FCC Recovery Act Programs

The American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act) (P.L. 111-5) specifies two programs under which the Federal Communications Commission (FCC or Commission) has responsibilities:

Digital-To-Analog Converter Box Program (Education and Outreach)

Under the ARRA, the National Telecommunications and Information Administration (NTIA) of the Department of Commerce may use up to $90 million for consumer education and outreach related to the transition to digital television (DTV) broadcasts, and may transfer this amount to the FCC if deemed necessary and appropriate by the Secretary of Commerce, in order to aid a smooth transition to digital broadcasts by increasing awareness, particularly among groups most at risk for losing television service.

Broadband Technology Opportunities Program

Under ARRA, the FCC was also directed to develop a National Broadband Plan and consult with the NTIA in their implementation of the Broadband Technology Opportunities Program (BTOP). The Secretary of Commerce, in consultation with the FCC and following Congressional notification, may transfer amounts to the FCC for carrying out these responsibilities. The ARRA also requires the Chairman to consult with the Secretary of Health and Human Services (HHS) on a study and report on availability of open source health information technology systems. See Recovery Act § 4104(b).

Recovery Goals

1. Provide education and outreach concerning the digital television transition, particularly programs to educate vulnerable populations, including senior citizens, minority communities, people with disabilities, low-income individuals, and people living in rural areas, and provide one-on-one assistance to vulnerable populations, including help with converter box installations.
   ❖ Please note that the nation-wide DTV transition occurred on June 12, 2009. For additional information about the FCC’s DTV transition, please refer to the FCC’s DTV website at www.dtv.gov and the FCC’s DTV Recovery Act Plan.

2. Develop a National Broadband Plan by February 2010 to ensure that all people of the United States have access to broadband capability and establish benchmarks for meeting that goal. The National Broadband Plan shall include the following:
a. An analysis of the most effective and efficient mechanisms for ensuring broadband access
b. A detailed strategy for achieving affordability of broadband service and maximum utilization of broadband infrastructure and service by the public
c. An evaluation of the status of broadband deployment, including progress of projects supported by BTOP grants
d. A plan for use of broadband infrastructure and services in advancing consumer welfare, civic participation, public safety and homeland security, community development, health care delivery, energy independence and efficiency, education, worker training, private sector investment, entrepreneurial activity, job creation and economic growth, and other national purposes.

- Please note that the National Broadband Plan was delivered to Congress on March 16, 2010 after the FCC sought and received a one-month extension in the time required for preparation and delivery of the Plan. The National Broadband Plan is publicly available on the Internet at www.broadband.gov. Following the release of the Plan, the FCC released a detailed agenda of actions to be taken to implement the Plan. This agenda sets out 64 specific actions that the FCC plans to take, and identifies the year and quarter in which the actions will occur. This action agenda is available on the www.broadband.gov website at the following address: http://www.broadband.gov/plan/broadband-action-agenda.html.

**Funding**

After sending the appropriate notifications to Congress as required by the ARRA, NTIA transferred $70,605,000 in total funding to the FCC for education and outreach efforts to support the Digital-To-Analog Converter Box Program. That funding was used by the FCC for several outreach and assistance initiatives including: media buys, community walk-in assistance centers, in-home converter box assistance, call center support services, web site upgrades to improve the Commission’s DTV website (www.dtv.gov), printing DTV publications and translating those publications to benefit non-English speaking communities, and for travel expenditures for Commission staff who served as the “boots on the ground” during the weeks leading up to the transition. Staff members provided local support and information to communities across the country, particularly in markets where there was a significant percentage of the population receiving television signals over-the-air.

For the National Broadband Plan, NTIA transferred $20,055,000 to the FCC after sending the appropriate notifications to Congress. The FCC has used those funds for information technology infrastructure and support, cost modeling services, data purchases, outreach, salaries, and other expenses such as printing and production costs.

The FCC has also entered into a reimbursable agreement with NTIA to provide services for the preparation of a nationwide inventory map of existing broadband capability and
availability in the United States. NTIA was tasked with developing this map under ARRA. NTIA has transferred $18,650,310 to the FCC for the purposes of assisting with the development of this nationwide inventory map. ARRA specifies that the map is to be published by February 17, 2011. Work on the map is underway, and the funds are being used for information technology infrastructure and support, data analysis services, salaries, and other related expenses.

The FCC posts weekly updates to its Recovery Act website at www.fcc.gov/recovery that provide funding information, including cumulative amounts obligated and expended for the DTV, National Broadband Plan, and nationwide broadband map programs. The weekly updates also provide high level information about major activities undertaken by the FCC pursuant to its Recovery Act related responsibilities.

