

# **Hurricane Helene – Initial Disaster Assistance and Recovery Response**



**Inspection Report**

**Report 25-19**

**June 17, 2025**



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# U.S. Small Business Administration Office of Inspector General

## EXECUTIVE SUMMARY

### Hurricane Helene – Initial Disaster Assistance and Recovery Response (Report 25-19)

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#### What OIG Reviewed

This report presents the results of our inspection of the U.S. Small Business Administration's (SBA) initial disaster assistance response to Hurricane Helene.

On September 26, 2024, Hurricane Helene made landfall on the peninsula of Florida near the city of Perry. It severely impacted the Florida Gulf Coast, and its remnants traveled north, causing landslides, debris flows, and historic levels of flooding that destroyed homes and businesses in eight states: Florida, Georgia, Kentucky, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

Our objective was to assess SBA's initial response to Hurricane Helene, including staffing, loan application volume, and timeliness of disaster loan approvals.

We visited eight recovery centers and one joint field office to observe SBA's operations and interactions with survivors, interviewed program officials, and reviewed applicable laws, regulations, and training guidance. We also reviewed disaster loan application processing and recovery center staffing data.

#### What OIG Found

We found that in SBA's initial disaster assistance response to Hurricane Helene, the agency promptly established a field presence, adequately staffed recovery centers, responded timely to applicant queries, and processed loans in a timely manner.

Although SBA processed loan applications in 20 days on average, the agency was unable to disburse many of those loans due to a 68-day

funding lapse. As a result, the overall processing time from application receipt to disbursement of funds was 69 days on average with the funding lapse and 64 days on average without it. We have initiated a separate review to evaluate SBA's processes to forecast and timely request appropriation dollars for its disaster assistance account.

Lastly, we identified opportunities for SBA to optimize its outreach efforts so disaster survivors are aware of the assistance available to them.

#### What OIG Recommended

We made three recommendations to improve future disaster responses. We recommended SBA review current outreach strategies; immediately conduct outreach efforts in North Carolina and South Carolina and perform a root cause analysis to determine the basis of insufficient outreach efforts in these two states; and implement appropriate changes to ensure maximum awareness of available assistance to disaster survivors that account for rural areas.

#### Agency Response

Management partially agreed with two recommendations and disagreed with one. Management's planned actions to review staffing assignments to ensure adequate coverage for future disasters and immediately conduct outreach efforts in North Carolina and South Carolina resolved Recommendations 1 and 2. Management's response did not resolve Recommendation 3; therefore, we will seek resolution in accordance with our audit follow-up policy.



**OFFICE OF INSPECTOR GENERAL  
U.S. SMALL BUSINESS ADMINISTRATION**

**MEMORANDUM**

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**Date:** June 17, 2025

**To:** Kelly Loeffler  
Administrator

**From:** Sheldon Shoemaker  
Deputy Inspector General

A handwritten signature in black ink that reads "Sheldon Shoemaker".

**Subject:** Hurricane Helene – Initial Disaster Assistance and Recovery Response (Report 25-19)

This inspection report presents the results and findings of our review of the initial disaster assistance and recovery response for Hurricane Helene recovery efforts. We considered managements comments on the draft of this report when preparing the final report. SBA management partially agreed with Recommendations 1 and 2. SBA management did not agree with Recommendation 3.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact John Provan, Director, Disaster Assistance Programs Group, or Andrea Deadwyler, Assistant Inspector General for Audits, at (202) 205-6586.

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# Introduction

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The U.S. Small Business Administration (SBA) provides low-interest disaster assistance loans to assist businesses of all sizes, most private nonprofit organizations, homeowners, and renters impacted by declared natural disasters that occur in the United States and its territories. In addition, the agency provides eligible small businesses necessary working capital to help overcome the economic injury of a declared disaster. A Presidential disaster declaration activates SBA's physical disaster assistance loan program, which covers repairs and replacement of physical assets damaged in a declared disaster, and SBA's Economic Injury Disaster Loan (EIDL) program, which covers the costs and expenses for small businesses that incurred substantial economic injury from a declared natural disaster.

When a natural disaster is declared, the Federal Emergency Management Agency (FEMA), in collaboration with SBA, state and local government agencies, and disaster relief organizations, establish Disaster Recovery Centers. These centers are open to the public throughout the disaster-impacted areas and provide information about disaster assistance programs.

SBA independently establishes Business Recovery Centers (BRC), Disaster Loan Outreach Centers, and Portable Loan Outreach Centers. BRCs are sites staffed by the agency, volunteer organizations, and business resource partners to assist survivors with loan applications, answer questions about the loan program, and direct business owners to available resource partners for specialized business counseling. SBA's Field Office Center-East has a strategic goal of opening one of these SBA-only sites within 10 days of the disaster declaration. For Hurricane Helene, SBA opened its own recovery centers in each impacted state within 2 to 6 days.

## Background

On September 26, 2024, Hurricane Helene made landfall as a Category 4 storm near Perry, Florida, severely impacting the Florida Gulf Coast. The hurricane and its remnants affected eight states: Florida, Georgia, Kentucky, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia. Hurricane Helene caused landslides, debris flows, and historic levels of flooding that destroyed homes and businesses. From September 28 through December 9, 2024, the President issued disaster declarations for the eight affected states. These declarations authorized SBA to provide assistance in the form of physical damage loans and EIDLs in the 203 rural counties, 87 urban counties, and 4 tribal nations that were adversely affected by the disaster. As of January 10, 2025, damages from Hurricane Helene were estimated at over \$79 billion.



On October 15, 2024, SBA announced that it had exhausted all funds in the disaster assistance loan program account due to increased demand from Hurricane Helene and responses to other disasters that affected areas throughout the United States. As a result, the agency paused new loan offers but still continued to encourage applicants to apply for loans, citing assurances from congressional leaders that additional funding would be provided upon Congress's return in November 2024. SBA continued to process applications but could not send loan offer letters or disburse funding. These applications were held in a precommitment queue until funding was available.

