

SBA's Oversight of Shuttered Venue Operators Grant Recipients



Audit Report

Report 25-21

July 22, 2025



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NOTICE:

Pursuant to the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Public Law 117-263, Section 5274, any nongovernmental organizations and business entities identified in this report have the opportunity to submit a written response for the purpose of clarifying or providing additional context as it relates to any specific reference contained herein. Comments must be submitted to AIGA@sba.gov within 30 days of the final report issuance date. We request that any comments be no longer than two pages, Section 508 compliant, and free from any proprietary or otherwise sensitive information. The comments may be appended to this report and posted on our public website.



U.S. Small Business Administration Office of Inspector General

EXECUTIVE SUMMARY

SBA's Oversight of Shuttered Venue Operators Grant Recipients (Report 25-21)

What OIG Reviewed

The Shuttered Venue Operators Grant (SVOG) program was established on December 27, 2020, as part of the Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act. Congress subsequently added funds and made changes to the program through the American Rescue Plan Act, enacted on March 11, 2021. In total, Congress provided \$16.25 billion for the U.S. Small Business Administration (SBA) to award grants to eligible businesses in the live arts and entertainment industry. As of July 2022, SBA disbursed \$14.6 billion to 13,011 awardees to include supplemental awards to 9,800 of the original awardees.

Our objectives were to determine whether SBA implemented processes to effectively 1) ensure misused or unused funds were returned to the U.S. Department of Treasury (Treasury); 2) monitor recipients' use of grant funds; and 3) monitor program performance.

What OIG Found

As of October 2024, SBA identified \$544 million in potential improper payments that need to be recovered. However, the agency sent only one demand letter in January 2024, paused sending additional demand letters, and had not referred any recipients to the Treasury. Finalizing and implementing the recovery process would allow SBA to recover American taxpayers' funds.

Program officials closed 10,421 awards, or 80 percent of the total, as of September 2024. To ensure the remaining 2,590 awards valued at \$4.8 billion are closed out in a timely manner, SBA should establish and implement timeframes

for each closeout activity. Without prompt action to closeout these awards, SBA has no assurance that taxpayer funds were used for the intended purpose.

Lastly, SBA established performance goals, measured progress, and reported that the SVOG program met all three performance goals. However, we found one of those goals, the number of SVOG recipients that continued or reopened operations, was not measured with representative data. As a result, decision makers are unable to assess the full impact the SVOG program had on the continuity of small businesses in the live entertainment and arts industry.

What OIG Recommended

We made six recommendations for SBA to improve recovery of SVOG funds where needed, expedite the award closeout process, better monitor the use of SVOG funds, and report on the limitations of data used for SVOG performance results.

Agency Response

SBA management agreed or partially agreed with five recommendations and disagreed with one. Management's planned actions to (1) finalize and implement recovery procedures for unused funds or funds paid to ineligible or noncompliant recipients; and (2) complete closeout activities resolved all recommendations. We closed Recommendation 6 because management disclosed the limitation of grant recipient survey data as recommended.



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

MEMORANDUM

Date: July 22, 2025

To: Kelly Loeffler
Administrator

From: Sheldon Shoemaker
Deputy Inspector General

Subject: SBA's Oversight of Shuttered Venue Operators Grant Recipients (Report 25-21)

This report presents the results of our audit of *SBA's Oversight of Shuttered Venue Operators Grant Recipients*. We considered management comments on the draft of this report when preparing the final report. SBA management agreed with four recommendations, partially agreed with one recommendation, and disagreed with one recommendation.

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

cc: Bill Briggs, Deputy Administrator, Office of the Administrator
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Introduction

The Shuttered Venue Operators Grant (SVOG) program was established on December 27, 2020, as part of the Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act (Economic Aid Act).¹ On March 11, 2021, the program was amended by the American Rescue Plan Act which increased program funding and reduced SVOG assistance for recipients who also received loans under the Paycheck Protection Program.² In total, Congress provided \$16.25 billion for the U.S. Small Business Administration (SBA) to award grants to eligible businesses to minimize the economic impact the Coronavirus Disease 2019 (COVID-19) pandemic had on shuttered venues. Eligible entities included live venue operators or promoters, theatrical producers, live performing arts organization operators, motion picture theatre operators, non-profit museums, and talent representatives that met certain requirements.

By July 2022, SBA disbursed \$14.6 billion to 13,011 recipients. Recipients were allowed to use funds for costs incurred from March 1, 2020, through December 31, 2021, or through June 30, 2022, if recipients received a supplemental award. The SVOG division within the Office of Disaster Recovery and Resilience oversees the SVOG program.

Recovery of SVOG Funds

SVOG program officials drafted procedures to recover funds voluntarily or involuntarily. Voluntary recovery occurred when the recipient notified SBA of unspent funds and remitted funds to the U.S. Department of the Treasury (Treasury). Involuntary recovery was typically initiated by program officials when they determined that the:

- Recipient was ineligible to receive the funds;
- Recipient received more funds than should have been awarded;
- Recipient's audit package identified financial irregularities;
- Recipient misused funds for unallowable, unallocable, or unreasonable expenses; or

¹ Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act. Pub. L. No. 116-260, § 324 (December 27, 2020). <https://www.congress.gov/116/plaws/publ260/PLAW-116publ260.pdf>.

² American Rescue Plan Act, Pub. L. No. 117-2, § 5005 (March 11, 2021). <https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf>.

- Recipient was materially noncompliant with the terms of the grant (e.g. recipient did not adequately or timely respond to program officials' request for information or there was suspected fraud).

Program officials drafted procedures for staff to follow during the recovery process. As part of this process, if program officials determined that a recipient needed to return award funds, they were to issue a demand letter to the recipient. The demand letter would state the amount, the reason, and the deadline to return funds to the Treasury. The letter also notified the recipient of their rights to seek a review of the determination of the amount due, among other information.³ According to federal regulations, if the funds were not returned within 120 days from the demand letter, program officials must refer the recipient to the Treasury's Bureau of Fiscal Service for collection.⁴

SVOG Award Closeout Process

To initiate the SVOG award closeout process, SVOG recipients were required to submit a report through the SVOG electronic portal⁵ detailing how award funds were spent. Recipients were also required to report unused funds, if any. Recipients who were non-federal entities and spent \$750,000 or more of federal funds in a fiscal year or who were for-profit entities that received and recognized revenue of \$750,000 or more from the SVOG awards in a fiscal year were required to submit audit packages.⁶

The SVOG award closeout process consisted of various activities to include determining if: (1) recipients were eligible; (2) the award amount was correct, used in accordance with requirements, or recovered if applicable; and (3) the agency completed its review of submitted audit packages.

When program officials determined all administrative activities and requirements were met, they notified the recipient that the grant was ready to be closed. However, if the recipient failed to submit a report, did not meet requirements, or did not respond to SBA's closure notification, the grant remained open.

