



**HANNIBAL "MIKE" WARE  
INSPECTOR GENERAL  
U.S. SMALL BUSINESS ADMINISTRATION**

**BEFORE THE**

**COMMITTEE ON SMALL BUSINESS  
U.S HOUSE OF REPRESENTATIVES**

**APRIL 20, 2021**

## INTRODUCTION

Chairwoman Velázquez, Ranking Member Luetkemeyer, and distinguished members of the Committee, thank you for inviting me to testify before you today and for your continued support of the Office of Inspector General (OIG). I am proud of the dedication and hard work of the men and women of OIG to not only prevent fraud in these programs, but also to detect, deter, and combat fraud.

OIG provides auditing, investigative, and other services to support and assist SBA in achieving its mission. As a result of its oversight efforts, each year OIG provides dozens of recommendations to SBA leadership aimed at improving the integrity, accountability, and performance of SBA and its programs for the benefit of the American people. Similarly, OIG's investigative efforts result in dozens of convictions and indictments as we aggressively pursue evidence of fraud in SBA's programs. In doing so, OIG provides taxpayers with a significant return on investment as it roots out fraud, waste, and abuse in SBA programs. During fiscal year (FY) 2019, OIG achieved \$111.0 million in monetary recoveries and savings—a fivefold return on investment to the taxpayers, and during FY 2020, OIG achieved \$142.5 million in monetary recoveries and savings—a sixfold return on investment to the taxpayer. The monetary recoveries and savings from our oversight of SBA's pandemic response efforts in FY 2021 are anticipated to be exponential to OIG's base operating costs.

## PANDEMIC RESPONSE OVERSIGHT

There is no higher priority for our office than providing oversight of SBA and the taxpayer's funds at stake through the Coronavirus Aid, Relief, and Economic Security (CARES) Act ensuing legislation and related pandemic response laws aimed at mitigating the pandemic. We have identified SBA's economic relief programs being susceptible to significant fraud risks and vulnerabilities as a top management challenge for SBA. We have been focused on preventing and deterring fraud, waste, and abuse from the outset of the pandemic response.

Our office was the first in government to issue reports related to the COVID-19 stimulus funding. We leveraged our past oversight of SBA's programs to publish three white paper reports. These reports provided SBA stakeholders with information on the risks and lessons learned from our prior audits and inspections related to economic stimulus loans (The American Recovery and Reinvestment Act of 2009 and The Small Business Jobs Act of 2010), to economic injury disaster loans (EIDL), and to entrepreneurial development programs. The reports were intended for policy makers to consider in managing and mitigating the risk of loss for the COVID-19 stimulus programs being implemented by SBA.

Prior to the first Paycheck Protection Program (PPP) loan being made by SBA, OIG published a list of fraud schemes and scams to alert the public and SBA stakeholders. This information was made available on OIG's website and distributed broadly through established communication channels to include social media. OIG also sought assistance from organizations involved with SBA lending to distribute the information and raise awareness. We also have integrated multi-media on our Hotline webpage to provide an alternative means of learning about our Hotline and its operations.

In the ensuing weeks of SBA's pandemic response, our criminal investigators partnered with other law enforcement organizations, conducted outreach to the Department of Justice and U.S. Attorney's Offices, and evaluated allegations of wrongdoing received through our Hotline. We also partnered with SBA's Office of the Chief Information Officer to investigate and remove websites suspected of being fraudulent. Hundreds of investigations involving complaints of fraud have been initiated by my office alone and many more are ongoing by our law enforcement partners, with noteworthy results being reported daily by the U.S. Department of Justice. Among these accomplishments was the first in the nation charges against individuals fraudulently seeking PPP loans, which was announced on May 5. This achievement was the result of the dedicated work of OIG criminal investigators and our law enforcement partners. OIG's investigative efforts have 162 indictments/information, 162 arrests, and 27 convictions related to EIDL or PPP.

SBA's tremendous role in the nation's pandemic response is without precedent. It is noteworthy that SBA executed over 14 years' worth of lending within 14 days, and as this Committee knows well, this was just the beginning. The speed and reduced controls surrounding this lending authority brought with it substantially increased risk. Our office published a robust oversight plan in April 2020 and immediately initiated its first reviews focusing on implementation and eligibility of PPP, EIDL, and the entrepreneurial development programs. Leveraging supplemental resources provided by Congress, we have announced an aggressive oversight plan for calendar year 2021.