The American Relief Act, 2025, was signed into law on December 21, 2024, appropriating additional funding for the disaster loan program account. SBA began sending loan offer letters to applicants held in the precommitment queue that same day. As of March 14, 2025, the agency disbursed 14,822 loans totaling \$722.5 million to Hurricane Helene survivors.

Hurricane Helene loan application filing deadlines vary depending on the type of loan (physical damage or EIDL) and type of assistance (individual or public). Individual assistance declarations activate SBA's disaster assistance loan program for eligible homeowners, renters, businesses, and nonprofit organizations. Public assistance declarations activate SBA's disaster assistance loan program only for eligible private nonprofit organizations for physical damage and economic injury (see Table 1). The filing deadlines for physical damage disaster loans ranged from December 4, 2024, to April 27, 2025. The filing deadline for EIDLs ranged from June 30 to September 9, 2025. Although some deadlines have passed, there is a 60-day grace period during which SBA will continue to accept applications.

**Table 1: Hurricane Helene Filing Deadlines**

State	Declaration Type	Physical Damage Filing Deadline	EIDL Filing Deadline
Florida	Individual assistance	04/27/25	06/30/25
	Public assistance	12/04/24	07/07/25
Georgia	Individual assistance	04/27/25	06/30/25
	Public assistance	12/09/24	07/09/25
Kentucky	Public assistance	01/27/25	08/26/25
North Carolina	Individual assistance	04/27/25	06/30/25
	Public assistance	01/20/25	07/02/25
South Carolina	Individual assistance	04/27/25	06/30/25
	Public assistance	01/02/25	07/07/25
Tennessee	Individual assistance	04/27/25	07/02/25
	Public assistance	12/09/24	07/09/25
Virginia	Individual assistance	04/27/25	07/01/25
	Public assistance	12/09/24	07/10/25
West Virginia	Individual assistance	04/27/25	09/09/25

Source: SBA website

## Objective

Our objective was to assess SBA's initial response to Hurricane Helene, including staffing, loan application volume, and timeliness of disaster loan approvals.

## Results

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We found that in SBA's initial disaster assistance response to Hurricane Helene, the agency promptly established a field presence, adequately staffed recovery centers, responded timely to applicant queries, and processed loans in a timely manner. However, while SBA processed loan applications in 20 days on average, a lapse in disaster assistance loan funding delayed loan disbursements. As a result of the funding lapse, the overall processing time to disbursement was 69 days on average. In addition, we found SBA's volume of outreach activities was inconsistent across the disaster-impacted states, particularly in North Carolina and South Carolina. Because West Virginia's disaster declaration was not issued until December 9, 2024, it had less outreach activities than the other states.

### **Finding 1: SBA Provided an Adequate Customer Service Response**

In accordance with strategic goals, action plans, and execution plans, SBA established a field presence within 3 business days of the disaster declaration for each state and opened a BRC within 10 business days of the declaration. Further, we found the agency adequately managed the distribution of staff at its recovery centers. We conducted site visits to eight of the Hurricane Helene recovery centers and one joint field office in two states, and we found that disaster survivors were satisfied with SBA's customer service response. Lastly, we analyzed Customer Service Center data and found the agency had provided timely responses to applicant inquiries.

### **Recovery Centers**

SBA achieved Field Office Center-East's strategic goal of establishing a field presence in 3 days or less. A field presence was established in all affected states within 1–3 days after each declaration by either opening an Interim Operating Facility (IOF) or setting up at a Joint Field Operations (JFO) center, which is administered by FEMA. IOFs/JFOs are non-public sites created to

coordinate activities of all the participating disaster relief agencies and organizations by monitoring internal operations and assisting in the interagency coordination effort. The agency also successfully opened a recovery center within 2 to 6 days in each impacted state, which allowed SBA to aid survivors effectively and in a timely manner, except for Kentucky. SBA officials stated they did not open any recovery centers in Kentucky because the disaster declaration for that state was limited to providing assistance to private nonprofit organizations.

The agency opened a BRC in Asheville, North Carolina, which was devastated by unprecedented flooding from Hurricane Helene, on October 4, 2024. Just 2 weeks after landfall of the hurricane, SBA was operating 28 recovery centers across the affected states. By October 31, 2024, the agency was operating a total of 94 recovery centers to support Hurricane Helene recovery efforts. From October through December 2024, SBA opened a total of 201 recovery centers across the 7 states, subsequently closing them as demand decreased.



## Staffing

SBA effectively managed the distribution of customer service representatives (CSR) at the recovery centers for Hurricane Helene. SBA established a Hurricane Helene action plan to project staffing requirements effectively based on population and demographic information of the anticipated landfall area. However, during the recovery period, SBA adjusted staffing based on each center's need to effectively assist applicants. The agency mostly operated with an average of two to four CSRs per recovery center, with each CSR performing an average of just under one action to just over two actions each day (see Table 2 below). An action is initiating applications, answering questions, or assisting customers.



**Table 2: Staffing Levels at Recovery Centers**

Date (Time Since Landfall)	Number of SBA Staff Members at Recovery Centers	Total Number of Recovery Centers Supporting Hurricane Helene	Average Number of SBA Staff Members per Center	Actions Performed	Average Number of Daily Actions per Staff Member
October 11, 2024 (+2 weeks)	92	28	3.3	216	2.3
October 25, 2024 (+4 weeks)	203	83	2.4	433	2.1
November 8, 2024 (+6 weeks)	251	99	2.5	361	1.4
November 22, 2024 (+8 weeks)	323	106	3.0	301	1.0
December 6, 2024 (+10 weeks)	310	95	3.3	209	0.7
December 20, 2024 (+12 weeks)	308	77	4.0	155	0.5
December 30, 2024 (Year-end)	318	73	4.4	281	0.9

Source: Office of Inspector General analysis of SBA's Daily Rosters and Locations and Field Activity and Scheduling Tool (FAST) reports

While SBA's average staff per center was below their projected need of five per center, we found that it did not affect wait times at recovery centers. We conducted site visits to eight recovery centers and one JFO in North Carolina and South Carolina to observe recovery operations in terms of site location, signage, and customer wait times, and to conduct interviews of recovery center staff and disaster survivors. During our visits, we found the recovery centers were easily identifiable and had adequate SBA branded signage, there were no wait times, and disaster survivors were satisfied with SBA's customer service.

