Review of NSF Wireless Device and Service Purchases

Our review of wireless device and service purchases made by NSF offices identified nearly $530,000 in such purchases in FY 2009 and more than $660,000 in FY 2010. NSF owns more than 700 wireless devices, including smart phones and tablets, for approximately 1,500 staff.

We found that NSF's ad hoc, decentralized process for purchasing wireless assets and services has resulted in a myriad of devices and plans across the Foundation, and frequently even within individual offices. NSF does not have a policy for the procurement and use of wireless devices and services, nor does it have any policy regarding which NSF staff *need* wireless devices or which devices are appropriate for their needs.

Further, individual offices within the agency generally purchase devices and plans on an item-by-item basis. Because the purchases are small and not made centrally, NSF had not taken advantage of economies of scale or government-wide purchasing programs through the General Services Administration.

We identified wide ranges in the costs paid for the variety of wireless devices, service plans, international charges, and roaming expenses across the Foundation. For example, one office issued 40 smart phones to its staff with a variety of service plans that ranged from $50 to $100 per month. Another office provided smart phones to 5 of its program officers with expansive plans for $150 per month.

In addition to these matters, we found that many of NSF's wireless devices had not been certified to meet federal encryption standards. To protect the integrity of the data stored on agency wireless devices, OMB has required federal agencies to use only devices that comply with federal encryption standards. NSF carried out its own testing and risk analysis, and concluded that the security on the non-compliant devices was adequate.

We concluded that, in the current fiscal environment, NSF's practice of purchasing wireless assets and services without a policy warrants reassessment. We recommended that NSF:

- Develop and implement an agency-wide policy on the purchase and use of wireless devices, which should include assessment of which staff positions actually need wireless devices, the device functions needed to perform official duties, guidelines for appropriate use, the service plans needed to perform official duties, and the providers from which those devices and service plans are available. NSF agreed to do so.

- Provide centralized procurement of wireless devices and service plans to ensure NSF can monitor and manage costs, and receive the benefit of economy of scale purchasing, taking advantage of relevant GSA contracts. NSF agreed to prepare an assessment of the costs, benefits, and feasibility of a centralized approach to procurement of wireless devices, including programs offered by GSA.

- Require each user who possesses or receives a wireless device to acknowledge, in writing, his or her understanding of the appropriate use guidelines, and recognition that the device is federal government property and the user has no right of privacy; if feasible, implement a banner notice for all NSF-provided wireless devices, providing the same information provided when logging into NSF's computer network; address the issue of security and use of wireless devices in its annual IT security briefings; and update its internal policy on personal use of IT resources to include wireless devices and services. NSF agreed to all of these recommendations.