³ 31 C.F.R. § 901.2.

⁴ 31 C.F.R. § 285.12(c).

⁵ SVOG online portal, <https://sbaodagrants.my.salesforce.com>.

⁶ Shuttered Venue Operators Grant (SVOG) Audit Review Process and Procedures.

Performance Measures

As a result of a prior OIG report on the SVOG program,⁷ SBA program officials established performance measures to assess whether the program successfully aided small businesses in the live entertainment and arts industry. These measures included the (1) percent of SVOG recipients that continued or reopened operations, (2) number of active audit investigations initiated by SVOG program officials,⁸ and (3) percentage increase in revenue of businesses assisted by SVOG. Program officials used a contractor to gather and analyze the key outcomes of the SVOG program.

Objectives

Our objectives were to determine whether SBA implemented processes to effectively 1) ensure misused or unused funds were returned to the Treasury; 2) monitor recipients' use of grant funds; and 3) monitor program performance.

Results

SBA can improve its process to review SVOG awards and recover misused or unused funds. As of October 2024, program officials identified \$544 million in potential improper payments. However, the agency continues to face challenges implementing actionable procedures to recover funds. We found SBA sent one demand letter in January 2024 and then paused finalizing recovery procedures, which included establishing an appeals process and sending demand letters to recipients to recover these funds. As of March 2025, SBA had not referred any SVOG grant recipient to the Treasury. Finalizing and implementing the recovery process would allow SBA to recover American taxpayers' funds.

Program officials completed the closeout process for most grants. However, as of September 30, 2024, we identified 2,590 awards valued at \$4.8 billion that remained open more than a year after they were required to be closed. Delays in the closeout process and missing information impacted the timeliness for closing out these awards. Without timely collection of information

⁷ SBA Office of Inspector General, 21-13, *Serious Concerns About SBA's Control Environment and the Tracking of Performance Results in the Shuttered Venue Operators Grant Program* (April 7, 2021).

<https://www.sba.gov/sites/default/files/2021-04/SBA%20OIG%20Report%2021-13.pdf>.

⁸ SBA selects awards for program investigations to review for either the proper use of the federal funds through testing transactions, verifying the recipient met eligibility requirements, or whether SBA calculated the award amount appropriately. Program officials established different names for each type of review; we refer to these activities throughout this report as post-award reviews.

and completion of the closeout process, SBA may miss opportunities to ensure funds were used for the intended purpose.

Lastly, program officials established performance goals, measured progress, and reported that the program met all three performance goals. However, we found one of these goals was not measured with representative data. Therefore, SBA missed an opportunity to assess the full impact the program had on the continuity of the small businesses that received SVOG awards.

Finding 1: Improvements Needed to Ensure Recovery of Potential Improper Payments

Opportunities exist for SBA to better identify and recover potential improper payments from SVOG recipients in accordance with applicable laws, regulations, and guidance. As of October 2024, the agency received \$43 million from 220 SVOG recipients who voluntarily returned funds.

As of the same period, program officials selected 723 awards for post award reviews and identified 380 recipients who potentially were awarded \$401 million in improper payments. Additionally, as of October 2024, we identified 199 recipients who received awards valued at nearly \$143 million but did not provide the required information for program officials to close out the award. As required by the terms and conditions of the award, recipients who did not file the required expense report, audit report, or respond to program officials' information requests could have their award funds terminated and would need to return the funds.

Program officials sent one demand letter in January 2024 and then paused sending additional demand letters and did not refer any SVOG grant recipients to the Treasury for collection. Without prioritizing the recovery process, program officials may not recover taxpayer funds that may have been improperly awarded or used.

Recovering Potential Improper Payments

Office of Management and Budget (OMB) guidance requires federal agencies to focus on identifying, assessing, prioritizing, and responding to payment integrity risks to prevent improper payments in the most appropriate manner.⁹ In addition, federal regulation requires agencies to promptly issue a written demand for payment to recover the debts owed to the government.¹⁰ According to federal regulations, if the funds were not returned within 120 days from the

⁹ Office of Management and Budget, Circular M-21-19, "Transmittal of Appendix C to OMB Circular A-123, Requirements for Payment Integrity Improvement" (March 5, 2021).

¹⁰ 31 C.F.R. § 901.2.

demand letter, program officials must refer the recipient to the Treasury’s Bureau of Fiscal Service for collection.¹¹

During SVOG’s post-award reviews, program officials identified 380 awards valued at more than \$401 million that were potentially improper and moved these awards to the recovery process as of October 2024 (see Appendix 2 for schedule of questioned costs). However, program officials explained they updated procedures which require further review. After sending only one demand letter, officials paused finalizing the recovery process and did not issue additional demand letters to recipients.

Program officials submitted the draft policy through the agency’s internal clearance review process in August 2023. However, as of November 2024, the recovery process still had not been finalized. Program officials explained they had not finalized the recovery process because SBA’s Office of Hearings and Appeals did not agree to or accept the role of adjudicator for SVOG recipients’ appeals.

While the Office of Hearings and Appeals has authority to hear certain claims concerning debts owed to SBA,¹² it does not consider itself to have jurisdiction over general debt collection activities. Additionally, SVOG program legislation did not specify that the agency must use SBA’s Office of Hearings and Appeals to handle appeals for the program.

Federal award regulations require that agencies maintain written procedures for processing objections, hearings, and appeals. Federal regulations also require agencies to provide the recipient with an opportunity to object and provide information challenging the action upon initiating a remedy for noncompliance.¹³ Since SVOG program legislation did not require a specific office within SBA to handle the appeals, program officials should promptly consider available options. Due to the delayed decision to finalize the recovery process and issue demand letters, SBA has not referred any SVOG recipients to the Treasury to collect improperly paid funds. As a result of not referring improper payments to the Treasury and not sending demand letters, there is an increased risk that the government will not be able to collect improperly paid SVOG funds. The ability of an agency to collect delinquent debts generally decreases as debts get older.¹⁴

¹¹ 31 C.F.R. § 285.12.

¹² 13 C.F.R. § 134.102(i); 13 C.F.R. § 134.102(a)(2); 13 C.F.R. § 140.3(e)(1).

¹³ 2 C.F.R. § 200.342.