## **Customer Service Center**

SBA provided timely responses to inquiries from applicants who contacted the Customer Service Center. It is important to note that SBA's Customer Service Center responds to all customer inquiries, not just Hurricane Helene inquiries. From the onset of the disaster until November 30, 2024, the Center had an average of 132 dedicated staff members each day. On average, phone calls were answered in under a minute and lasted approximately 7 minutes; less than 2 percent of the calls were abandoned. All email inquiries were answered within 1 day of receipt during this period. The disaster survivors we interviewed stated that they were satisfied with SBA's customer service response.

## **Finding 2: SBA Processed Disaster Loan Applications Timely, but Disbursements Were Delayed**

SBA processed loan applications for Hurricane Helene in a timely manner and within their annual goal. The agency took 20 days, on average, to process these disaster assistance loan applications. Despite SBA's timeliness in processing applications, the funding lapse spanned 68 days, delaying disbursements for loan applications submitted during that time. With the delay, it took SBA 69 days on average to process and disburse loans. Without the delay, SBA processed and disbursed loans in 64 days on average.

### **Loan Application Processing**

Disaster loan processing entails many steps after an application has been submitted, including, but not limited to, risk verification, credit checks, property verification, loss verification, validation of tax transcripts, ownership verification, and checking the availability of agency funds. An application can be declined or withdrawn at any of these stages, and the applicant can either submit a reconsideration request or a reacceptance request, respectively.

We calculated the processing time of disaster loan applications by counting the total number of days SBA had possession of the application, from the time of submission, either original, reconsideration, or reacceptance, to the time the agency approved or declined the application, or it was withdrawn<sup>1</sup> (see Table 3 below).

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<sup>1</sup> The Office of Inspector General computed the overall processing time from application receipt to disbursement of funds, whereas the agency started the clock when it accepted the application. The time in between, from when the applicant submitted the application and SBA accepted it, can include the risk review process, which is when the agency validates the applicant's identity, conducts other fraud checks, and the time SBA is waiting for the applicant to provide documentation.

**Table 3: Average Number of Days to Process Hurricane Helene Loan Applications**

Application Type	Average Number of Days to Process Loan*
Home	18
Business	23
EIDL	22
<b>Total average</b>	<b>20</b>

\* Note: the average number of days to process a loan may include periods of time that SBA was waiting for the applicant to supply documentation or other information.

Source: SBA Office of Inspector General analysis

Overall, SBA processed disaster assistance loan applications within an average of 20 days. This encompassed each time an applicant submitted an original application, reconsideration request, or reacceptance request; SBA either approved or declined the application; or the application was withdrawn. While home loan applications were processed the fastest, averaging only 18 days, business and EIDL applications took the longest, averaging 23 and 22 days, respectively.

SBA's Processing and Disbursement Center sets annual goals for processing all disaster assistance loan applications based on the number of applications the agency receives in a fiscal year. These goals are used to evaluate the overall performance of loan processing at the Processing and Disbursement Center as well as the individual performance of loan officers. As of March 5, 2025, SBA has received 181,853 applications for fiscal year 2025, placing them in the second tier of the strategic goal framework. To receive level 5 performance within the second tier, 95 percent of disaster loan applications must be processed in 25 days or less on average (see Table 4 below).

