established milestones and performance metrics for its review of each of the planning phase deliverables except for the five-year action plan; NTIA had established only a specific reviewer timeline for the five-year action plans. According to NTIA’s SOP for the five-year action plan, the federal program officer would have 30 business days to review the five-year action plan, follow up with the grant recipient on needed revisions or clarifications, review resubmissions, and submit the final, complete plan to the grants office.²⁰ However, NTIA did not meet its 30-day review requirement for 10 of the 18 five-year action plans for the states and territories in our sample.

Specifically, as shown in figure 3, NTIA’s review of the five-year action plans took an average of 36 days. Further, the longest review took 69 days. Although NTIA established milestones to hold the states and territories accountable for submitting the planning phase deliverables, it did not establish milestones or performance metrics for its review of the deliverables except for the five-year action plan. Also, NTIA was unable to provide documentation to support that milestones or performance metrics were established for its review of the other four planning phase deliverables. Figure 3 displays the average number of NTIA review days for each planning phase deliverable for the BEAD program’s planning phase.

¹⁹ NTIA approvers include the reviewing regional director, BEAD program team, NTIA subject matter expert or Office of Chief Counsel, the NTIA Review Committee, and the Assistant Secretary.

²⁰ NTIA, *Five-Year Action Plan Review Standard Operating Procedures*, 3.

Figure 3. NTIA’s Average Review Time for BEAD Program Planning Phase Deliverables*



Source: OIG-derived from NTIA data

* The calculated average review time for the BEAD program planning phase deliverables includes the NTIA review time and the time for the grant applicants to cure (address) NTIA comments. OIG noted that most grant applicants submitted initial proposals vols. 1 and 2 on the same date. The *BEAD Initial Proposal Reviewer Standard Operating Procedures* states that NTIA will prioritize the review of vol. 1 prior to reviewing vol. 2. The priority to review vol. 1 resulted in an average of 92 review days for vol. 1 and an average of 211 review days for vol. 2.

Office of Management and Budget circular A-11²¹ emphasizes the need for agencies to set clear goals and performance metrics. Specifically, the circular references 2 C.F.R. § 200.202,²² which directs federal agencies to design their programs with clear goals and objectives that facilitate the delivery of meaningful results, and the programs must be designed to align with the agencies’ strategic goals and objectives to support performance measurement, management, and reporting activities. Setting milestones establishes a metric that program offices can use to reinforce accountability and ensure that, in their

²¹ Office of Management and Budget. July 2024. “Overview of the Federal Performance Framework” (Part 6, § 200), *Preparation, Submission, and Execution of the Budget*, circular A-11, 3.

²² 2 C.F.R. § 200.202, “Program Planning and Design.”

day-to-day activities, managers are mindful of the outcomes their organization is striving to achieve.

According to NTIA, the BEAD program planning phase review process was an iterative process, which was delayed because of factors outside of its control, including waiting for the completion of the Federal Communications Commission map²³ and the time frames NTIA allotted to the states and territories to provide the planning phase deliverables. Additionally, NTIA stated that the review process was slowed due to frequent back and forth communications with the states and territories to ensure that submitted deliverables complied with the requirements in the BEAD NOFO. NTIA stated that it did not include reviewer timelines in its planning phase deliverable SOPs and cited reasons such as the quality, completeness, and timing of the received deliverables, complexity of the reviews, and the reviewers' workload.

In addition to the factors outside of NTIA's control, the review process could have been more efficient with established milestones and performance metrics for NTIA's reviews of the BEAD program's planning phase deliverables. The delays NTIA experienced during its review affected the deployment of broadband services for unserved and underserved locations. Establishing milestones could have made the review process more efficient because milestones create structured and actionable checkpoints that would have:

- Broken down the review process into manageable phases
- Facilitated identification of issues early in the process
- Improved stakeholder communication
- Ensured that the reviews remained aligned with program goals

Also, establishing milestones and performance metrics could have ensured timely, quantifiable measurements to gauge the efficiency, effectiveness, and progress of the review process for the BEAD program planning phase deliverables. Additionally, the lack of established milestones and performance metrics has the potential to increase uncertainty surrounding NTIA's review progress of the BEAD program.

Our audit results align with concerns previously expressed by Congress. For instance, in July 2024, Congress²⁴ expressed concerns about how NTIA is evaluating initial proposals for the BEAD program and the objectivity of NTIA's review process. Specifically, some members of Congress were concerned that NTIA's self-imposed guidelines for the BEAD program have undermined the program's success. Additionally, in March 2025, the

²³ The Federal Communications Commission released the Broadband Funding Maps on May 15, 2023.

²⁴ House Committee on Energy and Commerce [letter](#) to NTIA dated July 9, 2024.

