

Why GAO Did This Study

The Small Business Act establishes tools to enhance procurement opportunities for small businesses, such as set-asides and requirements that large contractors set goals for using small business subcontractors. SBA's PCR's advocate for the inclusion of small businesses during the procurement process.

GAO was asked to examine how PCR's help small businesses gain access to federal contracting and subcontracting opportunities. This report addresses, among other objectives, (1) documentation SBA maintains on the activities of PCR's and (2) how SBA assigns PCR's to cover buying activities and its requirement to report to Congress on these assignments. GAO reviewed SBA policies and procedures, data on PCR assignments, and selected data reported by PCR's and related documentation. GAO also interviewed agency officials.

What GAO Recommends

GAO recommends that SBA (1) develop a central repository for PCR's to store the supporting documentation for the data they report on their activities and (2) ensure that it submits required reports to Congress on PCR's' assignments and activities. SBA concurred with both recommendations.

SMALL BUSINESS CONTRACTING

Better Documentation and Reporting Needed on Procurement Center Representatives

What GAO Found

The Small Business Administration (SBA) does not maintain complete documentation to support data on the activities of procurement center representatives (PCR), which is information used to oversee PCR's and assess their performance. PCR's are responsible for helping small businesses gain access to federal contracting and subcontracting opportunities—for example, by making set-aside recommendations to federal agency contracting officers. SBA area offices generate a monthly report that summarizes data on PCR's' activities and accomplishments, and SBA procedures require PCR's to maintain these reports and the supporting documentation. GAO found that they do not consistently do either. According to SBA officials, in some cases the supporting documentation, which PCR's store on their individual computers or in their offices, either was destroyed or was not maintained after PCR's left their positions. Officials told GAO that SBA recently implemented a new database and established a policy requiring the monthly reports to be maintained in the database. However, SBA has not established a centralized means of maintaining the supporting documentation. A central repository for PCR's to store their supporting documentation would provide greater assurance that the documentation is maintained as required and help SBA verify the accuracy of the data PCR's report on their activities.

SBA assigns PCR's to buying activities, divisions in federal agencies that purchase goods and services based on geographic coverage and other factors. Specifically, PCR's are assigned

- within one of six regional areas to ensure geographic coverage,
- at specific federal agencies, and
- at buying activities that have significant opportunities for small business contracting.

However, SBA has not submitted required reports to Congress on its rationale for assigning PCR's to cover buying activities. The Small Business Act, as amended, requires that SBA submit a report (1) identifying each area for which SBA has assigned a PCR, (2) explaining why SBA selected the areas for assignment, and (3) describing the activities performed by PCR's. SBA was required to submit the first report to Congress by December 26, 2010, and subsequent reports every 3 years thereafter. SBA officials told GAO they were not aware of the reporting requirement. As a result, Congress lacks the information these reports were intended to provide, information that could be useful for its oversight of PCR's.