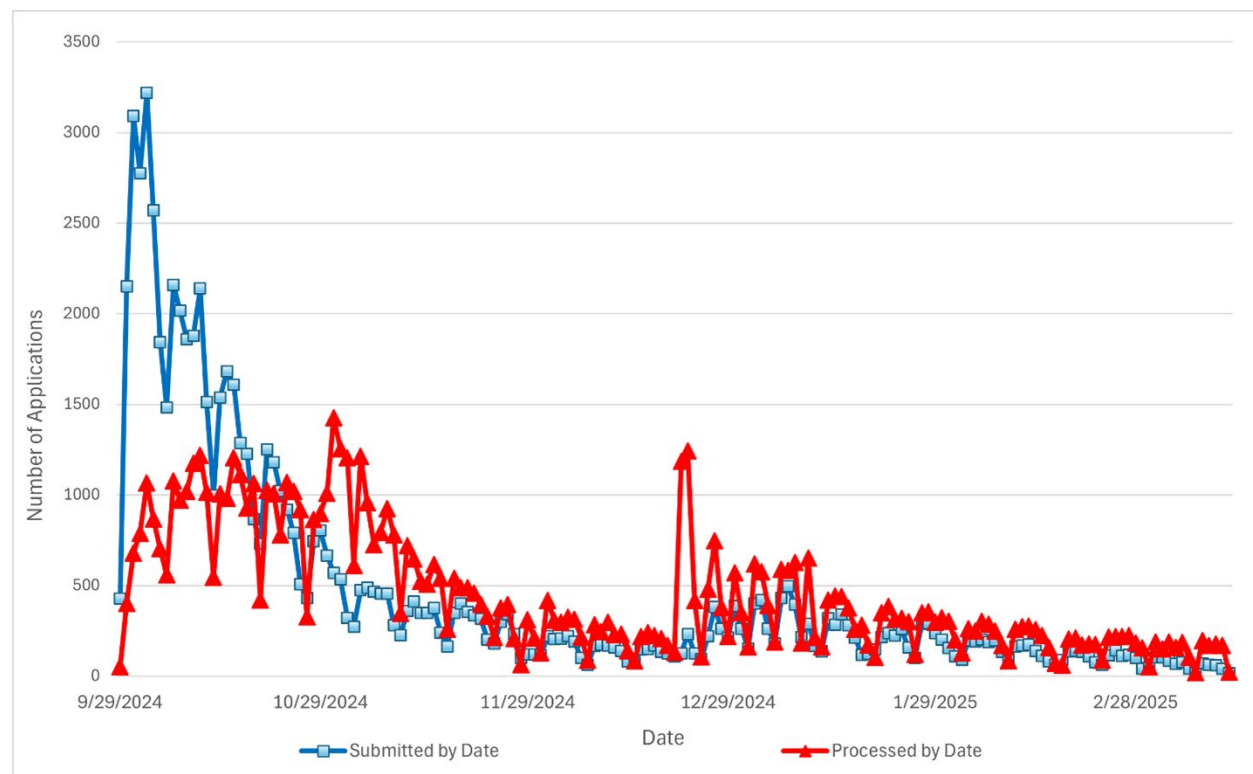
**Table 4: Loan Processing Goals**

Total Number of Disaster Loan Applications Received During Fiscal Year	Fiscal Year 2025 Goal for Total Number of Days to Process Disaster Loan Applications		
	Level 3 Performance	Level 4 Performance	Level 5 Performance
0–50,000	10 days	9 days	8 days
50,001–250,000	31 days	28 days	25 days
250,001+	45 days	42 days	39 days

Source: SBA Office of Inspector General analysis

## Loan Application Volume

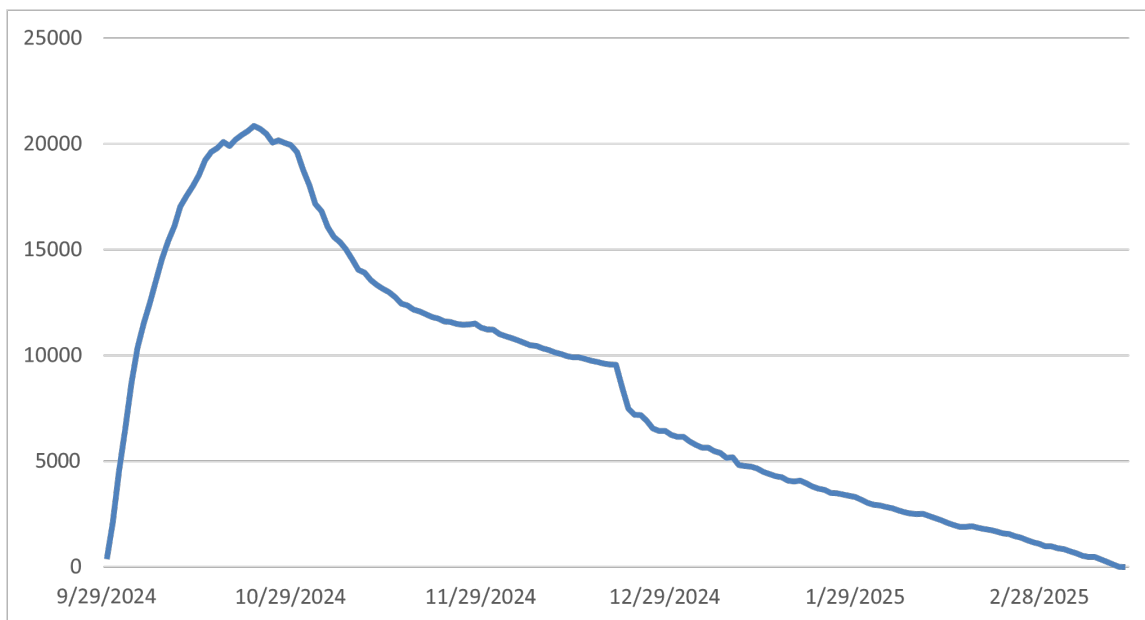
Most applications for Hurricane Helene disaster assistance loans were received in the first 20 days after the declaration (see Figure 1).

**Figure 1: Total Applications Received by Date Compared to Processed by Date**

Source: SBA Office of Inspector General analysis

This initial influx of applications caused a high number of submitted, but not processed, applications. On day 25 of the declaration period, loan application submittals began to decrease, and SBA started reducing the number of applications waiting to be processed (see Figure 2).

**Figure 2: Applications Received but not Processed by Date**



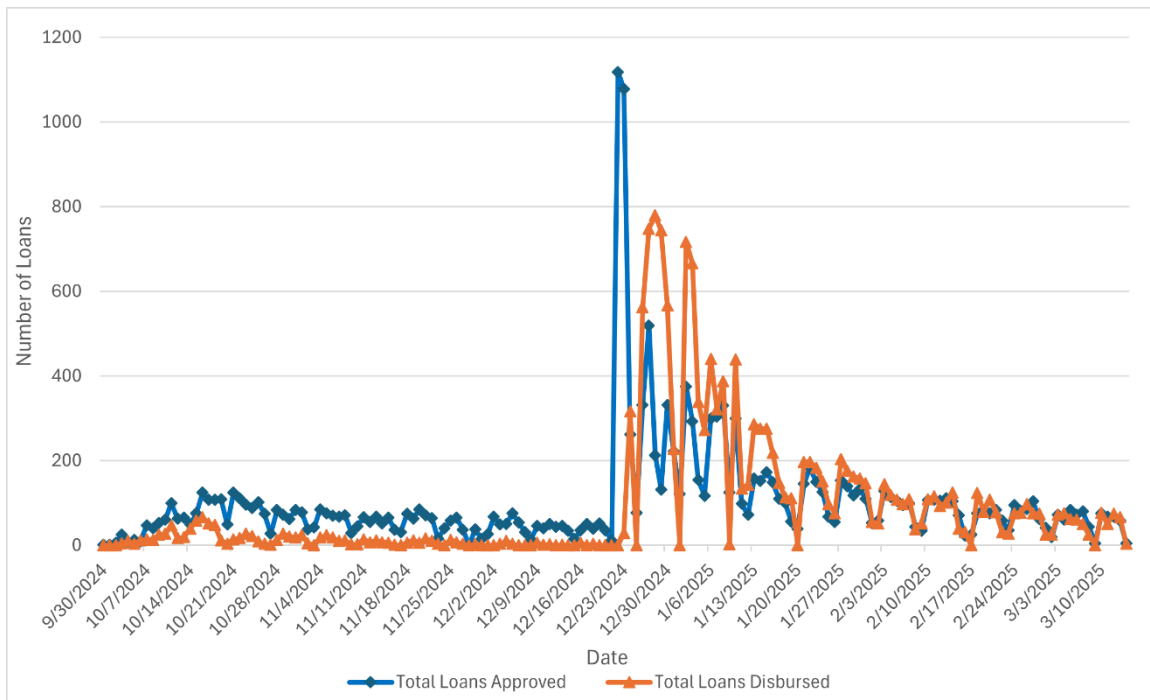
Source: SBA Office of Inspector General analysis