**Competition on Contracts**

As of May 15, 2010, the FCC has awarded approximately $81 million in Recovery Act funded contracts. Of this $81 million, $67.73 million was for DTV related contract awards, $10.97 is for National Broadband Plan related contract awards, and $2.31 million is for nationwide broadband mapping related awards. Across the $81 million, the FCC made approximately 82% of its Recovery Act related contract awards using competitive procedures. The remaining 18% was awarded using other contracting procedures. Of that remaining 18%, almost 76% of those awards were made as modifications to existing contracts that were previously bid competitively. The modifications were primarily for information technology support for the FCC’s tasks under the Recovery Act. Using modifications to existing previously competed contracts allowed the FCC to obligate funds expeditiously and begin work quickly on time sensitive, information driven assignments. For the remaining 24% of contract dollars that were not fully compete, the FCC used simplified acquisition procedures or entered into agreements without using competition due to urgency or only one source being available. In these cases, the FCC maximized the use of firm fixed price contracts to minimize any risks associated with not competing these contracts.

For regularly updated information about the FCC’s contract awards, please see the Federal Procurement Data System, available online at www.fpds.gov. The FCC regularly posts its contract awards through this system and has a data feed from this system linked to the FCC’s data website located at reboot.fcc.gov/data/omd.

**Contract Type**

Of the previously discussed $81 million in Recovery Act funded contract awards made by the FCC to date, approximately 54% have been time and materials contracts and 46% have been firm fixed price. While the FCC favors the use of firm fixed price contracts, it has found it necessary at times to rely on time and materials contracts for the DTV, National Broadband Plan, and nationwide broadband mapping programs. The use of
time and materials contracts is due to two factors: (1) the nature of the services being purchased, and (2) the necessity to move expeditiously in acquiring services. Almost 79% of the dollars used for the time and materials contracts were related to the call centers for the DTV transition. The provision of call center support is based on the number of contractor staff required to handle consumer calls, particularly immediately before and after the transition date, and the number of hours the contractor staff works. Acquiring this service on a fixed price basis would have necessitated that the FCC make a guess as to the volume of consumer calls that the call centers would be required to answer. By using time and materials contracts, the FCC retained the flexibility to tailor staffing in response to its monitoring of trends in the number of calls coming in to the call center. When call volume is lighter than expected, the FCC can scale back on the number of contract staff required, saving taxpayer dollars. This approach would have been impossible to accomplish under a fixed price contract. The remaining 21% of the dollars used for time and materials contract were for media buys to inform the public of the DTV transition and for information technology support contracts that were previously competed but were modified to begin work quickly.

As noted previously, for regularly updated information about the FCC’s contract awards, please see the Federal Procurement Data System, available online at www.fpds.gov. The FCC regularly posts its contract awards through this system and has a data feed from this system linked to the FCC’s data website located at reboot.fcc.gov/data/omd.

**Agency Accountability Mechanisms**

The FCC has worked with the recipients of contracts awarded under its Recovery Act programs to ensure that they report through the www.federalreporting.gov system so that all of the necessary data about their contracts is publicly available on www.recovery.gov each quarter. This information includes, among other things, the amount of funds awarded, the services or goods that were rendered pursuant to those awards, and the current status of the vendor’s work efforts.

Furthermore, the FCC posts weekly updates to its Recovery Act website at www.fcc.gov/recovery that provide funding information, including cumulative amounts obligated and expended for the DTV, National Broadband Plan, and the nationwide broadband mapping programs. The weekly updates also provide high level information about major activities undertaken by the FCC pursuant to its Recovery Act related responsibilities. Finally, the FCC regularly posts its Recovery Act contract awards through the Federal Procurement Data System, available online at www.fpds.gov. The FCC also has a data feed from this system linked to the FCC’s data website located at reboot.fcc.gov/data/omd.

The FCC has utilized performance information in routine decision making throughout its Recovery Act program implementation and performance information will be the basis for ongoing modifications to the Recovery Act plans and assessments of activities. Performance is discussed at Bureau Chief meetings, daily DTV planning meetings that
were in place during the lead up and after the transition, multiple weekly planning meetings, and in collaborative preparation of Recovery Act plans. Program managers at the FCC are held accountable for achieving program goals through the Commission’s performance evaluation systems. Reports of program progress and performance will be posted on the FCC Recovery Act web site and on www.broadband.gov.