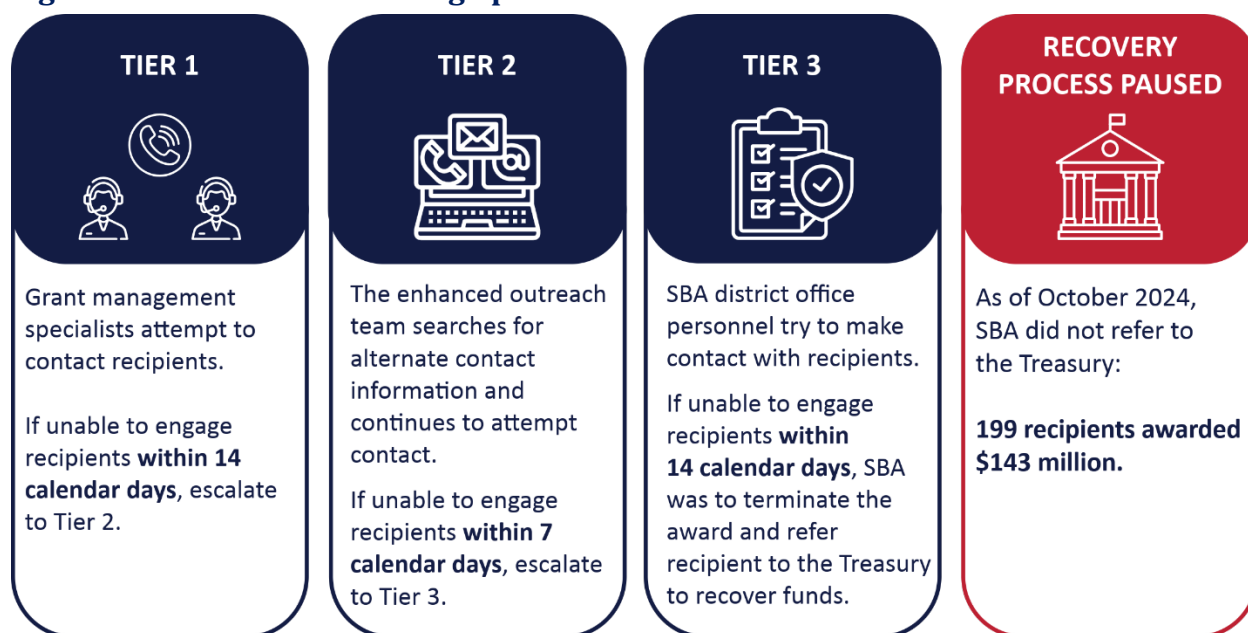
¹⁴ United States Department of the Treasury, *Managing Federal Receivables: A Guide for Managing Loans and Administrative Debt*, March 2015.

Following Up with Award Recipients Who Did Not Provide Adequate Supporting Documentation or Respond to Information Requests

The terms and conditions of the SVOG program required award recipients to maintain and provide documentation demonstrating they were eligible for the award and compliant with award requirements. Federal regulation states that when an agency determines a recipient cannot remedy a noncompliance, the agency may terminate the federal award.¹⁵

During the award closeout process, program officials requested recipients provide information including financial reports and other supporting documentation, to verify that they met award requirements. Program officials established a tier-based process to contact recipients who did not respond timely or provide adequate supporting documentation during the closeout process (see Figure 1).

Figure 1: Process for Following up on SVOG Information



Source: OIG generated from data provided by SBA

As of October 2024, we identified 438 recipients, with awards totaling \$525 million, who did not provide adequate supporting documentation or respond timely to program officials' requests for documentation. Also, despite the established timelines for engaging recipients in the tier-based process, 199 recipients remained in Tier 3 longer than allowed. As of October 2024, SBA had not

¹⁵ 2 C.F.R. § 200.339.

pursued any of these recipients for recovery of funds (see Appendix 2 for schedule of questioned costs).

By not following the established follow-up process, SBA delayed taking action to terminate the awards and demanding the funds be returned to the Treasury.

Recommendations

We recommend the Administrator direct the Associate Administrator for the Office of Disaster Recovery and Resilience to:

Recommendation 1: Establish an appeals process and promptly finalize recovery procedures to include updating the demand letter to provide sufficient recovery and appeals process guidance to grant recipients.

Recommendation 2: Take immediate action to review the 380 recipients who program officials identified as having a potential improper payment and recover funds.

Recommendation 3: Ensure program officials enforce the established tier-based process timeline for the 438 recipients who have not responded to SBA's information requests.

Finding 2: Improving Closeout Activities Could Enhance SBA's Ability to Monitor Use of SVOG Funds

As of September 2024, SBA closed out 10,421 of 13,011 awards, or 80 percent. However, the remaining 2,590 awards totaling over \$4.8 billion had not been closed out because:

- 347 recipients, with awards totaling \$237 million, did not report how they used their funds, preventing initiation of the award's closeout process;
- 259 recipients, with awards totaling \$808 million, did not submit audit packages; and
- 1,984 recipients, with awards totaling \$3.8 billion, are still pending closeout review by program officials.

Federal regulations require that agencies make every effort to complete all closeout actions no later than 1 year after the end of the period of performance.¹⁶ This means program officials should have made every effort to closeout SVOG awards by December 31, 2022, for recipients who only received the initial payment, or by June 30, 2023, for those who received the supplemental payments. Further, agencies must make determinations to disallow costs and

¹⁶ 2 C.F.R. § 200.344.

notify recipients within the record retention period.¹⁷ Additionally, the record retention period varied depending on whether the recipient received an initial grant payment or supplemental payment (see Table 1).

Table 1. Record Retention Period

Type of Records Retained Record Retention Period		End of Record Retention Date	
		Initial Grant Payment	Supplemental Grant Payment
Employment records	4 years	December 31, 2025	June 30, 2026
Records other than for employment	3 years	December 31, 2024	June 30, 2025

Source: OIG generated from data provided by SBA

Considering closeout and record retention requirements, program officials need to effectively and timely manage closeout activities. By not doing so, SBA could miss opportunities to ensure funds were used for the intended purpose and to collect misused or unused funds.

Awards Pending Closeout Initiation

SVOG award recipients were required to initiate the closeout process by submitting an expense report detailing how award funds were spent and reporting on any unused funds. Expense reports were due by April 20, 2022, for initial awards and by October 28, 2022, for supplemental awards. According to federal regulations, if recipients fail to comply with the terms and conditions of the award, the agency may terminate the award.¹⁸

As of September 30, 2024, there were 347 recipients who were awarded funds totaling \$237 million but did not initiate the closeout process (see Appendix 2 for schedule of questioned costs). As a result, program officials do not know whether these recipients used the funds for allowable, allocable, or reasonable expenses or if any unused funds need to be returned to the Treasury.

¹⁷ 2 C.F.R. § 200.345.

¹⁸ 2 C.F.R. § 200.339.

Awards Pending Audit Package Review

According to SVOG program policy, recipients who were non-federal entities and spent \$750,000 or more of federal grant funds in a fiscal year or who were for-profit entities that received and recognized revenue of \$750,000 or more from the SVOG awards in a fiscal year were required to submit audit packages. Federal regulations require program officials to ensure that audits are completed, and reports are received timely.¹⁹ If recipients were continuously unable or unwilling to have an audit conducted, program officials should have taken appropriate action including termination of award.²⁰

Program officials relied on recipients to self-identify as to whether they were required to submit an audit package. Audit packages were due no later than September 30, 2023, unless an extension request was approved. As of September 2024, we found 220 recipients, with awards totaling \$629 million, who self-identified that they were required to submit audit packages but did not do so (see Appendix 2 for a schedule of our questioned costs).