## Disaster Assistance Funding Lapse

From October 14 until December 21, 2024, eligible applicants with processed applications did not receive disbursements from SBA because that action would have required obligating funds that were not available in the disaster loan program. Instead, the agency placed these applicants into a precommitment queue if they were found to be eligible and sent them weekly notifications via email and telephone until supplemental appropriations were passed by legislation. Due to the funding lapse, eligible disaster loan applicants did not receive disbursements for an average of 66 days after submitting their original application (see Figure 3 below). We did not include an examination of the root cause of the funding lapse in this inspection; however, we have initiated a separate review to evaluate SBA's processes to forecast and request appropriation dollars for its disaster assistance account.



**Figure 3: Total Loans Approved by Date Compared to Total Loans Disbursed**



Source: SBA Office of Inspector General analysis

### Finding 3: Opportunities Exist to Improve Outreach

Opportunities existed for SBA to improve the effectiveness of its outreach efforts during the Hurricane Helene response. Specifically, we found the agency’s volume of outreach activities was inconsistent across the disaster-impacted states, particularly in North Carolina and South Carolina. Because West Virginia’s disaster declaration was not issued until December 9, 2024, it had fewer outreach activities than the other states. In addition, SBA had a shortage of public affairs specialists (PAS) for the affected states, except South Carolina and West Virginia. According to SBA officials, the agency prioritized outreach activities according to locations with the highest population and business density. However, we found that outreach activities were not proportionate with the population and business density of the counties of each state’s disaster declaration(s). As a result, SBA’s outreach activities were not as numerous, especially in North Carolina and South Carolina, thereby potentially leaving disaster survivors unaware of the SBA disaster assistance available to them.

The mission of the Office of Disaster Recovery and Resilience (ODR&R) is to connect individuals, businesses, and private nonprofits with SBA disaster assistance programs and improve disaster recovery outcomes and economic resilience by helping communities prepare for, respond to, recover from, and mitigate against disasters of all types. ODR&R procedures direct the field office to develop an outreach and engagement plan based on factors identified during the

analysis and assessment of the disaster-impacted area. The procedures also require field offices to conduct outreach and engagement activities throughout the disaster declaration period.

SBA hires PASs to conduct outreach efforts by working with the media, stakeholders, and local officials to inform and make them aware of the federal assistance program. The role of a PAS is to market SBA’s disaster assistance loan program by effectively disseminating program information to disaster survivors, congressional offices, media, government agencies, underserved organizations, and the general public.

We analyzed the number of outreach activities conducted by PASs and found that it was disproportionate among the states impacted by Hurricane Helene (see Table 5). Specifically, SBA conducted significantly less outreach activities in North Carolina and South Carolina compared to the other states even though these two states were the most impacted by the hurricane.<sup>2</sup>

**Table 5: Total Outreach Activities by Type and State**

Type of Outreach Activity	Total Outreach Activities Conducted by State							
	Florida	Georgia	Kentucky*	North Carolina	South Carolina	Tennessee	West Virginia	Virginia
Mayors	117	145	N/A	39	8	59	5	111
Meetings/webinars/workshops	79	77	N/A	102	91	17	7	46
Economic development	-	233	N/A	16	2	11	3	54
Chambers of Commerce	50	117	N/A	29	16	27	5	79
Media (television, print, radio, and online)	22	119	N/A	53	15	51	5	39
Emergency management	63	85	N/A	10	4	30	3	50
Congressional districts	5	105	N/A	5	4	12	1	-
Resource partners	23	-	N/A	7	5	53	2	17
Underserved/rural	20	-	N/A	16	7	7	4	-
U.S. Department of Agriculture/ Farm Service Agency	-	-	N/A	2	2	30	2	-
Governor	3	10	N/A	2	4	6	-	2
Religious organizations	10	-	N/A	1	-	10	-	-
Voluntary organizations active in disaster	-	-	N/A	9	5	4	-	-
Other	-	-	N/A	-	5	-	4	-
<b>Total</b>	<b>392</b>	<b>891</b>	<b>N/A</b>	<b>291</b>	<b>168</b>	<b>317</b>	<b>41</b>	<b>398</b>

\*SBA officials stated that because the Kentucky declaration was limited to providing assistance to private nonprofit organizations, there were no recovery centers or staff on the ground.