Secretary of Commerce directed a review of the BEAD program. Subsequently, on June 6, 2025, NTIA issued its *BEAD Program: BEAD Restructuring Policy Notice*, which modified and replaced certain requirements outlined in the BEAD NOFO.

Recommendation

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

5. Develop milestones and performance metrics for reviewing future broadband program planning phase deliverables during program planning and design as required by Office of Management and Budget circular A-11. The performance metrics should be specific, measurable, achievable, relevant, and timely for measuring performance against the established review timelines.

► Other Matter: NTIA Limited OIG Access to Its System

NTIA did not grant OIG full and timely access to the system used to manage the BEAD program grant awards. By not providing the OIG audit team with timely access to the records in the system (NGP) used to manage the BEAD program grant awards that OIG needed for this audit, NTIA was not in compliance with Department Administrative Order (DAO) 213-3.²⁵ As a result, the audit fieldwork was delayed, and we had to limit our review to only the grant award documentation that was made visible to us by a system administrator after NTIA's counsel determined it was within the audit scope.

On May 17, 2024, we informed NTIA that we required read-only access to the system that NTIA uses to review grant applications NGP, as that system contained records and information we needed for our audit. On July 18, 2024, NTIA provided us with access to a static copy of the information in the system, rather than read-only access to the system. On July 29, 2024, we notified NTIA that the static copy did not include all the information it used to manage the BEAD program grant awards and therefore, we did not have the information we needed to perform the audit fieldwork. Specifically, we found that the static copy did not contain the internal communication history, which would have documented NTIA oversight through its internal reviews.

On August 6, 2024, after identifying the absence of the internal communication history, NTIA provided a new static copy that included the internal communication history. In September 2024, NTIA confirmed that read-only access to NGP was available, but this

²⁵ U.S. Department of Commerce, Office of the Secretary. October 21, 2020. Department Administrative Order: *Inspector General Auditing, Inspections, and Evaluations*, DAO 213-3, section 4.03.

access was not provided to OIG. On November 4, 2024, NTIA provided us with access to another version of NGP, and we subsequently determined that the access also was not unrestricted, read-only access because we found that previously visible documents were no longer visible to review in the system. In communications with NTIA, we confirmed that NTIA continued to limit our access to the system used to manage the BEAD grant awards by selecting which information would be made visible to us. After we inquired about the limitation to access grant documentation, NTIA confirmed that its process was that NTIA counsel reviewed the documentation for audit scope applicability before making the information visible to us.

NTIA cited the following reasons for delaying or otherwise limiting OIG's access to its system: (1) the static environment was the quickest option for the auditors to gain access to the NGP system; (2) concerns regarding the auditors having indefinite access to NGP, citing potential detrimental effects; and (3) costs associated with providing the auditors read-only access to NGP. Additionally, NTIA stated that due to the complexity and need to rapidly deploy NGP to support NTIA's grant programs, it did not initially develop a security permission role that would have supported the capability to provide read-only access. It was not until auditors requested access to the system that this functionality was developed so that auditors could gain access to records.

The Authority of Inspector General Act²⁶ states that each Inspector General (IG) is authorized "to have timely access to all records, reports, audits, reviews, documents, papers, recommendations, or other materials available to the applicable establishment, which relate to the programs and operations with respect to which that IG has responsibilities." Additionally, the Departmental Organization Order²⁷ states that the Department's officers and employees "shall cooperate fully with the officials and employees of OIG and shall provide such information, assistance, and support without delay as is needed for OIG to properly carry out the provisions of the IG Act." The DAO²⁸ also states that OIG, in performing its audit, inspection and evaluation functions, is authorized timely access to all records, reports, audits, reviews, documents, papers, programs, and operations. Without full and timely access to the necessary records and information stored in NGP, our review was limited to the grant award information that NTIA determined was within the audit scope. This potentially impacted our ability to identify risks or fraud that may have been occurring in the BEAD program's planning review phase.

²⁶ United States Code, Title 5, Chapter 4, "Inspectors General."

²⁷ U.S. Department of Commerce, Office of the Secretary. October 21, 2020. Department Organizational Order: *Inspector General*, DOO 10-13, section 4.01.

²⁸ DAO 213-3, section 2.02.

➤ BEAD Restructuring Policy Notice

On June 6, 2025, NTIA issued *BEAD Program: BEAD Restructuring Policy Notice*, which modified and replaced certain requirements outlined in the BEAD NOFO. Each state or territory is required to comply with the policy notice to gain approval of its final proposal.

These reforms followed a comprehensive review conducted by the Department of Commerce, under the direction of Secretary Howard Lutnick. The review assessed the BEAD program, recent developments in broadband technology, and the ongoing need for subsidized broadband infrastructure across the United States.