Additionally, as of September 2024, we found 39 recipients who received awards totaling \$179 million—ranging between \$1.5 million and \$10 million per award—who did not self-identify whether they needed to submit an audit package. Since most grant recipients had 2 years to use award funds, it is likely they would have either spent or received revenues of \$750,000 or more in a fiscal year, requiring an audit package submission. Without this information, SBA will not be able to ensure recipients are in compliance with federal and program requirements.

Awards Pending Closeout Review

Federal regulations require program officials to proceed with closing out awards with the information available within 1 year after the end of the performance period.²¹ As of September 30, 2024, we identified 1,984 awards totaling \$3.8 billion that were still pending closeout review because recipients had not provided appropriate or accurate documentation or because SBA was still reviewing the award closeout documents.

These conditions occurred because program officials did not establish timeframes for each closeout activity, including following up with recipients who did not respond to information requests and for review of audit package submissions.

¹⁹ 2 C.F.R. § 200.513.

²⁰ 2 C.F.R. § 200.505 and 2 C.F.R. § 200.339.

²¹ 2 C.F.R. § 200.344.

According to program procedures, SVOG recipients are required to retain employment records for 4 years and all other records related to their award for 3 years. Depending on the initial or supplemental payment, the record retention policy expires between December 31, 2024, and June 30, 2026. Considering closeout and record retention requirements, program officials need to effectively manage closeout activities.

Without timely collection of information and completion of the closeout process, SBA may miss opportunities to ensure that taxpayer funds were used for the intended purpose and collect unused or misused funds.

Recommendations

We recommend the Administrator direct the Associate Administrator for the Office of Disaster Recovery and Resilience to:

Recommendation 4: Follow-up with 347 recipients who did not submit their required documents to initiate closeout and take action to recover funds, where necessary.

Recommendation 5: Establish and implement timeframes for each closeout activity.

Finding 3: Improving Reporting on SVOG Recipients' Business Operations Status

OMB instructed agencies implementing American Rescue Plan Act of 2021 programs to apply sound data management principles to make evidence-based decisions. OMB also emphasized that agencies must have processes to ensure the data reported is of sufficient quality for public reporting and internal decision-making purposes to restore trust in government.²² When SBA established performance measures for the SVOG program, agency officials told Congress and the public they would collect information on the status of business operations through monitoring, auditing, and closing out awards.

SBA implemented three program performance measures to track and report SVOG performance results to Congress. SBA reported it met its performance goals for the number of active investigations SVOG program officials initiated, percent increase in revenue of businesses assisted by SVOG, and the number of SVOG recipients that continued or reopened operations.

²² Office of Management and Budget, Circular M-20-21, "Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19)" (April 10, 2020).

However, we found data used to measure the number of SVOG recipients that continued or reopened operations was not representative.

All SVOG recipients were required to submit information to initiate the closeout process. However, program officials made it optional for recipients to report on whether their business reopened or remained in business after receiving the award. In July 2022, program officials contracted with a vendor to survey 4,000 randomly selected SVOG recipients to measure the results the program had on their business operations and customer service experience. Only 1,829 recipients responded with approximately 99 percent responding that they were still in operation after receiving SVOG funds.

SBA noted in its plan to OMB that the survey results would not be generalized to the larger population. In its 2025 Congressional Budget Justification and 2023 Annual Performance Report, SBA reported 99 percent of SVOG recipients continued or reopened. However, program officials did not inform decision makers that the results were based only on the recipients who responded. SBA likely overestimated the business survival rate since it projected results from the 1,829 responses to the entire population and did not consider those recipients who did not respond.

By not collecting and using this information as planned through monitoring, auditing, and grant closeouts, SBA missed an opportunity to assess the impact the program had on the continuity of small businesses in the live arts and entertainment industry struggling to remain open during the COVID-19 pandemic.

Recommendation

We recommend the Administrator direct the Associate Administrator for the Office of Disaster Recovery and Resilience to:

Recommendation 6: Report on the limitations of survey data used to calculate the percentage of recipients that continued or reopened operations in SBA's next update of the Congressional Budget Justification and Annual Performance Report.

Evaluation of Agency Response

SBA management provided formal written comments to the draft report, which we considered when preparing this final report. Management agreed with Recommendations 1 through 4, disagreed with Recommendation 5, and partially agreed with Recommendation 6. Management's planned actions are sufficient to resolve all recommendations. We closed Recommendation 6 based on management's corrective action.

In their response, SBA management stated the report does not consider the agency's enhanced outreach process that brought recipients back into compliance, effectively clearing them from recapture efforts. Management further stated OIG does not acknowledge the program office's extensive outreach efforts prior to closeout; and how the agency pursued "other enforcement actions as appropriate" by developing a recovery process for ineligible and non-responsive recipients. Management stated they have already recaptured over \$40 million in funding returned by recipients and are finalizing guidance for recovering funds inclusive of an appeal process for recipients to contest recovery determinations.

Management also stated OIG did not distinguish between regulatory requirements and best practices outlined in 2 C.F.R. §200.344, asserting they not only "made every effort" to complete all processing requirements within the grant lifecycle, but they also developed internal controls and mitigation measures to bring non-compliant recipients back into compliance to close out their awards. Management requested OIG distinguish regulatory requirements from best practices and recognize the agency's substantial efforts to fulfill statutory obligations while also supporting recipients through structured outreach.

Regarding SBA's outreach efforts, in the report we recognized the agency's progress in closing out awards and bringing recipients back into compliance. Specifically, we reported on management's tier-based process to contact noncompliant recipients, which likely contributed to the agency closing out 80 percent of the awards. We also acknowledged SBA's draft recovery process and recovery efforts regarding 220 recipients who voluntarily returned SVOG funds totaling \$43 million. Notwithstanding, we determined 20 percent of the awards totaling \$4.8 billion remained open as of September 2024. Additionally, although the agency drafted a recovery process in August 2023, the process is still not finalized nearly 2 years later.

Regarding 2 C.F.R. §200.344, the regulation states agencies must make every effort to complete all closeout actions no later than one year after the period of performance. We consider this regulation to be a requirement and not a best practice. As noted above, we acknowledge SBA's efforts to fulfill statutory obligations by closing out 80 percent of the awards and working with

other grant recipients to bring them into compliance. However, our recommendation focused on closing out the 20 percent of awards that remained open for more than 2 years after the end of the period of performance. It is important to note that federal regulations also require agencies to proceed with closeout based on the information available when a recipient fails to complete the necessary administrative actions required for an award.²³ As noted in our report, the record retention period for SVOG awards ranged from December 2024 to June 2026, depending on whether the recipient received an initial grant payment or supplemental payment and the type of record. Unless SBA extends the record retention dates for this program, requirements to maintain all records will end in June 2026. Therefore, SBA needs to timely manage closeout activities and finalize its recovery process to collect misused or unused funds.