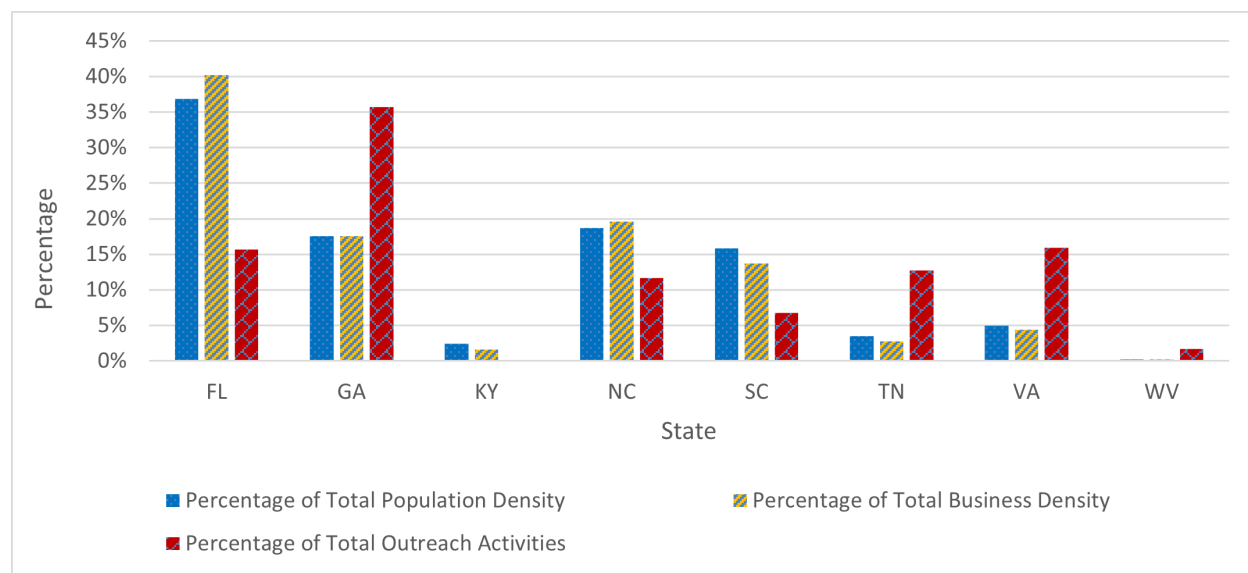
Source: Data provided by Office of Disaster Recovery and Resilience.

<sup>2</sup> Outreach activities consisted of those conducted as of March 14, 2025. Additional outreach and engagement campaigns after this date were not included in the table or analysis.

According to the 2024 Disaster Preparedness Plan and the Hurricane Helene execution plans, which provide a high-level overview explaining how Field Operations Center-East will execute its outreach and engagement activities in each state, SBA anticipated an initial need for 60 PASs to effectively provide outreach and engagement activities in addition to conducting joint field operational planning. However, based on our review of SBA staffing reports, we determined there was a staffing shortage of PASs in each state affected by Hurricane Helene, except for South Carolina and West Virginia, when compared to SBA’s plans.<sup>3</sup>

We asked SBA for its rationale relative to the disproportionate outreach activities among the states, especially in North Carolina and South Carolina, and were told that outreach efforts were tailored based on an analysis revealing that the impacted areas in those states were concentrated in rural areas that had a lower business density than impacted areas in Florida and Georgia. Further, the agency made the determination that Florida and Georgia required more resources than North Carolina and South Carolina due to the high populations and that multiple disasters were active simultaneously in Florida and Georgia. However, we found that North Carolina and South Carolina had lower percentages of rural housing units in affected counties than Tennessee and Virginia, yet more outreach activities were conducted in those states than in North Carolina and South Carolina (see Figure 4).

**Figure 4: Population and Business Density in Primary Counties of Hurricane Helene Declarations Compared to Outreach Activities**

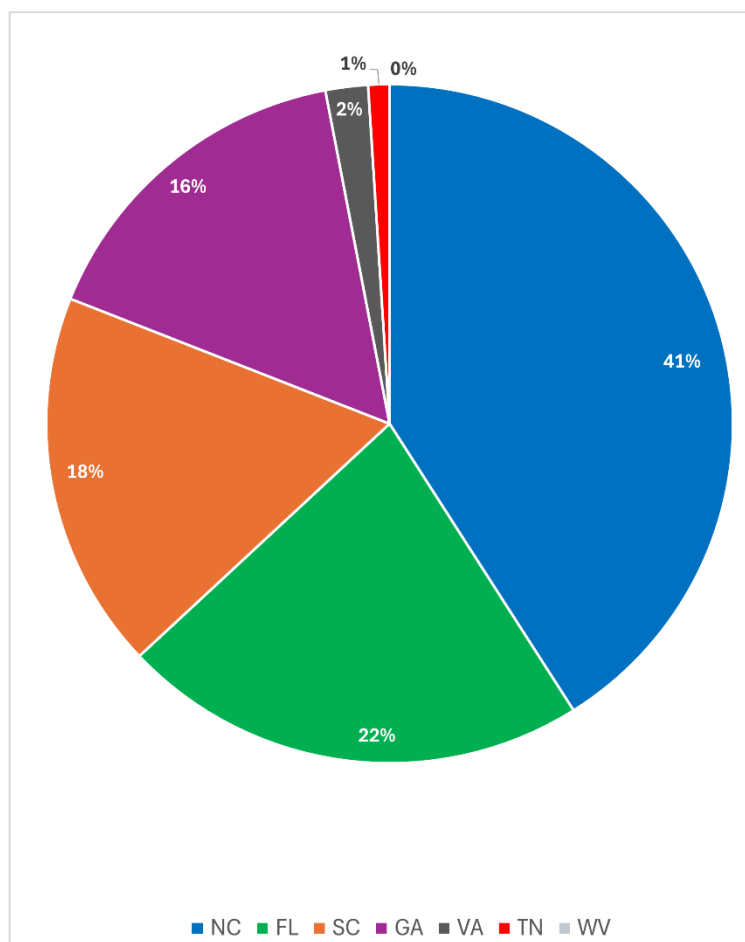


Source: SBA Office of Inspector General comparison of 2020 census data to SBA data.

<sup>3</sup> While SBA’s planned PAS staffing levels for South Carolina did not show a shortage, we found the outreach activities for both North Carolina and South Carolina were not proportionate compared to other affected states.

We also found that FEMA provided the most monetary assistance to disaster survivors in North Carolina, followed by Florida, South Carolina, and Georgia (see Figure 5), indicating that these four states suffered the most damage from Hurricane Helene and had the greatest need for federal assistance.

**Figure 5: FEMA Assistance for Hurricane Helene**



Source: Office of Inspector General analysis of publicly available FEMA data.

Based on FEMA data, we believe SBA did not tailor its outreach activities proportionate to the areas that were most impacted by the disaster. As a result, some disaster survivors may have been unaware of the SBA disaster assistance available to them.

