

# GAO Highlights

Highlights of [GAO-20-693](#), a report to congressional committees

## Why GAO Did This Study

Federal agencies awarded almost \$3 billion in SBIR and STTR awards in fiscal year 2019 to help small businesses develop and commercialize technologies. Through these two programs, participating agencies solicit proposals at least once a year, review the proposals to determine which small businesses should receive awards, and notify applicants if they will receive an award. Timely issuance of awards—of which there were more than 7,000 in fiscal year 2019—can affect the speed with which small businesses receive funds and can begin work, according to SBA.

SBA's SBIR/STTR policy directive provides requirements regarding how long participating agencies should take to notify applicants of their decision, as well as recommendations for how long the agencies should take to issue awards. The John S. McCain National Defense Authorization Act for Fiscal Year 2019 includes a provision for GAO to report annually for 4 years on the timeliness of agencies' proposal reviews and award issuances. This report, the second, examines (1) the timeliness of participating agencies in notifying applicants and issuing SBIR and STTR awards in fiscal year 2019 and (2) practices participating agencies use that are intended to improve timeliness.

GAO analyzed award data, reviewed documentation, and interviewed officials from SBA and the 29 agencies participating in the SBIR and STTR programs in fiscal year 2019.

View [GAO-20-693](#). For more information, contact Candice N. Wright at (202) 512-6888 or [wrightc@gao.gov](mailto:wrightc@gao.gov).

September 2020

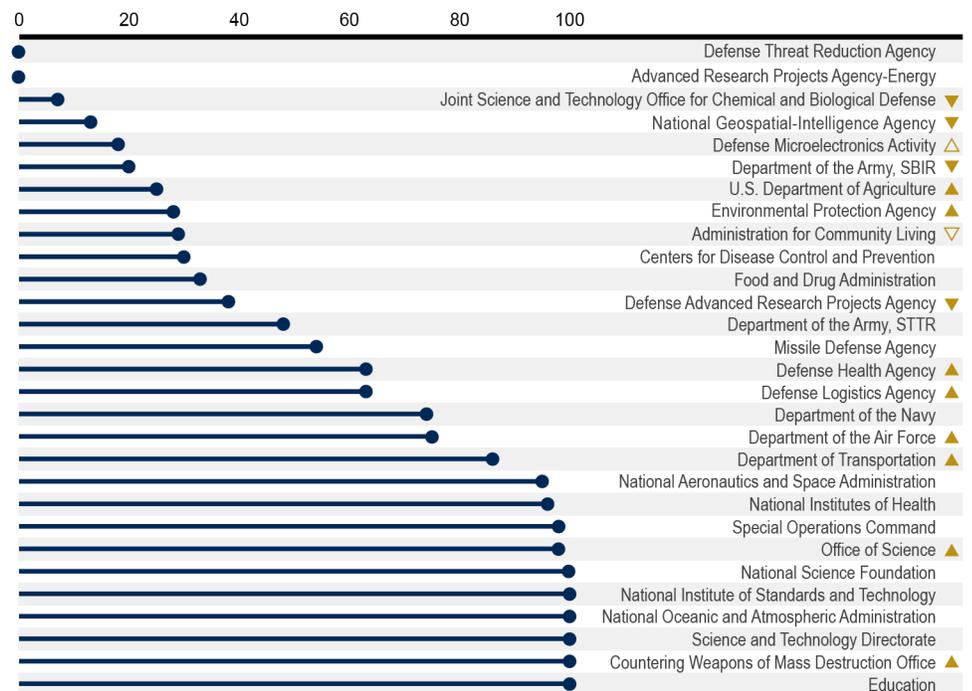
## SMALL BUSINESS RESEARCH PROGRAMS

### Many Agencies' Award Issuances Are Not Timely; Some Practices May Improve Timeliness

## What GAO Found

In fiscal year 2019, many agencies that participate in the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs were not consistently on time in notifying awardees or issuing awards, similar to fiscal years 2016 through 2018, which GAO previously reviewed. For notification, 15 of the 29 participating agencies met the timeliness requirement (90 calendar days for most agencies) for at least 90 percent of their awards, whereas 14 did not. For award issuance, 10 agencies met the timeliness recommendation (180 calendar days for most agencies) for at least 90 percent of their awards, and 19 did not. See figure for details.

Percent of Small Business Awards Issued within the Recommended Time for Fiscal Year 2019



▲▼ Timeliness improved or declined by 10 percentage points or more over fiscal years 2016 through 2018, and change is statistically significant ( $p < 0.05$ ). ▲△ Timeliness improved or declined by 10 percentage points or more over fiscal years 2016 through 2018, and change is not statistically significant.

Source: GAO analysis of Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) award data. | GAO-20-693

Note: The Small Business Administration's SBIR/STTR policy directive recommends the National Institutes of Health and National Science Foundation issue awards within 15 months, rather than the 180 days recommended for all other agencies.

Agencies use various practices that they say help improve the timeliness of applicant notification and issuance of SBIR and STTR awards. GAO found that for three practices—using internal officials to review applications, using dedicated contracting officers to make awards, and developing strategies to cope with funding issues—participating agencies may be more likely to meet timeliness requirements or recommendations if they use the practices.