



STATE OF WISCONSIN  
**Legislative Audit Bureau**  
NONPARTISAN • INDEPENDENT • ACCURATE

Hearing Date  
March 15, 2023

# Certain Broadband Expansion Grant Programs

(report 22-11)



# Broadband Programs Administered by the Public Service Commission

State Broadband Program	<b>Programs Supported by Supplemental Federal Funds That DOA Allocated to PSC</b>	
	CARES Act-Funded Program  \$5.4 million	ARPA-Funded Program  \$103.4 million



# Supplemental Federal Funds for Broadband Expansion Grants<sup>1</sup>

## Through June 2022

(in millions)

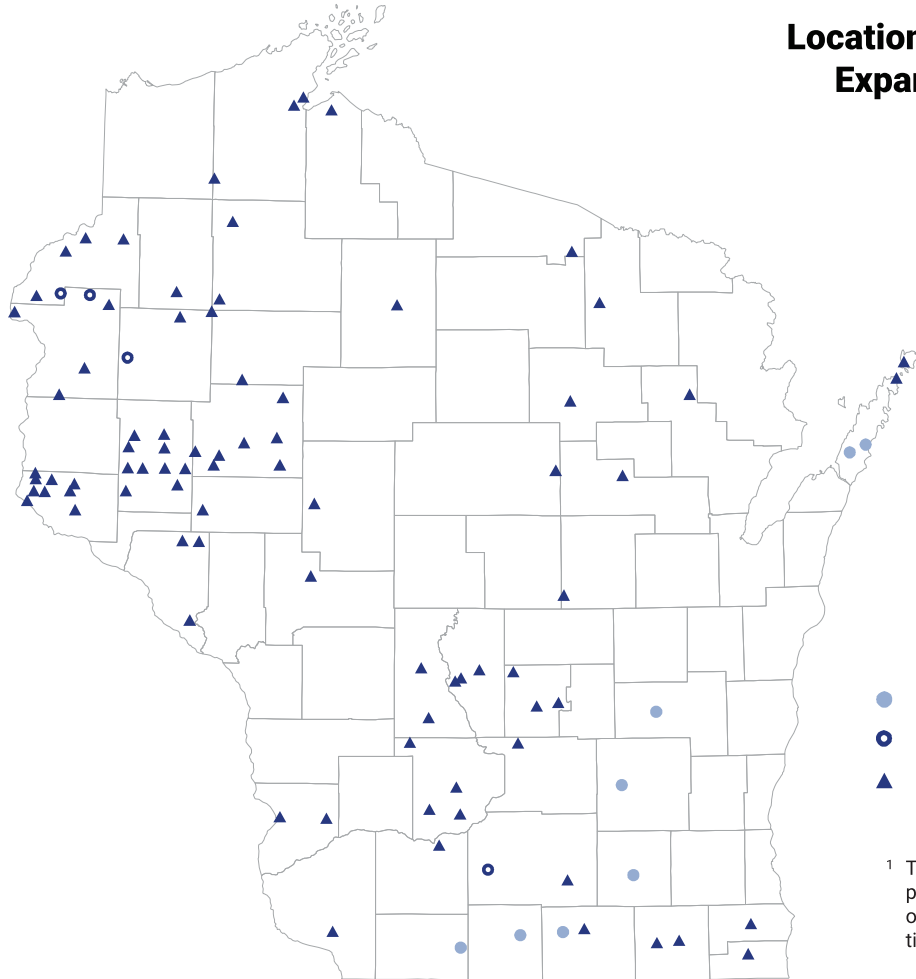
Federal Act	Amount	
	Awarded	Reimbursed
CARES	\$ 5.4	\$4.9
ARPA	99.9 <sup>2</sup>	2.8
<b>Total</b>	<b>\$105.3</b>	<b>\$7.7</b>

<sup>1</sup> Excludes PSC's program administration costs.

<sup>2</sup> PSC did not award all \$100.0 million in ARPA funds allocated to it by DOA.



## Locations of Projects Funded by Broadband Expansion Grants That PSC Awarded<sup>1</sup> CARES Act and ARPA Funds



- Fixed wireless projects funded by the CARES Act
- Fiber-optic projects funded by the CARES Act
- ▲ Fiber-optic projects funded by ARPA

<sup>1</sup> The map indicates the locations of CARES Act-funded projects. The map also indicates the anticipated locations of ARPA-funded projects, which were ongoing at the time of our review.



# Program Policies

We found that PSC did not establish:

- written program policies for administering the CARES Act-funded program; or
- comprehensive written program policies for administering the ARPA-funded program.



# Reimbursing Project Costs

PSC required telecommunication providers to submit supporting documentation for their reimbursement requests.

PSC did not require providers to attest that their reimbursement requests were for amounts they had actually paid to construct the projects.

Almost all of the supporting documents that PSC reviewed did not indicate the amounts providers had actually paid to construct the projects.



# Verifying Project Results

PSC indicated that it attempted to verify that telecommunication providers had constructed the broadband infrastructure for which they were reimbursed with CARES Act funds.

PSC did not document its verification efforts.



# Reviewing Grant Applications

The guidance of PSC's commissioners to their staff for reviewing the grant applications for the ARPA-funded program did not consistently adhere to the application instructions.





# Reviewing Grant Applications

In scoring grant applications, PSC's four-member panel considered factors not specified in the grant application materials.

PSC indicated that it did not collect or retain any scores that panel members may have given to the grant applications.

PSC's commissioners did not specify in writing why they did not award grants for four panel-recommended projects.



# Recommendations for Improvements

We recommend that PSC:

- establish comprehensive written program policies;
- consistently comply with the grant application instructions;
- collect and retain any scores that panel members give to grant applications; and
- specify in writing its reasons for awarding grants for projects not recommended by such panels.



# Recommendations for Improvements

We also recommend that PSC:

- reimburse providers only after they submit documents indicating the amounts they had actually paid to construct projects; and
- document its efforts to verify that providers had constructed the broadband infrastructure for which they were reimbursed.





STATE OF WISCONSIN  
**Legislative Audit Bureau**  
NONPARTISAN • INDEPENDENT • ACCURATE

Hearing Date  
March 15, 2023

# Certain Broadband Expansion Grant Programs

(report 22-11)

