



441 G St. N.W.  
Washington, DC 20548

Comptroller General  
of the United States

Accessible Version

June 8, 2026

The Honorable Kelly Loeffler  
Administrator  
U.S. Small Business Administration  
409 3rd St., SW  
Washington, D.C. 20416

### Priority Open Recommendations: Small Business Administration

Dear Administrator Loeffler:

The purpose of this letter is to call your personal attention to two areas where open recommendations to the Small Business Administration (SBA) should be given high priority.

In January 2026, we reported that, on a government-wide basis, 77 percent of our recommendations made 5 years ago were implemented.<sup>1</sup> SBA's recommendation implementation rate was about 96 percent. As of June 2026, SBA had 60 open recommendations, 14 of which are priority recommendations.<sup>2</sup> Since our May 2025 letter, SBA implemented three priority recommendations.<sup>3</sup> I appreciate SBA's continued commitment to addressing our recommendations, which will better position the agency to more effectively and efficiently achieve its mission.

We are highlighting the following areas that warrant your timely and focused attention:

- **Improving oversight of COVID-19 pandemic programs.** From March 2020 through March 2022, SBA provided more than \$1 trillion in loans and grants to small businesses through pandemic relief programs. SBA moved quickly and under challenging circumstances to develop and launch these programs. However, rapid implementation increased the risk of improper payments—that is, payments that should not have been made or were made in incorrect amounts, including those resulting from fraud. We recommended that SBA (1) [develop cross-program data analytics](#) to better identify applicants attempting to defraud multiple programs and (2) identify and obtain access to external data to help verify applicant information and detect potential fraud. Fully implementing these recommendations could help the agency more strategically manage fraud risks in ongoing and future programs.

<sup>1</sup>GAO, *Performance and Accountability Report, Fiscal Year 2025*, [GAO-26-900644](#) (Washington, D.C.: Jan. 29, 2026).

<sup>2</sup>GAO considers a recommendation to be a priority if, when implemented, it may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

<sup>3</sup>GAO, *Priority Open Recommendations: Small Business Administration*, [GAO-25-108048](#) (Washington, D.C.: May 1, 2025). In this letter, we identified 17 priority recommendations.

- **Addressing cybersecurity and IT management challenges.** SBA should take steps to more effectively implement key practices for its privacy program and manage risk to its IT systems. For example, we recommended that SBA [fully define and document](#) a process for involving its senior privacy official in addressing workforce needs to ensure a well-qualified privacy workforce. We also recommended that SBA address [critical risk management issues](#) for an IT system that helps small businesses participate in its contracting assistance programs. Fully implementing these recommendations would help SBA better protect sensitive data.

Three of these areas—[emergency loans for small businesses](#), [cybersecurity](#) and [IT management risks](#)—are also included on GAO’s [High Risk List](#). Several other government-wide, high-risk areas have direct implications for SBA and its operations, including [strategic human capital management](#). We also identified actions SBA should take that could result in cost savings. For example, we reported that SBA should [expand and document processes](#) related to COVID-19 overpayments to more effectively identify and recover overpayments. More information on our [Duplication and Cost Savings](#) work can be found on the GAO website.

A comprehensive list of open recommendations, including new priority recommendations, and information about their status can be found on the GAO website at [Recommendations Database | U.S. GAO](#). Copies of this letter are being sent to the appropriate congressional committees.<sup>4</sup> This letter will also be available at [Priority Recommendations | U.S. GAO](#).

We would welcome an opportunity to discuss how to address our open recommendations, as we pursue the shared goal of working to increase the efficiency and effectiveness of government programs and spending. Please do not hesitate to contact me or Daniel Garcia-Diaz, Managing Director of the Financial Markets and Community Investment team, at [GarciaDiazD@gao.gov](mailto:GarciaDiazD@gao.gov). Contact points for our Offices of Congressional Relations and Media Relations may be found on the last page of this letter. Thank you for your personal attention to these important issues.

Sincerely,

**//SIGNED//**

Orice Williams Brown  
Acting Comptroller General of the United States

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<sup>4</sup>We also help Congress identify congressional oversight actions that can help agencies implement priority recommendations, such as incorporating them into legislation. James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2), 136 Stat. 2395, 3668 (2022) (codified at 31 U.S.C. § 719 note). Congress can also use its budget, appropriations, and oversight processes to incentivize executive branch agencies to act on our recommendations and monitor their progress. For example, Congress can hold hearings focused on agencies’ progress in implementing priority recommendations, withhold funds when appropriate, or take other actions to provide incentives for agencies to act.