The policy notice outlines the removal of program rules that previously favored specific broadband technologies, along with the elimination of several regulatory and administrative requirements. NTIA anticipates these changes will reduce costs, accelerate project implementation, and promote a more inclusive and competitive selection process for broadband deployment solutions.

Key elements of the policy notice include:

- Removal of certain regulatory mandates previously related to labor, climate, government-owned networks, and other provisions the Department deemed nonessential
- Redefining of the statutory definition of a “Priority Broadband Project”
- Elimination of any technology preference, with the stated goal of leveraging market competition to optimize the use of public funds

The policy notice directs states and territories to implement these reforms in their subgrantee selection process to lower costs, expedite implementation, and ensure all technology solutions are considered. States and territories were provided 90 days to comply with the policy notice. NTIA stated that these reforms are expected to enhance efficiency, reduce administrative burden, and enable broader participation in the BEAD program.



Summary of NTIA’s Response and OIG Comments

On March 11, 2026, we received NTIA’s response to our draft report. In its response to our draft report, NTIA concurred with our recommendations. Current NTIA leadership also stated that for all future engagements, NTIA will provide OIG staff all “records, reports, audits, reviews, documents, papers, programs and operations” and “pertinent records and personnel” that are required for us to meet our stated audit objectives as required by the Inspector General Act and DAO 213-3. NTIA’s complete response is included in this report as appendix 2.

Additionally, NTIA provided technical comments on the draft report. We considered those comments and revised the report where appropriate.

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.



Appendix 1. Scope and Methodology

Our objective was to determine whether NTIA has an adequate review process to ensure that states' and territories' plans meet the BEAD program's planning phase requirements. Specifically, we focused on NTIA's review of applicants' (1) LOI, (2) initial planning fund requests, (3) five-year action plans and (4) initial proposals (vols. I and 2). To satisfy our objective, we assessed the adequacy of NTIA's BEAD planning phase review process by:

- Reviewing the following relevant guidance, policies, and procedures for requirements:
 - *Infrastructure Investment and Jobs Act*, Pub. L. No. 117-58, November 15, 2021
 - Code of Federal Regulations, Title 2, Part 200, *Uniform Administrative Requirements, Cost Principles, and Auditor Requirements for Federal Awards*
 - Code of Federal Regulations, § 200.202, “Program Planning and Design”
 - Office of Management and Budget circular A-11, July 2024
 - GAO's *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 10, 2014
 - U.S. Department of Commerce, Office of the Secretary, Department Administrative Order: *Inspector General Auditing, Inspections, and Evaluations*, DAO 213-3, October 21, 2020
 - U.S. Department of Commerce, Office of the Secretary, Department Organizational Order: *Inspector General*, DOO 10-13, section 4.01, October 21, 2020
 - *Department of Commerce Grants and Cooperative Agreements Manual*, April 20, 2021
 - *Department of Commerce Financial Assistance Standard Terms and Conditions*, November 12, 2020
 - *BEAD Notice of Funding Opportunity (NOFO)*, May 13, 2022
 - *NTIA Statement of Work, NTIA Program Development and Administrative Services*, January 20, 2022

- Reviewing the following NTIA-specific workforce planning guidance, policies, and procedures for normal operations and the administration of BEAD funds, including:
 - *BEAD Letter of Intent & Request for Initial Planning Funds Application Review Standard Operating Procedures*, May 31, 2022
 - *Five-Year Action Plan Review Standard Operating Procedures*, March 6, 2023
 - *BEAD Initial Proposal Reviewer Standard Operating Procedures*, June 6, 2023
 - *BEAD Program: BEAD Restructuring Policy Notice*, June 6, 2025
- Interviewing NTIA staff and contractors involved in the BEAD program to gain an understanding of procedures used to implement and oversee the program.
- Selecting a judgmental sample of 18 of the 56 grants (32 percent) and reviewing LOI, initial planning applications, five-year action plans and initial proposals (vols. I and 2). The audit team considered areas of risk such as high and low monetary values, audit risk based on findings from previous engagements, and the relevant time period for the planning phase deliverables under review during the judgmental sample selection.

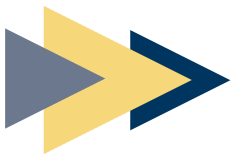
For our grant sample, we determined the sufficiency of NTIA’s SOPs for the BEAD program and compliance with the implementation requirements outlined in the IJJA.

In addition, we assessed the internal controls that were significant to our objective through document reviews and interviews to determine adherence to procedures and plans. Our findings and recommendations are inclusive of our internal control assessment.

We did not rely on computer-processed data to support our findings, conclusions, and recommendations. Although we could not independently verify the reliability of all the information we collected, we compared it with other available supporting documents to determine data consistency and reasonableness. Based on these efforts, we found the data to be sufficiently reliable to support our findings and conclusions.