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

Establish an appeals process and promptly finalize recovery procedures to include updating the demand letter to provide sufficient recovery and appeals process guidance to grant recipients.

Status: Resolved

SBA management agreed with the recommendation, stating they have already taken steps to formalize a structured recovery process and a recipient appeals process. Management stated both efforts ensure all recipients selected for recovery are properly notified, given the opportunity to respond, and are given appropriate channels to dispute recovery decisions. Specifically, the process now includes a two-tiered notification process via formal demand letters, which management proposed would be ready for issuance by June 1, 2025. Management has not provided supporting documentation to demonstrate the process has been implemented; therefore, we will assess this during the audit follow-up process.

Management also provided additional proposed corrective actions they plan to complete by September 30, 2025, to include finalizing the grant recipient appeals process, establishing recipients' minimum documentation requirements, and updating relevant policy and procedures.

²³ 2 C.F.R. § 200.344.

This recommendation can be closed once management provides evidence that they implemented recovery procedures to include finalizing (1) demand letters for issuance; and the (2) recipient appeals process.

Recommendation 2

Take immediate action to review the 380 recipients who program officials identified as having a potential improper payment and recover funds.

Status: Resolved

SBA management agreed with the recommendation, stating that they have added 379 of the 380 files to the recovery queue for further processing and file review and that these files will follow the structured recovery process in accordance with SVOG policy. Management stated the remaining one file has been resolved as the recipient submitted the required documentation, was found to be eligible, and has been returned to the audit processing workstream.

Management also listed specific corrective actions they have completed in response to this recommendation and requested the OIG close this recommendation. However, management did not provide supporting documentation to demonstrate the reviews of 380 recipients were completed. The recommendation can be closed once management provides evidence that they (1) completed reviews for 379 recipients and took action to recover funds from recipients who did not meet the requirements; and (2) completed closeout for the one recipient identified as eligible.

Recommendation 3

Ensure program officials enforce the established tier-based process timeline for the 438 recipients who have not responded to SBA's information requests.

Status: Resolved

SBA management agreed with the recommendation. Management stated that as of April 1, 2025, they reduced the number of recipients identified as non-responsive from 438 to 67, with the remaining cases currently distributed across the Enhanced Outreach Team's three tiers. Management further stated the largest concentration of recipients with unresolved cases originally existed within Tier 3, where 199 recipients were identified, and that program officials completed a detailed review of these cases. Management plans to complete the review of the 67 files by September 30, 2025.

Based on their actions, management requested that OIG close this recommendation. However, management did not provide supporting documentation to demonstrate the review of 438 recipients. This recommendation can be closed once management provides evidence that they completed closeout or recovery processing reviews for the 438 recipients and took action to recover funds from recipients who did not meet the requirements.

Recommendation 4

Follow-up with 347 recipients who did not submit their required documents to initiate closeout and take action to recover funds, where necessary.

Status: Resolved

SBA management agreed with the recommendation. Management stated that of the 347 recipients identified, 251 files were referred for recovery processing following non-responsiveness or confirmed ineligibility. Management stated the remaining 96 files were either ready for closeout or still under review, including one listed as noncompliant that will be referred for recoupment processing. Management plans to complete the review of these files by September 30, 2025.

This recommendation can be closed once management provides evidence that they completed closeout or recovery processing reviews for 347 recipients and took action to recover funds from recipients who did not meet the requirements.

Recommendation 5

Establish and implement timeframes for each closeout activity.

Status: Resolved

SBA management disagreed with the recommendation. Management stated they made substantial progress in executing closeout activities between Quarters 1 and 3 of fiscal year 2025 and asserted these actions reflect a coordinated and result-driven effort to execute workstream processing in a timely manner. Specifically, the agency closed hundreds of monitoring and audit files and closed out 1,399 SVOG awards. Management further stated they plan to process hundreds more monitoring and audit files and close out the remaining 1,080 awards totaling approximately \$1.5 billion throughout fiscal years 2025 and 2026. Based on their substantial progress and proposed corrective actions, SBA requested that OIG close this recommendation.

Although management disagreed with the recommendation, management's stated progress on the closeout activities and proposed actions meet the intent of the recommendation. This

recommendation can be closed once management provides evidence that they completed closeout for the 1,399 recipients in fiscal year 2025 and the pending 1,080 recipients through fiscal year 2026.

Recommendation 6

Report on the limitations of survey data used to calculate the percentage of recipients that continued or reopened operations in SBA's next update of the Congressional Budget Justification and Annual Performance Report.

Status: Closed

SBA management partially agreed with the recommendation, stating that while they effectively surveyed grant recipients to inform progress towards the performance measure, they believe the fiscal year 2025 Congressional Budget Justification and Annual Performance Report could have been clearer regarding the data source. Management recognized that the report should have noted that the percentage of recipients that continued or reopened operations was based on 1,829 survey respondents. Management satisfied this recommendation by disclosing the limitation of survey data in the fiscal year 2026 Congressional Budget Justification and Annual Performance Report issued on May 30, 2025. Based on the corrective action taken we closed this recommendation.

Appendix 1: Scope and Methodology

The scope of the audit covered the U.S. Small Business Administration's (SBA) procedures implemented to monitor the Shuttered Venue Operators Grant (SVOG) program. We reviewed program officials' processes and procedures for monitoring the 13,011 award recipients that received \$14.6 billion from April 2022 to October 2024.

To meet our objectives, we reviewed the American Rescue Plan Act of 2021 and other applicable public laws, federal regulations, and agency guidance related to SBA's processes for monitoring the recipients and recovering SVOG award funds. We obtained a list of SVOG recipients from SVOG's online portal, SVOG's public report,²⁴ and from program officials. We interviewed SVOG program officials and personnel in the Office of Disaster Recovery and Resilience and reviewed supporting documentation to gain an understanding of the process of recovering disbursed funds, closing out grants, and tracking and reporting program performance measures. We reviewed SVOG recovery data, closeout documentation, and performance data as of October 2024.

We conducted this performance audit in accordance with the U.S. Government Accountability Office's *Generally Accepted Government Auditing Standards*. These standards require that we plan and perform audits to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions.

