Cosponsored Activities Can Benefit Small Businesses but Lack a Consistent Feedback Mechanism

Why GAO Did This Study
Section 4(h) of the Small Business Act authorizes SBA to provide assistance for the benefit of small businesses through activities the agency cosponsors with eligible for-profit and nonprofit entities, as well as federal, state, and local government entities. Cosponsored activities can provide information on SBA programs and services or on subjects of interest to small businesses, bring together government and private sector resources and small business owners (generally for government contracting or financing initiatives), or celebrate the contributions of small business owners. Cosponsored activities can provide benefits to small businesses, including financial management and the federal contracting process. SBA officials and representatives of cosponsors told GAO that the events provided attendees with access to services and resources from multiple organizations in a single venue and often included counseling and referrals to other resources. Although the Small Business Act specifies that SBA cosponsored activities provide benefits to small businesses, it does not specify how SBA should identify and measure benefits. Some SBA district office staff told GAO that they solicited participant feedback on cosponsored events through a survey, evaluation, or questionnaire. GAO also found that obtaining periodic participant feedback is an integral part of a 7-month training initiative, called the Emerging Leaders Initiative, conducted using cosponsorship authority. However, SBA officials told GAO that obtaining formal feedback was not required and that the agency did not have a policy on soliciting and using it. Cosponsors GAO met with SBA officials told us that obtaining formal feedback was not required and that the agency did not have a policy on soliciting and using it.

What GAO Found
The Small Business Administration (SBA) and cosponsors share responsibilities for planning, funding, and conducting cosponsored activities. Before cosponsored activities take place, SBA field and program offices decide on the type and subject of the activity, solicit potential cosponsors, draft an agreement, agenda and budget, and designate a cosponsor as fiscal agent to collect, manage, and disburse any funds received. SBA’s General Counsel or designee is responsible for reviewing draft cosponsorship agreements for legal sufficiency and determining whether any conflicts of interest exist with potential cosponsors. GAO’s analysis of the official files for 132 cosponsored agreements SBA executed in fiscal year 2012 and other related materials showed that the activities were intended to provide training on a variety of topics, such as business planning and marketing, social media, and government contracting. SBA and cosponsors are both responsible for conducting the activity in accordance with the agreement. Following cosponsored activities, SBA field and program offices must submit a final cosponsorship report to SBA’s Office of Strategic Alliances, which is responsible for maintaining the official files on these activities.

What GAO Recommends
GAO recommends that SBA develop a mechanism to consistently obtain participant feedback on cosponsored activities. SBA generally agreed with this recommendation.

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