LIMITED-SCOPE AUDIT PROPOSAL

Reviewing Connectivity Emergency Response Grants for Broadband Development

SOURCE
This audit proposal was requested by Senator Richard Hilderbrand and Representative Susan Concannon.

BACKGROUND
In 2020, the Governor created the Kansas Office of Broadband Development (KOBD) within the Department of Commerce. One of its goals was to develop strategies to facilitate construction of broadband infrastructure necessary to achieve functionally universal broadband access for Kansas homes and businesses.

Around the same time, the Strengthening People and Revitalizing Kansas (SPARK) committee allocated Coronavirus Relief Funding to the KOBD to increase connectivity in the State of Kansas. As a result, KOBD launched the Connectivity Emergency Response Grant (CERG) program to expand broadband infrastructure. Press releases at the time said the grants were "created to address the increased need for connectivity in Kansas in response to the COVID-19 pandemic. Proposed projects should improve connectivity to unserved and underserved areas of Kansas to address the needs of telework, telehealth, distance learning, and other remote business services." Approximately $50 million was awarded for 67 grant projects across the state.

Legislators have expressed concern that funding may not have been awarded to underserved areas of Kansas.

AUDIT OBJECTIVES AND TENTATIVE METHODOLOGY
The audit objectives listed below are the questions we would answer through our audit work. The steps listed for each objective convey the type of work we would do. These may change as we learn more about the audit issues.

Objective 1: What entities received Connectivity Emergency Response Grants and where were they located? Our tentative methodology would include the following:

- Work with Department of Commerce staff and review documents to determine what processes they used to distribute grant funds. Also determine what state and federal requirements were for who could receive grant funds and how they were supposed to be spent.

- Work with Department of Commerce staff and review documents to determine what entities applied for grant funding, which ones received funding, how much they received, and how and where they reported the funds would be spent.

- Compare the applications for grant funds to the amounts awarded to determine whether all applicants received funding and how much of the requested amount recipients received.

- Interview Department of Commerce and review policies to determine what oversight it or the Office of Broadband Development had over the grants.

ESTIMATED RESOURCES

We estimate this audit would require 100 staff hours to complete.