Use of Computer-Processed Data

We relied on computer-processed data in the SVOG online platform used by SBA to process applications, monitor award recipients' compliance with award terms and conditions, and closeout awards. We tested the reliability of computer-processed data in the SVOG online platform by comparing the data to reports received from program officials and reports on SVOG award recipients that SBA made accessible to the public on the SBA website. Further, we tested the reliability of the data by comparing the Employer Identification Number from the SVOG online platform to SBA's Paycheck Protection Program and COVID-19 Economic Injury Disaster

²⁴ SBA posted an SVOG public data as of July 5, 2022 ([Shuttered Venue Operators Grant Public Report, As of Midday 5 July 2022](#)).

Loans databases. We believe the computer-processed information is reliable for the purposes of this audit.

Assessment of Internal Controls

We reviewed the U.S. Government Accountability Office’s *Standards for Internal Control in the Federal Government*, GAO-14-704G, which provides guidance to federal managers on designing, implementing, and operating an effective internal control system. For this audit, we identified the following internal control components and underlying internal control principles (Table 1-1) as being significant to the audit objectives.

Table 1-1: Internal Controls

Internal Control Component	Internal Control Principle
Risk Assessment	<ul style="list-style-type: none">• Define objectives and risk tolerances• Identify, analyze, and respond to risk• Consider potential fraud• Identify, analyze, and respond to changes
Control Activities	<ul style="list-style-type: none">• Design control activities• Design information system and related control activities• Implement control activities
Monitoring	<ul style="list-style-type: none">• Perform monitoring activities and evaluate monitoring results• Remediate deficiencies in a timely manner

Source: OIG assessment of internal control components and principles significant to the audit objectives

We assessed the operational effectiveness of the internal controls and identified deficiencies we believe could affect SBA’s oversight of the SVOG recipient’s use of funds and processes for returning unused funds to Treasury. The internal control deficiencies we found are discussed in the “Results” section of this report; however, because our review was limited to aspects of these internal control components and underlying principles, the findings may not identify all internal control deficiencies that may have existed when this audit took place.

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
SBA OIG 25-05	<i>Independent Auditors' Report on SBA's Fiscal Year 2024 Financial Statements</i>	November 15, 2024
SBA OIG 24-21	<i>Improvements Needed in SBA's Shuttered Venue Operators Grant Post-Award Review Process</i>	July 10, 2024
SBA OIG 24-02	<i>SBA's Internal Controls to Prevent Shuttered Venue Operators Grants to Ineligible Applicants</i>	October 25, 2023
SBA OIG 22-15	<i>SBA's Award and Payment Practices in the Shuttered Venue Operators Grant Program</i>	July 5, 2022
SBA OIG 21-13	<i>Serious Concerns About SBA's Control Environment and the Tracking of Performance Results in the Shuttered Venue Operators Grant Program</i>	April 7, 2021
GAO 23-105199	<i>SBA Could Improve Communications and Fraud Risk Monitoring for Its Arts and Entertainment Venues Grant Program</i>	October 11, 2022

Appendix 2: Monetary Impact

Questioned costs are expenditures that are alleged to violate legal, regulatory, contractual, or other requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable.²⁵

Table 2-1: OIG Schedule of Monetary Impact of SBA’s Oversight of SVOG Recipients

Description	Amount (Dollars)	Explanation
Ineligible Costs	\$401,313,841	Awards made to 380 recipients who program officials later determined, through post-award reviews, did not meet the eligibility requirements for the SVOG program.
Ineligible Costs	\$142,548,203	Awards made to 199 recipients who were in Tier 3 and did not respond to SBA’s request for supporting documentation. All 199 recipients remained in Tier 3 longer than the planned timeline and did not move to the recovery process. According to SBA policy, recipients who did not provide the requested documentation by the agency’s prescribed deadline would be required to return some or all the funds.
Ineligible Costs	\$236,583,537	Awards made to 347 recipients who did not comply with award requirements to file a report on how they used their award funds. According to SBA policy, recipients who did not submit an expense report (or other requested documentation) by a reporting deadline may need to return some or all the funds.
Unsupported Costs	\$628,661,277	Awards made to 220 recipients who received more than \$750,000 SVOG funds and self-identified that they were required to submit audit packages but did not do so. According to federal regulations, if recipients are unable or unwilling to have an audit, program officials must take appropriate action including termination of award.
Total Questioned Costs	\$1,409,106,858	
Less: Duplicate Costs Removed for Overlap Across Multiple Eligibility Criteria	(218,697,729)	Costs removed due to the award being questioned for more than one noncompliance.
Net Questioned Costs	\$1,190,409,129	

Source: Office of Inspector General analysis of SVOG award data

²⁵ Inspector General Act of 1978. 5 U.S.C. § 405, as amended.

<https://uscode.house.gov/view.xhtml?path=/prelim@title5/part1/chapter4&edition=prelim>.

Appendix 3: Agency Response

SBA Response to Report



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416



Date: 05/22/2025

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

From: James Chris Stallings, Associate Administrator
Office Of Disaster Recovery & Resilience (ODR&R)

Subject: SBA's Proposed Management Decision for Project 24002A "Audit of SBA's Oversight of the Shuttered Venue Operators Grant Recipients"

We have reviewed Office of Inspector General (OIG) audit report draft for Project 24002A, "Audit of SBA's Oversight of the Shuttered Venue Operators Grant Recipients," sent on April 18, 2025.

Our response and proposed management decision(s) for each recommendation follows. The information provided should be understood to be reliant on an understanding of the policies, procedures, and internal controls of the Shuttered Venue Operators Grant Program (SVOG), as well as documents that have been submitted to Congress.

If you have any questions or follow-up on the provided SVOG information, please be sure to include sheena.mcshan@sba.gov and ODRRAuditLiaisonTeam@sba123.onmicrosoft.com in the request you submit.

The Office of Disaster Recovery & Resilience (ODR&R) deeply appreciates the opportunity to provide an interim response, and we look forward to the final report.

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SBA's Comment Letter to OIG Management Advisory Draft Report 24002A

EXECUTIVE SUMMARY

SBA agrees with Recommendation #1, Recommendations #2, Recommendations #3, and Recommendations #4. SBA disagrees with Recommendation #5 and partially agrees with Recommendations #6. SBA requests the closure of Recommendation #2, Recommendation #3, and Recommendation #5.

The OIG notes in the draft Project 24002A report that the SBA did not take the opportunity to close out program files within one year, however, the report does not consider the agency's enhanced outreach process that brought grantees back into compliance; effectively clearing the grantee from recapture efforts. The report also does not make the distinction between regulatory requirements and best practices outlined in 2 CFR 200.344. Specifically, 2 CFR 200.344 (h) provides the "Federal agency must make every effort to complete all closeout actions no later than one year after the end of the period of performance." The SBA not only "made every effort" to complete all processing requirements within the grant lifecycle, but program staff also developed internal controls and mitigation measures to bring non-complaint grantees back into compliance to close out their award.

