

# GAO@100 Highlights

Highlights of [GAO-22-104677](#), a report to congressional committees

## Why GAO Did This Study

SBIR and STTR participating agencies awarded over \$3 billion to small businesses in fiscal year 2020 to develop and commercialize new technologies. Timely issuance of these awards can affect the speed with which small businesses receive funds and begin work, according to the SBA.

SBA's SBIR/STTR policy directive provides time frames for notification and award issuance—90 days for award notification and 180 days for award issuance. The Fiscal Year 2019 National Defense Authorization Act (NDAA) included a provision for GAO to review the timeliness of award notification and issuance. The Fiscal Year 2021 NDAA conference report included a provision for GAO to review instances of agencies not following through with awards. This report, GAO's third, examines, among other things: (1) agencies' timeliness in notification and issuance, (2) the extent to which agencies have addressed risks to award timeliness, and (3) the extent to which DOD established a pilot program to improve timeliness.

GAO analyzed SBIR and STTR award data, reviewed documentation, interviewed SBA officials, and sent a questionnaire to all 29 participating agencies and select small businesses.

## What GAO Recommends

GAO is making 22 recommendations to 20 federal agencies, including to improve the timeliness of awards to small businesses. Agencies concurred with 20 recommendations. DOD partially concurred with one and did not concur with another recommendation that GAO maintains still is warranted.

View [GAO-22-104677](#). For more information, contact Candice Wright at (202) 512-6888 or [WrightC@gao.gov](mailto:WrightC@gao.gov).

October 2021

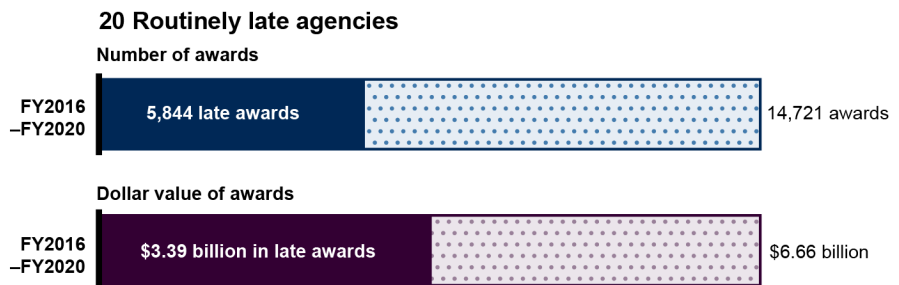
# SMALL BUSINESS RESEARCH PROGRAMS

## Agencies Should Further Improve Award Timeliness

### What GAO Found

Most federal agencies that participate in the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs did not consistently issue timely awards to small businesses in fiscal year 2020. The Small Business Administration's (SBA) SBIR/STTR policy directive recommends that most agencies issue such awards within 180 days of the closing date of the solicitation. On the one hand, timeliness across agencies has improved since fiscal year 2017. Agencies issued 69 percent of awards within the recommended time that year, compared to 82 percent of awards that we reviewed for fiscal year 2020. On the other hand, only nine of the 29 participating agencies were consistently on time in fiscal year 2020, meaning they issued at least 90 percent of their awards within 180 days. This lack of timeliness dates back at least 5 years: 20 agencies were routinely late during that period, issuing fewer than 90 percent of their awards on time for 3 or more of the 5 fiscal years since 2016 (see figure).

**Total Number and Value of Late Awards Issued by Routinely Late Agencies**



Source: GAO analysis of Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) award data. | [GAO-22-104677](#)

Nearly all of the agencies that were routinely late in issuing awards to small businesses have taken some steps to address risks to the timeliness of their awards. Such risks included not having standardized proposal review procedures and a lack of dedicated staff to issue awards. Agencies have taken some steps to improve timeliness by, for example, streamlining proposal reviews and the award contracting process. However, they have not fully addressed risks they identified or evaluated steps already taken and may continue to issue late awards until they do so.

Although the Department of Defense (DOD) has taken some steps to improve timeliness, it has not established a required pilot program. According to officials, DOD has not done so, in part, because it would be too difficult to standardize practices across the department. GAO found that 12 of the 13 DOD participating agencies are not consistently issuing timely awards to small businesses. Without addressing the pilot program requirements, or by not reporting to Congress if the requirements are infeasible, DOD may be missing an opportunity to obtain technologies more quickly, as well as sustain small businesses that can provide such technologies.