Our PPP and EIDL reviews revealed alarming findings. We published a flash report on PPP in May, which resulted in legislative changes to the program, and we published a management alert on EIDL in July, sharing our finding of rampant fraud in the program. OIG has actively engaged SBA leadership throughout the duration of the pandemic to notify them of preliminary findings so they could respond in real time to prevent loss to the taxpayer. In particular, we sounded the alarm internally of rampant fraud in the EIDL program in June and alerted SBA leaders to concerns regarding loan recipients on the Department of Treasury's Do Not Pay List in August. As I am prepared to discuss with you today, we published comprehensive findings relative to our completed reviews focused on implementation of PPP, the EIDL program, and others.

Most recently, our office issued a Management Alert Serious Concerns About SBA's Control Environment and the Tracking of Performance Results in the Shuttered Venue Operators Grant (SVOG) Program to prior to the program launch. OIG would like proper controls in place prior to programs launching to ensure that the program meets its intended purpose and results.

## **SIGNIFICANT OIG OVERSIGHT REPORTS**

SBA has exercised over a trillion dollars in lending authority and entrepreneurial assistance in the wake of the pandemic. While PPP lending is anticipated to resolve within several years, the systemic weaknesses that were evidenced by the strain on SBA's programs and operations for its pandemic response will take many years to resolve, possibly decades, and will require robust OIG oversight. Additionally, SBA's Disaster Assistance Program lending for the pandemic response, principally through EIDL, is in the hundreds of billions—amounts that exceed all of SBA's disaster assistance lending since 1953—and will perform in SBA's portfolio for decades, which will require continuing oversight by OIG.

OIG has increased staffing in both its Auditing and Investigations Divisions with the supplemental funds appropriated to our office to increase our review and investigative capacity by approximately 40 percent. The supplemental funds are available until exhaustion, with some funding being directed for the purpose of EIDL oversight. These supplemental funds are critical for this initial oversight surge; however, hundreds of billions of dollars in loans will perform in SBA's portfolios for up to 30 years, and the varying statute of limitations for fraud associated with the economic stimulus lending and programs will allow for prosecutions for nearly a decade. Enhanced data analytics efforts have been key to our successes. To date, OIG's data analytics efforts have identified billions of dollars of potential fraud in SBA's lending programs involved in the pandemic response. Data analytics also has bolstered our investigative capacity with findings that have led to investigation and quick arrest of fraudsters across the nation.

Summaries of recently published oversight work are below.

### **SBA's Initial Disaster Assistance Response to the Coronavirus Pandemic, Report Number 21-02**

This report presented the results of our inspection to assess SBA's initial disaster assistance response to the pandemic. SBA's Disaster Assistance Program is the federal government's primary program for providing disaster assistance. SBA provides EIDLs of up to \$2 million to eligible entities such as small businesses, nonprofits, farms, etc.

The CARES Act deemed COVID-19 a disaster. The Act authorized SBA to provide EIDLs to eligible entities under the Small Business Act in geographic locations declared disaster areas. In addition, the CARES provided \$10 billion for a new vehicle—emergency advance grants. The Paycheck Protection Program and Healthcare Enhancement Act provided another \$10 billion for the emergency advance grants and \$50 billion in loan credit subsidy to support approximately \$366 billion in additional disaster loans.

To meet our objective, we reviewed key provisions of the laws as well as SBA’s policies and procedures, and information on both SBA’s website and the loan application. Additionally, we analyzed loan data to determine if loans were provided to ineligible businesses and identify suspicious loan activity. Finally, we interviewed SBA and subcontractor personnel. As of July 31, 2020, SBA had received over 14 million COVID-19 EIDL applications, of which it approved 3.2 million for a total of \$169.3 billion. Additionally, SBA had disbursed 5.8 million emergency advance grants for \$20 billion.

### *What OIG Found*

SBA’s initial response to implement the COVID-19 EIDL program made billions of dollars of capital available to provide prompt economic relief to businesses affected by COVID-19. To expedite the process, SBA “lowered the guardrails” or relaxed internal controls, which significantly increased the risk of program fraud. The unprecedented demand for COVID-19 EIDLs and the equally unprecedented challenges SBA had in responding to this pandemic combined with lowered controls resulted in billions of dollars in potentially fraudulent loans and loans to potentially ineligible businesses. Based on our analysis of SBA’s COVID-19 EIDL data, as of July 31, 2020, we found SBA approved \$14.3 billion (\$13.4 billion disbursed) in COVID-19 EIDLs to accounts that differed from the original bank accounts listed on the loan applications; \$62.7 billion (\$58.0 billion disbursed) in multiple (between 2 and 245) COVID-19 EIDLs to applicants using the same IP addresses, email addresses, bank accounts, or businesses listed at the same addresses; and approximately \$1.1 billion in COVID-19 EIDLs and emergency advance grants to potentially ineligible businesses.

