

GAO Highlights

Highlights of [GAO-23-105591](#), a report to congressional committees

Why GAO Did This Study

Agencies participating in the SBIR and STTR programs awarded nearly \$3 billion to small businesses in fiscal year 2021. Small businesses rely on timely issuance of these awards to plan, develop, and commercialize new technologies. In its oversight role for the two programs, SBA sets timeliness standards for award notification and issuance. SBA is mandated to report annually to Congress on overall outcomes for both programs including award timeliness.

The fiscal year 2019 National Defense Authorization Act included a provision for GAO to review the timeliness of award notification and issuance. This report, GAO's fourth, examines, among other objectives, agencies' timeliness in award notification and issuance and trends from fiscal year 2016 through 2021, and the extent to which SBA reports on agencies' award timeliness.

GAO analyzed SBIR and STTR award data, administered a questionnaire to all 29 participating agencies, and reviewed participating agency and SBA documentation. GAO also interviewed SBA officials and conducted follow-up interviews with officials at other agencies as needed to clarify information they provided.

What GAO Recommends

GAO is recommending that SBA (1) identify and implement actions to improve timely issuance of its annual report and (2) add SBIR and STTR award timeliness data to its website. SBA concurred with these recommendations.

View [GAO-23-105591](#). For more information, contact Candice N. Wright at (202) 512-6888 or WrightC@gao.gov.

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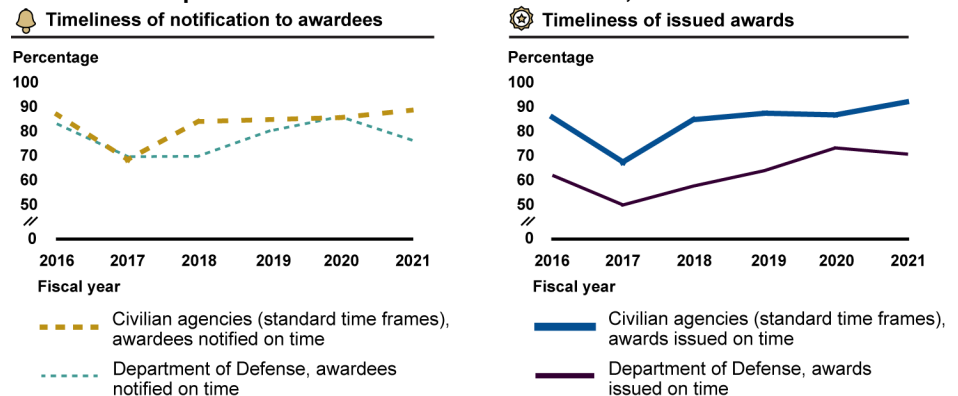
SMALL BUSINESS RESEARCH PROGRAMS

Reporting on Award Timeliness Could be Enhanced

What GAO Found

Agencies' timeliness rates for issuance of Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) awards remained similar from fiscal year 2020 to 2021. Agencies' timeliness performance for award issuance has improved for both programs overall since fiscal year 2016. This is the case government-wide, although defense agencies have lagged behind civilian agencies in their performance (see figure). View the full results of GAO's analysis [here](#).

Civilian and Department of Defense Award Timeliness, Fiscal Years 2016-2021



Source: GAO analysis of Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) award data. | GAO-23-105591
Note: Civilian agencies exclude the National Science Foundation and National Institutes of Health, which have different award notification and issuance time frames.

Government-wide, the programs' participating agencies have more consistently met the required time frames for notifying awardees than the recommended time frames for issuing awards. The Department of Defense's (DOD) timeliness relies on the performance of the Departments of the Army, Navy, and Air Force, which together issued 83 percent of all defense-related awards for fiscal year 2021. DOD issued 65 percent of its awards on time from fiscal year 2016 through fiscal year 2021 compared with 85 percent by civilian agencies.

The Small Business Administration (SBA) is required to annually report agency award timeliness data to Congress along with other information about participating agencies' implementation of the SBIR and STTR programs. However, SBA has been consistently late with its annual reports from FY 2016 to FY 2021—between 6 to 16 months late. Without a comprehensive, documented analysis of its process for developing these annual reports, it is unclear whether SBA is missing opportunities to take action to improve the timeliness of its required reports. Additionally, SBA is missing opportunities to provide real-time award timeliness data on its website. While SBA is not required to do so, providing current award timeliness data on its website would offer an alternative source of information to Congress and the public about agencies' performance in meeting award time frames and could spur further improvements.