



February 23, 2021

The Honorable Ben Cardin  
Chairman  
Committee on Small Business  
and Entrepreneurship  
United States Senate  
428A Russell Senate Office Building  
Washington, DC 20515

The Honorable Rand Paul  
Ranking Member  
Committee on Small Business  
and Entrepreneurship  
United States Senate  
428A Russell Senate Office Building  
Washington, DC 20515

Dear Chairman Cardin and Ranking Member Paul:

In accordance with 15 U.S.C. § 638b(c), this letter transmits the U.S. Department of Commerce Office of Inspector General's (OIG's) report of the requested data and information regarding cases related to the Small Business Innovation Research (SBIR) program for fiscal year (FY) 2020.

During FY 2020, OIG did not receive any complaints relating to the SBIR program. A multi-agency SBIR investigation (i.e., OIG investigation 15-0419) that was initiated in 2015 was closed in FY 2020, and did not find credible evidence to substantiate that the subjects conducted any criminal activity in the performance of the two awarded SBIR contracts; however, restitution and debarment were being pursued by the U.S. Department of Justice and other federal agencies for violations connected to their specific offices. Additionally, one OIG hotline complaint received in FY 2019 was closed in FY 2020 due to lack of investigative merit.

OIG did not close any cases during FY 2020 in which fraud, waste, or abuse was "determined to have occurred" regarding an SBIR program investigation. OIG's estimated FY 2020 expenditures involving SBIR program investigations was \$3,827.84; no funds were recovered or saved as a result OIG's SBIR-related activities.

If you have any questions concerning this response, please contact me at (202) 482-4661 or Scott Kieffer, Assistant Inspector General for Investigations, at (202) 482-7978.

Sincerely,

A handwritten signature in black ink that reads "Peggy E. Gustafson".

Peggy E. Gustafson  
Inspector General