### *OIG Recommendations*

We made 10 recommendations for SBA to strengthen its controls to lower fraud risk and recover funds from ineligible businesses as it continues to respond to the ongoing pandemic.

### *Agency Response*

SBA Management disagreed with the audit findings we report here. Management only partially agreed with recommendations 1 through 8 and 10. Management disagreed with recommendation 9. Overall management stated it disagreed with the findings because there was insufficient evidence that loans were approved and disbursed to ineligible businesses. It is important to note that despite management disagreeing with the findings and only partially agreeing with 9 of the recommendations, in most cases, the agency is taking corrective actions to fully implement our recommendations.

### *Status of Recommendations*

The 10 recommendations remain open.

### **Inspection of SBA's Implementation of the PPP, Report Number 21-07**

Section 1102 of the CARES Act provided \$349 billion for the creation of the PPP under Section 7(a) of the Small Business Act.

This program provides fully guaranteed SBA loans for certain eligible small businesses, individuals and nonprofit organizations that can be forgiven if loan proceeds were used as required by the law. Eligible expenses include payroll, rent, utility payments, and other limited uses.

Our objective for this inspection was to assess SBA's implementation of the PPP, including the timing of implementation, lender participation, guidance provided to lenders and staff, timeliness of loan approval and disbursement, and systems used to process lender loan approvals.

### *What OIG Found*

SBA's initial response to implement the PPP quickly made billions of dollars of capital available to millions of borrowers affected by the COVID-19 pandemic. SBA quickly released loan origination program guidance for the majority of the program's aspects and approved approximately 3,800 financial institutions for participation in the program. However, SBA's efforts to hurry capital to businesses were at the expense of controls that could have reduced the likelihood of ineligible or fraudulent business obtaining a PPP loan. As a result, there is limited assurance that loans went to only eligible recipients.

Additionally, we found aspects of SBA's implementation of the PPP could prevent Congress and SBA management from having the information needed to determine if program objectives were fully met. We found SBA's PPP publicly reported and loan-level data was inaccurate and incomplete, and SBA guidance was not sufficient to

ensure PPP lenders prioritized underserved markets during the initial round of funding.

Finally, while we determined some aspects of SBA's initial implementation of the PPP were not executed efficiently, SBA later made several corrections so the program would operate more effectively.

### *OIG Recommendations*

We made six recommendations to improve SBA's program and reduce the risk of financial loss from PPP loans being made to ineligible or fraudulent borrowers and improve SBA's ability to obtain information necessary for critical program decisions.

### *Agency Response*

SBA fully agreed with five of the six recommendations. Specifically, the agency agreed with recommendations 1, 2, 4, 5, and 6. Management disagreed with recommendation 3 but provided an alternative solution that satisfied the intent of the recommendation.

To address all recommendations, management plans to review the loans identified in the report as potentially ineligible and implement or strengthen internal controls to ensure loans were not made to ineligible or potentially fraudulent borrowers. Additionally, management plans to update PPP program forms to

- reduce the risk of financial loss from potentially ineligible loans,
- ensure accurate and complete program reporting, and
- ensure sufficient information is gathered to assess program objectives.

### *Status of Recommendations*

The three recommendations remain open.

### **PPP Loan Recipients on the Department of Treasury's Do Not Pay List, Report Number 21-06**

OIG issued a Management Alert to bring to SBA's attention to serious concerns about improper payments to lenders for potentially ineligible recipients of loans under PPP in response to the pandemic. The issue required immediate attention and action.

Due to complaints of fraud received by the OIG, we collaborated with the U.S. Department of the Treasury (Treasury) Do Not Pay (DNP) Business Center, which identified high-risk transactions related to financial assistance to small businesses

for the COVID-19 pandemic. Our review of Treasury's analysis showed approximately \$3.6 billion in PPP loans to potentially ineligible recipients.