The OIG's current understanding of the program implies program management untimeliness but does not acknowledge SVOG's extensive outreach efforts prior to closeout to bring grantees back into compliance and how the SBA pursued "other enforcement actions as appropriate" by developing a recoupment process for ineligible and non-responsive grantees (per 2 CFR 200.344 (i)). The SBA has already recaptured over \$40M in funding returned by grantees and is solidifying its development of recoupment guidance inclusive of an appeal process for grantees to contest recoupment determinations.

For the final report, the SBA requests that the OIG distinguish regulatory requirements from best practices and recognize the agency's substantial efforts to fulfill all statutory obligations while actively supporting grantees in achieving compliance through structured outreach.

Recommendation 1

“Establish an appeals process and promptly finalize recovery procedures to include updating the demand letter to provide sufficient recovery and appeals process guidance to grant recipients.”

Management Concurrence:

Agree

Executed Action(s):

The SVOG program has already taken steps to formalize a structured recovery process that will govern the agency’s ability to recapture improper payments. The program has also partnered with the Department of Treasury, SBA’s Office of General Counsel and the Office of Hearings and Appeals (OHA) to formalize a grantee appeals process, providing a transparent and compliant pathway for grant recipients to contest the agency’s decision. Both the appeals and recoupment processes directly incorporate internal SBA OHA regulations and federal debt collection regulations/ Both efforts ensure all grantees selected for recoupment are properly notified, given the opportunity to respond, and are provided appropriate channels to dispute recovery decisions.

The process now includes a two-tiered notification process, via formal demand letters, and multiple appeal options with clearly defined timelines. Updates to internal procedures and templates are currently underway to support consistent and efficient implementation. The SBA projects the completion of both demand letters for issuance to be completed no later than June 1, 2025.

Proposed Corrective Actions:

ODR&R plans to complete the following corrective actions by Q4 of fiscal year 2025 (subject to change):

1. Finalization of the Grantee Appeals Process:
 - The SVOG grantee appeals process includes:
 - A 30-day response period following the first demand letter with the opportunity to request a program reconsideration, request documentation, and/or make a payment.
 - A 60-day window following the issuance of the second letter for grantees to pursue either a second program reconsideration or an OHA appeal (within 15 days), request documentation, and/or make a payment.

2. Grantee Minimum Documentation Requirements:

- When requesting a reconsideration or an appeal, grantees must submit a copy of their demand letter, a written justification narrative for their dispute, and relevant supporting documentation.

3. Policy and Procedural Updates:

- All procedural updates are documented in the SVOG Recoupment Process and Policy Guide, which aligns with the Debt Collection Act, agency regulations and federal statutes.

Recommendation 2

“Take immediate action to review the 380 recipients who program officials identified as having a potential improper payment and recover funds.”

Management Concurrence:

Agree

Executed Action(s):

Of the 380 recipients identified for potential improper payments, 379 files have been added to the SVOG recoupment/recovery queue for further processing and file review. These files are progressing through the structured recoupment process in accordance with SVOG policy. As a result of the file review, a grantee can either be cleared from recoupment or be issued a demand letter.

The remaining one file has been resolved (i.e., cleared from recoupment and placed back into the audit workflow for processing).

These actions demonstrate that the SVOG program is actively progressing toward recovery of funds tied to potential improper payments and that nearly all flagged files have been formally captured in the program’s recovery workflow.

Proposed Corrective Actions:

ODR&R has completed the following corrective actions:

- File Assignment and Processing:
 - Three hundred and seventy-nine (379) recipient files have been fully transitioned into SVOG’s recoupment processing review and will follow the division’s formal

- notification, appeal, and recovery procedures outlined in the updated recoupment policy and procedural guidance document.
- Demand letters will be issued in accordance with the SVOG recoupment policy for any files (i.e., funding requests) where a second file review upholds the initial recoupment determination.
 - Grantees will be provided with an opportunity to request program reconsideration or pursue an OHA appeal.
 - All files or funding requests will be referred to the Department of Treasury for either non-responsiveness or lack of payment.
 - Closeout Completed:
 - One (1) file originally flagged for potential improper payment has been resolved. The grantee submitted the required documentation, was found to be eligible, and has been returned to the audit processing workstream.

Based on the aforementioned actions, the SBA requests Recommendation 2 to be closed.

Recommendation 3

“Ensure program officials enforce the established tier-based process timeline for the 438 recipients who have not responded to SBA’s information requests.”

Management Concurrence:

Agree

Executed Action(s):

Of the 438 recipients identified as non-responsive, the SVOG program has reduced this number to 67 active cases as of April 1, 2025. These remaining cases are currently distributed across SVOG’s Enhanced Outreach Team (EOT) tiers are follows:

- Tier 1: 32 recipients.
- Tier 2: 32 recipients.
- Tier 3: 3 recipients

The largest concentration of unresolved cases originally existed within Tier 3, where 199 grantees were identified. Program officials have completed a detailed review of all Tier 3 cases, resulting in the following outcomes:

- 161 Grantees were referred for recoupment processing due to continued non-responsiveness or ineligibility.
- 23 grantees were determined to be eligible and are now ready for closeout.
- 3 grantees remain in active EOT for final resolution.
- 12 grantees responded to outreach:
 - 9 were found to be back in compliance and are undergoing further review. These cases have been temporarily paused due to the program's shift toward recoupment.
 - 3 were determined to not be compliant and will be flagged for recoupment.

These actions demonstrate how SVOG program officials effectively applied the tier-based timeline structure to address non-responsive recipients and resolved the majority of Tier 3 EOT cases.

Proposed Corrective Actions:

ODR&R has completed the following corrective actions:

- Process the file review of 199 tier 3 files (Complete)
- Process any current and ongoing EOT cases (67 files as of 5/22/2025) (Ongoing).

Based on the aforementioned actions, the SBA requests Recommendation 3 to be closed.

Recommendation 4

“Follow-up with 347 recipients who did not submit their required documents to initiate closeout and take action to recover funds, where necessary.”

Management Concurrence:

Agree

Executed Action(s):

Of the 347 recipients identified, 251 files have been referred for recoupment processing following non-responsiveness or confirmed ineligibility. The remaining 96 files have been reviewed and categorized as follows:

- 38 grantees were determined to be eligible and are now ready for closeout.
- 7 grantees remain on an agency hold pending further legal review and guidance (e.g. Litigation, Prurient Sexual Interest)

- 1 grantee was determined not to be compliant and will be referred for recoupment processing.
- 40 grantees were deemed compliant and are undergoing further review for close out.
- 10 files require additional review to determine eligibility before final routing to either closeout or recoupment processing.

These actions reflect the program's structured efforts to address all non-compliant recipients and ensure that each case is either resolved, escalated, or reviewed further in alignment with SVOG policy.

Proposed Corrective Actions:

ODR&R has completed the following corrective actions:

- SVOG to complete the file review for the 96 remaining files.