## Recommendations

To address opportunities for improvement in SBA's outreach efforts, we recommend the Administrator direct the Associate Administrator for the Office of Disaster Recovery and Resilience to:

**Recommendation 1:** Review outreach staffing assignments and ensure appropriate coverage during future disaster response efforts when minimal resources are available.

**Recommendation 2:** Immediately conduct outreach efforts in those counties in North Carolina and South Carolina where the deadline to submit loan applications has not elapsed.

**Recommendation 3:** Perform a root cause analysis to determine the basis of insufficient outreach efforts in North Carolina and South Carolina and implement appropriate changes to ensure maximum awareness of available assistance to disaster survivors that accounts for rural areas.

## Evaluation of Agency Response

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SBA management provided formal written comments that are included in their entirety in Appendix 2. Management partially agreed with Recommendations 1 and 2 and disagreed with Recommendation 3.

Management's planned action for Recommendations 1 and 2 satisfy the intent of the recommendations and are resolved. These recommendations will be closed upon receipt of documentation supporting the implementation of these planned actions.

We will attempt to reach agreement with SBA management on Recommendation 3 in accordance with our audit follow-up policy.

## Summary of Actions Necessary to Close the Recommendations

The following section summarizes the status of our recommendations and the actions necessary to close them.

## Recommendation 1

To ensure adequate staffing is available to provide effective outreach and engagement processes, we recommend the Administrator direct the Associate Administrator for the Office of Disaster Recovery and Resilience to review outreach staffing assignments and ensure appropriate coverage during future disaster response efforts when minimal resources are available.

**Status:** Resolved

SBA management partially agreed with the recommendation, stating that although SBA did not reach its optimal staffing level strategy for PASs during the Hurricane Helene response, the agency operated at a minimum staffing strategy to ensure appropriate and effective outreach were performed for each impacted area. Further, management mentioned SBA plans on hiring additional PASs to meet projected staffing requirements based on the 2025 Hurricane Preparedness Plan Staffing Needs Assessment.

This recommendation will be closed once management provides documentation of projected future PAS staffing needs and evidence that those staffing levels have been obtained.

## Recommendation 2

To effectively monitor the recovery and outreach measures in North Carolina and South Carolina where we found outreach and engagement were not proportionate compared to other Hurricane Helene impacted states, we recommend the Administrator direct the Associate Administrator for the Office of Disaster Recovery and Resilience to immediately conduct outreach efforts in those counties in North Carolina and South Carolina where the deadline to submit loan applications has not elapsed.

**Status:** Resolved

SBA management partially agreed with the recommendation, mentioning SBA's outreach efforts remained active through the extended physical filing deadline of April 27, 2025, which has since passed, for both North Carolina and South Carolina. Since the conclusion of our review, management provided an updated table of total outreach activities in these states that included special events, webinars, meetings, and workshops. Total outreach for the two states had more than doubled.

This recommendation will be closed once management provides documentation supporting total outreach activities outlined in the updated table provided in their response.

### Recommendation 3

To ensure maximum awareness is provided to disaster survivors in rural areas, we recommend the Administrator direct the Associate Administrator for the Office of Disaster Recovery and Resilience to perform a root cause analysis to determine the basis of insufficient outreach efforts in North Carolina and South Carolina and implement appropriate changes to ensure maximum awareness of available assistance to disaster survivors that accounts for rural areas.

**Status:** Unresolved

SBA management disagreed with this recommendation, stating that the agency optimized its outreach efforts to rural communities, ensuring disaster survivors were aware of the assistance available to them. They provided a list of focused outreach and engagement efforts in North Carolina and South Carolina, including assessing needs, leveraging disaster partners, executing targeted outreach, tracking activities, etc.

This recommendation is unresolved because SBA management's actions do not fully address the recommendation. Despite SBA's efforts provided in their response, it is not clear how these actions prevent disproportionate outreach during the agency's response to future disasters. During our review, as noted in Table 5 of this report, the outreach in North Carolina and South Carolina during Hurricane Helene was low compared to the other impacted states. Management indicated that outreach efforts were tailored based on an analysis revealing that the impacted areas in those states were concentrated in rural areas with low business density. However, based on census data, we found North Carolina and South Carolina had less rural areas than Tennessee and Virginia, yet SBA performed more outreach in the latter states. The recommendation's intent is to identify the root cause and ensure adequate outreach in SBA's response to future disasters. We will continue to seek resolution of this recommendation in accordance with our audit follow-up policy.

# Appendix 1: Scope and Methodology

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This report presents the results of our inspection of the U.S. Small Business Administration's (SBA) initial disaster assistance response to Hurricane Helene. Our objective was to assess the agency's initial response to the hurricane, including staffing, loan application volume, and timeliness of disaster loan approvals.

To answer our objective, we interviewed SBA officials from Field Operations Center-East, the Processing and Disbursement Center, the Customer Service Center, and the Joint Field Operations Center. Further, we reviewed applicable laws and regulations, SBA's standard operating procedures, and other SBA operating policies and guidance. We accessed and reviewed the agency's dashboards using the Unified Lending Platform to assess loan application volume and disaster loan application processing. We also reviewed staffing data provided by Field Operations Center-East from the Field Activity and Scheduling Tool. Lastly, we visited the following nine centers in North Carolina and South Carolina:

- SBA North Carolina District Office, (Disaster Loan Outreach Centers), Charlotte, North Carolina
- Joint Field Operations Center, Hickory, North Carolina
- Foothills Higher Education Center (Disaster Recovery Center) Morganton, North Carolina
- McDowell County Senior Center (Disaster Recovery Center), Marion, North Carolina
- A.C. Bud Hogan Community Center (Disaster Recovery Center), Old Fort, North Carolina
- Blue Ridge Commons (Disaster Recovery Center), Hendersonville, North Carolina
- Asheville Mall (Disaster Recovery Center), Asheville, North Carolina
- Asheville Chamber of Commerce (Business Recovery Centers), Asheville North Carolina
- Next Innovation Center (Business Recovery Center), Greenville, South Carolina

We conducted this review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*. These standards require that we plan and perform a review to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusions and observations based on our objective. We believe the evidence obtained provided a reasonable basis for our conclusions and observations based on our objective.