We conducted our audit from May 2024 through February 2026 under the authority of the IG Act of 1978, as amended (codified at 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 that provides 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 2. NTIA's Response

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



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

DATE: March 10, 2026

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

ARIELLE
ROTH

Digitally signed by
ARIELLE ROTH
Date: 2026.03.11
17:24:12 -04'00'

FROM: Arielle Roth
Assistant Secretary of Commerce for Communications and Information and
Administrator of the National Telecommunications and Information Administration
(NTIA)

SUBJECT: Draft Report: *Audit of the National Telecommunications and Information Administration (NTIA) Broadband Equity, Access and Deployment (BEAD) Program Review Process (February 10, 2026)*

Thank you for the opportunity to respond to the Department of Commerce Office of Inspector General (OIG) draft report on the audit referenced above to determine whether NTIA “has an adequate review process to ensure that states’ and territories’ plans meet the BEAD program’s planning phase requirements.” Under the Trump Administration, NTIA has strengthened its oversight of grantee compliance with all broadband grant program requirements. NTIA concurs with the draft report’s recommendations for future grant programs and views them as complementary to our ongoing efforts to enhance broadband grant program review processes and efficiency.

The Biden administration weighed down the BEAD program with regulatory red tape and extralegal mandates, including a strict technology preference for fiber broadband deployment. These burdensome requirements diverted time and resources from BEAD’s primary objective of ensuring universal broadband availability in the United States. As a result, the Biden administration did not connect a single household to broadband internet through BEAD. Considering this history, it does not come as a surprise that the previous administration took over two years to review the BEAD program planning phase deliverables.

By contrast, under the Trump Administration, NTIA has implemented widespread reforms to expedite the BEAD program. For example, we have set both deadlines on the Eligible Entities (i.e., states and territories) and internal deadlines at NTIA. Specifically, we imposed a 90-day deadline for the Eligible Entities to submit updated Final Proposals and an equal internal 90-day deadline for NTIA to review and approve an Eligible Entity’s Final Proposal from the date we received it. As of today, NTIA has approved 53 out of 56 Final Proposals. In addition to imposing deadlines, NTIA has removed the regulatory red tape in the program and restored technology neutrality. NTIA fully expects that these programmatic changes will lead to

Americans getting connected to broadband through the BEAD program beginning this year, 2026.

Regarding timely access, NTIA will provide OIG staff assigned to a specific audit all “records, reports, audits, reviews, documents, papers, programs and operations” and “pertinent records and personnel” that are required for OIG to meet its stated audit objectives (collectively, audit-related information) as required by the Inspector General Act and Department Administrative Order (DAO) 213-3, Section 2.02. Furthermore, it will do so pursuant to all provisions of DAO 213-3, including DAO 213-3, Section 4.03, which permits NTIA counsel to work with staff at their request “regarding their responsibility to cooperate with” OIG, including how to provide audit-related material.

RECOMMENDATIONS

OIG Recommendation #1: For future broadband grant programs administered by NTIA, the Associate Administrator for NTIA, Office of Internet Connectivity and Growth, ensure that NTIA FPOs confirm that the official award files are complete and accurate before they are submitted to the grants officer.

RESPONSE: Concur

OIG Recommendation #2: For future broadband grant programs administered by NTIA, the Associate Administrator for NTIA, Office of Internet Connectivity and Growth, ensure that the program office conducts reviews to confirm that initial, merit, and programmatic reviews are completed, ensuring applications meet program requirements.

RESPONSE: Concur

OIG Recommendation #3: For future broadband grant programs administered by NTIA, the Associate Administrator for NTIA, Office of Internet Connectivity and Growth, ensure that Training is developed and implemented for grant file reviewers that, at a minimum, addresses the responsibility for (1) evaluating applications and (2) maintaining official grant award files that are consistent and complete.

RESPONSE: Concur

OIG Recommendation #4: For future broadband grant programs administered by NTIA, the Associate Administrator for NTIA, Office of Internet Connectivity and Growth, ensure that, following the implementation of the training (described in recommendation 3, grant file reviewers complete the training and retain documentation in the grant files that supports that the training was completed.

RESPONSE: Concur

OIG Recommendation #5: That the Associate Administrator for NTIA, Office of Internet Connectivity and Growth develop milestones and performance metrics for reviewing future broadband program planning phase deliverables during program planning and design as required by Office of Management and Budget Circular A-11. The performance metrics should be specific, measurable, achievable, relevant, and timely for measuring performance against the established review timelines.

RESPONSE: Concur

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

REPORT

FRAUD & WASTE ABUSE



HOTLINE



Department of Commerce

Office of Inspector General Hotline

www.oig.doc.gov | 800-424-5197