Recommendation 5

"Establish and implement timeframes for each closeout activity."

Management Concurrence:

Disagree

Executed Action(s):

The SVOG program made substantial progress in executing closeout activities between Q1 and Q3 of FY25. Specifically, the program:

- Closed 509 monitoring files, totaling approximately \$1.4 billion
- Closed 230 audit files, totaling approximately \$689 million
- Closed out 1,399 awards, totaling approximately \$3.1 billion
- Moved 555 files out of Enhanced Outreach Team (EOT) status, totaling approximately \$757 million

These actions reflect a coordinated and result-driven effort to execute workstream processing in a timely manner.

Proposed Corrective Actions:

ODR&R plans to complete the following processing of workstreams throughout FY25 and FY26:

- Process 309 monitoring files, totaling approximately \$711 million
- Process 111 audit files, totaling approximately \$323 million
- Close out 1,080 remaining awards, totaling approximately \$1.5 billion (NOTE: inclusive of monitoring and audit files)
- Process 67 EOT files (ongoing)

Based on the aforementioned actions, the SBA requests Recommendation 5 to be closed.

Recommendation 6

“Report on the limitations of survey data used to calculate the percentage of recipients that continued or reopened operations in SBA’s next update of the Congressional Budget Justification and Annual Performance Report.”

Management Concurrence:

Partially Agree

Executed Action(s):

SBA reported the following performance metrics in the FY 2025 Congressional Budget Justification (CBJ):

- “Percent of SVOG Recipients that Continued or Reopened Operations”
- “Number of Active Audit Investigations”
- “Percent Increase in Revenue of Businesses Assisted by SVOG”

Regarding the Divisions “Percent of SVOG Recipients that Continued or Reopened Operations” performance measure, the OIG provides “data used to measure the number of SVOG recipients that continued or reopened operations was not representative.” Specifically, the OIG notes program officials not requiring recipients to report on whether their business reopened or remained in business after receiving the award to support accurate data reporting. The OIG also makes the presumption that the “SBA likely overestimated the business survival rate since it projected results from the 1,829 responses to the entire population and did not consider those recipients who did not respond.”

The SBA uses the “Percent of SVOG Recipients that Continued or Reopened Operations” metric to track the number of SVOG recipients that continued operations or reopened. In July 2022, the SBA contracted a vendor to survey 4,000 randomly selected SVOG recipients to measure the results the program had on their business operations and customer service experience. At the time of the FY 2025 report, the percentage reported was based on a sample size of 1,829 SVOG Grantees, which was a statistically significant rate from the independent evaluator. The SBA retired this measure after having completed the program evaluation to assess the impact of the SVOG program.

While the SBA effectively surveyed grantees to inform progress towards the performance measure, the SBA also believes the FY25 report could have been clearer regarding the data source. The SBA recognizes that the CBJ should have reported that the percentage was based on 1,829 survey respondents, not a sample size of 1,829 SVOG Grantees.

Proposed Corrective Actions:

The next CBJ report will be published in Spring 2025. At that time, the SBA will accurately report on the data set utilized for the “Percent of SVOG Recipients that Continued or Reopened Operations” performance metric within the CBJ and will disclose the limitations regarding the generalizability of the data.

APPENDIX

Article 1: U.S. Small Business Administration Performance Plan, Evaluation Plan, Budget, and Performance Report - FY 2025 Congressional Budget Justification, FY 2023 Annual Performance Report

Strategic Objective: 2.1) Help Small Businesses Recover from the Pandemic and Become More Resilient
Objective Leads: Associate Administrator for Capital Access; Associate Administrator for Disaster Recovery and Resilience

IG Management Challenge: 1) SBA's Economic Relief Programs Are Susceptible to Significant Fraud
Risks and Vulnerabilities Programs: Paycheck Protection Program, COVID-Economic Injury Disaster Loans, Restaurant Revitalization Fund, Shuttered Venue Operators Grants

Shuttered Venue Operators Grant Program (SVOG)

Performance Measures and Targets: The table displays the performance measures and targets to assess program outcomes, outputs, efficiencies, and quality.

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Percent of SVOG Recipients that Continued or Reopened Operations	Target	N/A	N/A	N/A	N/A	95%	95%		
	Actual	N/A	N/A	N/A	N/A	N/A	99%		
	Variance	N/A	N/A	N/A	N/A	N/A	4%		
Additional Information: The SBA uses this metric to track the number of SVOG recipients that continued or reopened. Source: Shuttered Venue Operators Grant Program Mixed-Methods Evaluation. Percentage is based on a sample size of 1,829 SVOG Grantees, which was considered to be a statistically significant rate from by the independent evaluator. The SBA is retiring this measure after having completed the program evaluation to assess the impact of the SVOG program.									
		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Number of Active Audit Investigations	Target	N/A	N/A	N/A	N/A	Baseline	300	500	500
	Actual	N/A	N/A	N/A	N/A	735	2,137		
	Variance	N/A	N/A	N/A	N/A	N/A	609%		
Additional Information: The SBA uses this metric to track the number of audit investigations conducted provide oversight to the SVOG program. The target audit numbers represented a statistically significant sample of grantees across different risk levels as outlined in SBA Audit and Oversight Plan for SVOG. The SBA exceeded its FY 2023 goal due to increased oversight of entities' use of grant proceeds, as outlined in statutory requirements.									



U.S. Small Business
Administration

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Percent Increase in Revenue of Businesses Assisted by SVOG	Target	N/A	N/A	N/A	N/A	Baseline	5%		
	Actual	N/A	N/A	N/A	N/A	N/A	8%		
	Variance	N/A	N/A	N/A	N/A	N/A	60%		
Additional Information: The SBA uses this metric to track the number of small businesses that increased revenue after receiving SVOG funds. Source: Shuttered Venue Operators Grant Program Mixed-Methods Evaluation conducted by 2M Research during FY22-23. Missing revenue outcome data was calculated based on two-step imputation. The SBA is retiring this measure after having completed the program evaluation to assess the impact of the SVOG program.									



Article 2: Final Action Target Dates

Recommendation	Management Concurrence	Target Date	Rationale
#1	Agree	June 30, 2025	Final demand letters and appeals process are expected to be completed by June 1, 2025; allowing a short buffer for implementation.
#2	Agree	Completed	379 Files routed to recoupment, 1 cleared and found eligible; no further corrective action required.
#3	Agree	Completed	The remaining 67 files are still being tracked and processed. Full resolution expected by end of FY 2025
#4	Agree	September 30, 2025	The remaining 96 files are in various stages and expected to be resolved through closeout or recoupment by end of FY 2025
#5	Disagree	Completed	Closeout is paused, but ODR&R plans to resume activities following progress on recoupment.
#6	Partially Agree	June 1, 2025	Next CBJ update will be published Spring of 2025, with clarified reporting as planned.