## Use of Computer-Processed Data

We relied on computer-processed data of loan application processing contained in the Unified Lending Platform and daily field operations and staffing reports analyzed from the Field Activity and Scheduling Tool reports.

We received access to the Unified Lending Platform and conducted limited testing on data extracts to verify reliability of the data by ensuring consistency between common data points on the dashboards extracted from the Unified Lending Platform and the applicants electronic loan file. We believe the data is sufficiently reliable to support the report conclusions.

## Prior Audit Coverage

The following lists the Office of Inspector General’s previous audit coverage related to the objective of this report:

Report Number	Report Title	Report Date
<a href="#">21-05</a>	<i>Consolidated Results of SBA’s Initial Disaster Assistance Response to Hurricanes Harvey, Irma, and Maria</i>	December 22, 2020
<a href="#">24-11</a>	<i>Maui Wildfires – Initial Disaster Assistance and Recovery Response</i>	April 2, 2024
<a href="#">24-12</a>	<i>Hurricane Idalia –Initial Disaster Assistance and Recovery Response</i>	April 3, 2024
<a href="#">24-13</a>	<i>Hurricanes Fiona and Ian – Initial Disaster Assistance and Recovery Response</i>	April 9, 2024

## **Appendix 2: Agency Response**

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U.S. Small Business Administration  
Response to Draft Report



U.S. SMALL BUSINESS ADMINISTRATION  
WASHINGTON, DC 20416

**To:** Sheldon Shoemaker  
Deputy Inspector General  
U.S. Small Business Administration

**From:** Kem R. Fleming *Kem R. Fleming*  
Director  
Field Operations and Disaster Recovery

**Date:** June 4, 2025

**Subject:** Response to OIG Draft Report – Hurricane Helene Initial Disaster Assistance and Recovery Response (Project 25801)

We appreciate the role the Office of Inspector General (OIG) plays in working with management in ensuring that our programs are effectively managed, and for the feedback provided in this draft report.

We offer the following comments to the draft and Recommendations:

**Recommendation 1:** Review outreach staffing assignments and make appropriate changes to ensure there is adequate coverage during future disaster response efforts.

**SBA Response: SBA Partially Agrees.** Although SBA did not reach its optimal staffing level of Public Affairs Specialists during Hurricane Helene response, SBA operated on a minimum staffing strategy to ensure there was an appropriate and effective response across all Hurricane Helene declarations. Based on the 2025 hurricane preparedness plan staffing needs assessment, SBA is hiring additional public affairs specialist to meet projected staffing requirements.

**Recommendation 2:** Immediately conduct outreach efforts in those counties in North Carolina and South Carolina where the deadline to submit loan applications has not elapsed.

**SBA Response: SBA Partially Agrees.** SBA's Outreach efforts remained active through the extended physical filing deadline date of April 27, 2025, for both North Carolina and South

Carolina. To date, SBA has participated in 603 coordinated events in North Carolina, and 450 in South Carolina, including special events, meetings, webinars, and workshops focused on briefing the public about SBA’s disaster Loan Program, Mitigation Loan Option, and Economic Injury Disaster Loan. SBA’s ongoing presence in North Carolina is further demonstrated by recent engagements, such as participation in the Business Resource Expo in Rutherford County on June 2, 2025

Total Outreach Activity Summary			
States	North Carolina	South Carolina	Total
Special Events, Webinars, Meetings and Workshops	603	450	1053

**Recommendation 3:** Perform a root cause analysis to determine the basis of insufficient outreach efforts in North Carolina and South Carolina and implement appropriate changes to ensure maximum awareness of available assistance to disaster survivors that accounts for rural areas.

**SBA Response: SBA Disagrees.** We identified opportunities for SBA to optimize its outreach efforts to rural communities, ensuring disaster survivors were aware of the assistance available to them. In North Carolina and South Carolina, SBA executed its focused outreach and engagement strategy which included:

- Assessing the disaster area to determine Outreach and Engagement needs (for example, were there rural communities in the disaster area, what were language needs, demographics, etc.,
- Leveraging disaster partners to identify disaster impact areas and identifying rural communities
- Executing targeted outreach campaigns (Business Reconsideration, Business Withdrawals, Targeted EIDL, and Targeted Business Analysis) for impacted communities
- Identifying strategic partners and leverage their resources (e.g. media contact lists) for synchronized and unified messaging
- Engaging the NC and SC SBA Regional and District Offices, Economic Development Agency, Resource Partners and other federal, state and local entities, to integrate our outreach efforts in delivering SBA disaster program information throughout the impacted rural communities.
- Tracking outreach / engagement activities with key stakeholder groups assisting with messaging and sharing information through their communications networks:
  - Elected Officials – Governor / Congressional and other elected officials

- Emergency Managers, Mayors, County Officials, FEMA, USDA/FSA,
- SBA District and Regional Offices, Resource Partners
- Chambers of Commerce, Economic Development Agencies
- Faith and community-based organizations, etc.

Engagements with stakeholders included:

- Providing an SBA POC and declaration info, and requesting interviews with media contacts at TV, Radio and Print outlets
- Requesting SBA marketing materials be posted on websites, social media platforms, etc.
- Collaborating with stakeholders on joint outreach materials and activities, organizing webinars, business and community meetings, and participating at local recovery events
- Identifying impacted businesses in rural communities for targeted outreach
- Implementing the Whole Community approach to better serve businesses with unmet needs by:
  - Collaborating with strategic partners including the SBA District Office, SBDC, Economic Development, Emergency Managers, etc. to obtain lists of those providing:
    - ✓ Financial Services with available loans and grants
    - ✓ Technical Services for counseling, credit repair services, etc.
- Establishing how we refer business with unmet needs to Resource Providers and obtaining feedback on servicing businesses and communities.