Expedited management action could reduce or prevent the potential for loss in terms of the risk of improper payments to lenders for amounts ineligible for forgiveness as well as any fees. OIG communicated summary results to SBA management, who requested Treasury's results and have systemically put a "hold" flag on loans identified by the DNP team to ensure the loan applications are properly reviewed before processing for forgiveness or any further disbursements. Additionally, SBA management contacted the DNP Business Center and discussed the matching parameters to ensure that DNP's results were consistent with PPP eligibility provisions.

Treasury's analysis of potentially ineligible recipients demonstrates the importance of front-end controls and careful review by SBA of the loans identified. Our preliminary review of Treasury's analytical summaries indicates SBA should reassess controls to ensure only eligible recipients obtained PPP loans and prevent improper payments, as required by the law. To prevent improper payments, SBA will need to implement strong controls to ensure that loans to ineligible recipients are not forgiven and any undisbursed funds are not released to borrowers.

### *OIG Recommendations*

To establish more effective oversight controls related to the PPP for COVID-19 pandemic relief, we recommended that the Administrator direct the Associate Administrator for the Office of Capital Access (OCA) to:

- 1) Promptly identify PPP loans that have not been fully disbursed and follow-up with the lenders to stop \$280 million in potential improper loan disbursements.
- 2) Strengthen SBA controls to ensure that loans to ineligible recipients are not forgiven.
- 3) Review prepayment and pre-award procedures and work with Treasury to formulate a technical approach to use Treasury's DNP portal to determine loan applicant eligibility and prevent improper payments before the release of any federal funds.

### *Agency Response*

SBA leadership provided formal comments to this Management Alert that indicated "Prior to the Management Alert, SBA developed systems to screen potential borrowers against the Treasury Department's Do Not Pay List. These efforts were underway as a part of the loan review process before OIG issued the Management Alert."

However, management's assertion that "SBA developed systems to screen potential borrowers against the Treasury Department's Do Not Pay List" before our alert does not match OIG's or Treasury's understanding of the timeline of events. Management's comments indicated preventative controls were already in place. But our understanding from Treasury at the time of publishing was that portal access to DNP was in the process of being established for two users, and batch processing capability for high-volume activity was still under development. Batch processing to the DNP portal is critical for SBA to implement OIG recommendations without slowing PPP loan processing.

### *Status of Recommendations*

Recommendation Number 3 was closed on February 16, 2021 for final action. This recommendation requested OCA to design technical procedures and establish controls over the prepayment and pre-award procedures and work with Treasury to formulate a technical approach to use Treasury's DNP portal to determine loan applicant eligibility and prevent improper payments before the release of any federal funds. OCA has implemented controls including interfacing with DNP data bases, developing procedures, and documenting with process flows. Therefore, this recommendation is closed for final action.

The other two recommendations remain open.

### **Flash Report Duplicate Loans Made Under PPP, Report Number 21-09**

This analysis was initiated in response to a Select Subcommittee on the Coronavirus Crisis request to review duplicate loans made under the PPP related to a vulnerability in SBA's loan processing system.

To conduct our analysis, we reviewed PPP regulations and the Paycheck Protection Program and Health Care Enhancement Act, in addition to guidance published in SBA's PPP Interim Final Rules and PPP Frequently Asked Questions. We also analyzed PPP loan data to identify whether lenders disbursed more than one PPP loan to the same borrower. Our objective was to determine whether SBA had sufficient controls to detect and prevent duplicate loans and address vulnerabilities under the PPP.

### *What We Found*

We determined SBA did not always have sufficient controls in place to detect and prevent duplicate PPP loans. As a result, lenders made more than one PPP loan disbursement to 4,260 borrowers with the same tax identification number and borrowers with the same business name and address. These disbursements totaled about \$692 million for PPP loans approved from April 3 through August 9, 2020.

In May 2020, SBA identified issues in which the method for processing PPP loans did not detect all duplicate loan applications which led to duplicate loan numbers. According to SBA, the reasons for this were 1) a computer script used to detect duplicates stopped working, 2) lenders submitted PPP applications using employer identification number or social security number interchangeably, and 3) borrowers applied for PPP loans with more than one lender.

Throughout the PPP, SBA continued to identify additional factors that led to duplicate loan numbers. SBA then worked with lenders and implemented controls to address these issues. However, SBA stated it turned off controls for its electronic loan application system which also led to duplicate loan numbers. SBA also stated it would rely on loan reviews to identify and resolve duplicate disbursements. Although SBA continuously implemented controls, there were still duplicate loans approved through the close of the PPP in August 2020.

