



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF INSPECTOR GENERAL

THE INSPECTOR GENERAL

October 21, 2020

The Honorable Marco Rubio  
Chairman, Committee on Small Business  
And Entrepreneurship  
U.S. Senate  
428A Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Nydia Velazquez  
Chair, Committee on Small Business  
U.S. House of Representatives  
2361 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Ben Cardin  
Ranking Member, Committee on  
Small Business and Entrepreneurship  
U.S. Senate  
428A Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Steve Chabot  
Ranking Member, Committee on Small Business  
U.S. House of Representatives  
2069 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Rubio, Chairwoman Velazquez, Ranking Member Cardin, and Ranking Member Chabot:

As you know, the National Defense Authorization Act for fiscal year (FY) 2017 reauthorized the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR) programs. The law requires the Inspector General of a Federal agency that participates in the SBIR or STTR programs to submit an annual report describing its investigations involving those programs (15 U.S.C Section 638b(c)). The U.S. Department of Education (ED) participates in the SBIR program; however, ED does not participate in the STTR program as it does not have an extramural research or research and development budget in excess of \$1 billion.

Below you will find data required from my office for the SBIR program covering FY 2020. ED SBIR program staff reported that its total SBIR obligation in FY 2020 was approximately \$10.4 million.

*(1) The number of cases referred to the Office of Inspector General (OIG) that relate to fraud, waste, or abuse with respect to the SBIR program.*

For FY 2020, 0 cases were referred to the OIG involving the SBIR program.

*(2) Report the actions taken in each case if fraud, waste, or abuse was determined to have occurred.*

N/A

*(3) If no action was taken, report the justification for action not being taken.*

N/A

*(4) Provide an accounting of the funds used to address fraud, waste, and abuse in the SBIR program, including a description of personnel and resources funded and funds that were recovered or saved.*

For the last several years, the OIG has conducted video training sessions/webinars aimed at assisting SBIR grant recipients in identifying and addressing fraud, waste, and abuse involving the SBIR programs. These sessions are usually held in October. The FY 2020 session was held on October 19, 2019. The session was conducted over the internet, with very nominal costs, averaging about \$500. The OIG held its FY 2021 session on October 13, 2020.

We will track and follow up on any allegations or complaints we receive involving ED's SBIR program and will be certain to describe our efforts in future reports. If you have any questions or if you need any additional information, please do not hesitate to contact me directly at (202) 245-6900, or have a member of your staff contact our Congressional Liaison, Catherine Grant, at (202) 245-7023.

Sincerely,



Sandra D. Bruce  
Acting Inspector General

cc: The Honorable Betsy DeVos, Secretary, U.S. Department of Education