#### *OIG Recommendations*

We recommended in part that SBA 1) review identified potential duplicate disbursements for eligibility and take action to recover any improper payments, 2) review controls related to all PPP loan reviews to ensure that duplicate loans are not forgiven and not subject to an SBA guaranty, as appropriate, 3) strengthen E-Tran controls for future PPP-type programs to ensure the controls align with program requirements and are active at all times, and 4) strengthen controls and guidance for lenders to ensure lenders meet program requirements for future PPP type programs.

#### *Agency Response*

SBA agreed with the report finding and all recommendations. Management plans to review and resolve duplicate loans by recovering improper payments and preventing loan forgiveness on ineligible loans. Management also plans to enhance controls to ensure they align with program requirements and are functioning at all times.

#### *Status of Recommendations*

The four recommendations remain open.

### **Evaluation of SBA's Award Procedures for the CARES Act Entrepreneurial Development Cooperative Agreements 21-11**

This report found that SBA awarded the CARES Act entrepreneurial development cooperative agreements and grants in accordance with applicable federal laws,

regulations, and guidance. We found program officials established performance goals and identified performance indicators. To more effectively ensure performance goals are achieved as intended, SBA should clearly define the performance goals and set performance targets.

We recommended that SBA enforce standard operating procedures requiring defined performance goals and include performance targets in all future SBDC and WBC cooperative agreements and grants. We also recommended that SBA collect and analyze the CARES Act entrepreneurial development cooperative agreement recipient's performance results and establish a goal-setting process for technical assistance programs established for future disasters. SBA management agreed with both recommendations.

### *What We Found*

SBA awarded the CARES Act entrepreneurial development cooperative agreements and grants in accordance with applicable federal laws, regulations, and guidance. We found program officials established performance goals and identified performance indicators. However, in order to more effectively ensure performance goals are achieved as intended, SBA should clearly define the performance goals and set targets.

### *OIG Recommendations*

We made two recommendations aimed at promoting enhanced performance goal-setting measures of the CARES Act entrepreneurial development cooperative agreements and grants. Specifically, we recommended that SBA enforce standard operating procedures that require clearly defined performance goals and performance targets. We also recommended that SBA collect and analyze the CARES Act entrepreneurial development cooperative agreement recipient's performance results to establish a framework for setting goals for future disasters.

### *Agency Response*

SBA management concurred with both of our recommendations and its planned actions resolve the recommendations. SBA will improve planning for future entrepreneurial development cooperative agreements and grant awards using a more comprehensive, integrated, and strategic approach to define performance goals and targets. SBA also plans to develop and improve its data collection system to collect and analyze cooperative agreement performance results. Further, SBA plans to use program logic models to assist with establishing a framework for setting goals for future entrepreneurial development disaster technical assistance programs.

### *Status of Recommendations*

The two recommendations remain open.

#### **Evaluation of SBA's Award Procedures for the CARES Act Entrepreneurial Development Cooperative Agreements 21-13**

This Management Alert raises the attention of serious concerns with the control environment and the tracking of performance results in SVOG program requiring immediate attention and action.

OIG suggested that SBA should take immediate action to reduce or eliminate risks by strengthening existing controls and implementing internal controls to address potential misuse of federal funds. Strong controls will ensure the SVOG program can effectively help eligible small business owners and entities that have suffered economic injury because of the COVID-19 pandemic.

To address serious concerns and potential deficiencies in internal controls of the SVOG program, we suggest the Administrator:

1. Reassess the audit risk plan to identify vulnerabilities, commensurate with the expected volume of applications and average award amount, to strengthen internal controls and reduce risk of misuse of federal funds.
2. Clearly establish 2 CFR 200 criteria for the program to ensure compliance during the implementation and oversight phases.
3. Implement required performance measures to determine the impact of program funds.
4. Ensure sufficient resources are available to implement and oversee the SVOG program.

In response to the Management Alert, SBA expressed its commitment to working collaboratively with OIG to strengthen the SVOG program.

### **COMBATTING FRAUD**

OIG's pandemic oversight efforts already have identified billions of dollars in potential fraud and improper payments. Additionally, in concert with our law enforcement partners, over 100 fraudsters have been brought to justice, with hundreds of millions of dollars being seized and recovered to make the taxpayer whole. OIG also has received nearly 150 years' worth of Hotline complaints (approximately 150,000) pertaining to waste, fraud, and abuse in SBA's programs and operations, which will result in thousands of additional investigations in addition to the several hundred currently ongoing. Investigations pertaining to SBA's pandemic response programs will last nearly a decade due to varying statute of limitations for fraud.

Many of the instances of fraud have been egregious:

- In May, a reality TV personality, was charged with bank fraud. The defendant sought a PPP loan in the amount of \$3,725,500, which was funded in an amount of \$2,045,800. Within days, the defendant allegedly used more than \$1.5 million of the PPP loan proceeds to purchase \$85,000 in jewelry, including a Rolex Presidential watch, a diamond bracelet, and a 5.73 carat diamond ring for himself, to lease a 2019 Rolls Royce Wraith, to make loan payments, and to pay \$40,000 for child support.
- In July, a Florida man was arrested and charged with fraudulently obtaining a \$3.9 million in PPP loans and using those funds, in part, to purchase a 2020 Lamborghini Huracan sports car for approximately \$318,000. Authorities seized a \$318,000 sports car and \$3.4 million from bank accounts at the time of arrest.
- In September, a National Football League player was charged for his alleged participation in a scheme to file fraudulent loan applications seeking more than \$24 million in forgivable PPP loans. The complaint alleges that the defendant conspired with others to obtain millions of dollars in fraudulent PPP loans. This defendant is alleged to have obtained a PPP loan of \$1,246,565 for his own company, and allegedly purchased over \$104,000 in luxury goods using the loan proceeds, including purchases at Dior, Gucci, and jewelers among other uses not allowable.
- In December, 16 defendants were charged in an indictment with various offenses, many relating to the racketeering enterprise referred to in the indictment as “Diamond Enterprise. Charges included racketeering, gambling, extortion, fraud, money laundering, and obstruction of justice offenses. Seeking to fraudulently obtain PPP loan funds were included amongst the alleged criminal actions.
- In February, a Liberty County, Texas, man and woman were indicted for filing hundreds of fraudulent EIDL applications. The two allegedly operated a fraud scheme known as “My Buddy Loans,” that garnered them more than \$700,000 in fraud proceeds and resulted in at least \$1.3 million in loss to the United States. In exchange for a fee, My Buddy Loans took personal identifying information from victims and promised to file an application for an agricultural grant. Instead, the defendants actually filed fraudulent EIDL applications.

Whistleblowers have been instrumental to our oversight efforts. These brave individuals have courageously come forward to help us focus our oversight on vulnerabilities within SBA’s internal control environment and other areas of significant concern. A significant pool of hotline complaints is attributed to reports

of persons alleging identity theft. We have been able to make referrals to SBA to address complainants' concerns pertaining to fraudulent loans, but their reports also informed our ongoing review pertaining to SBA's response to allegations of identity theft. OIG is deeply appreciative of the whistleblowers who have come forward, and we will aggressively investigate any ensuing complaints of retaliation that may be related to these protected disclosures.

## **PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE**

Through the CARES Act, Congress established the Pandemic Response Accountability Committee (PRAC) within the Council of the Inspectors General for Integrity and Efficiency (CIGIE). SBA OIG was designated as a statutory member of the PRAC, which provides increased oversight capacity to the pandemic response efforts. I also chair the PRAC's Audit Subcommittee to provide strategic audit-related direction to the whole of government review efforts. The PRAC's initial successes have been in consolidating the whole of government oversight reports and offering a window of transparency into the pandemic response funds across government.

The PRAC also plays a key role in supporting OIGs' pandemic oversight efforts. For our office, the PRAC identified 10 volunteers to perform a short-term detail to our Hotline. The Hotline received thousands of complaints outside of its electronic complaint submission system. Through the PRAC, these volunteers performed data entry to consolidate these complaints into the case tracking system, where they can be efficiently assessed and addressed. We are also engaged with the PRAC to bolster our internal data analytics capabilities.

## **CONCLUSION**

OIG's mission is to provide independent, objective oversight to improve the integrity, accountability, and performance of SBA and its programs for the benefit of the American people. Our focus is to keep SBA leadership, our congressional stakeholders, and the public currently and fully informed about the problems and deficiencies in the programs as identified through our work and to promote corrective action in fulfillment of our mission.

OIG currently is charged with providing oversight of an unprecedented amount of SBA lending authority—over a trillion dollars. The oversight challenges of SBA's pandemic response efforts are significant and, in some instances, systemic. We will continue our efforts to keep the Administrator and this Congress currently and fully informed of our findings. Nothing short of the public trust is at stake, as well as the vitality of the nation's economy.