



September 2015

SMALL BUSINESS ADMINISTRATION

Views on the Operational Effects of Closing Regional Offices

Accessible Version

GAO Highlights

Highlights of [GAO-15-369](#), a report to congressional requesters

Why GAO Did This Study

SBA was created in 1953, and its regional offices were established shortly thereafter. In the late 1990s and early 2000s, the agency downsized the staff and responsibilities of the regional offices. These offices, which are managed by politically appointed administrators, are currently responsible for supervising SBA's district offices and promoting the President's messages throughout the region. GAO was asked to review SBA's current organizational structure, with a focus on the regional offices. Among other objectives, this report (1) examines challenges related to SBA's organizational structure and (2) discusses the budgetary effects of closing the regional offices and SBA managers' and staff's views on other possible effects of closures.

GAO reviewed documentation on changes to SBA's organizational structure from fiscal years 2005-2014 (following SBA's last major reorganization in 2004); analyzed data on fiscal year 2013 regional budgets (the most recent data SBA provided); and interviewed a total of 60 SBA officials at headquarters, all 10 regional offices, and a nongeneralizable sample of 10 of the 68 district offices (one from each region reflecting a variety of sizes).

What GAO Recommends

GAO is not making recommendations in this report. However, in a related, soon-to-be-released report examining SBA management issues, GAO assesses organizational structure and makes recommendations as appropriate.

View [GAO-15-369](#). For more information, contact William B. Shear at (202) 512-8678 or shearw@gao.gov.

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SMALL BUSINESS ADMINISTRATION

Views on the Operational Effects of Closing Regional Offices

What GAO Found

While long-standing organizational challenges affected program oversight and human capital management, the Small Business Administration (SBA) has not documented an assessment of its overall organizational structure that could help determine how to address these challenges. SBA currently has a three-tiered organizational structure—headquarters offices, 10 regional offices, and 68 district offices. SBA's last major reorganization was in 2004, when it moved loan processing from district offices to specialized centers and assigned district offices new duties, such as small business counseling. But the agency has continued to face long-standing organizational and workforce challenges, including complex overlapping responsibilities among headquarters and regional offices and skill gaps in district offices (which are supervised by regional offices). These challenges can affect SBA's ability to deliver its programs consistently and effectively, especially in a climate of resource constraints. SBA's response has been limited to (1) making incremental changes to some of its divisions such as consolidating functions or changing reporting relationships and (2) offering employees early retirement. SBA committed to assessing and revising its organizational structure in 2012 but has not yet documented this effort. Although a contractor studied SBA's organizational structure in March 2015 and SBA stated it had completed its assessment of the contractor's work as of August 2015, it has not provided documentation of this assessment. In a related, soon-to-be-released report on SBA's management, GAO assesses the agency's organizational structure and makes recommendations as appropriate.

Closing SBA's 10 regional offices, as some have suggested, would have a limited effect on SBA's budget, but the impact on operations is less clear. Compensation and benefits—totaling \$4.5 million in fiscal 2013—were the largest costs of regional offices, which together had other administrative costs totaling about \$235,000 and were co-located with district offices. Because these costs constituted less than 1 percent of SBA's approximately \$1 billion appropriation in 2013, closing the regional offices would have a limited budgetary effect. But over half of the SBA managers GAO interviewed (18 of 32) said that closing regional offices could pose operational challenges. First, headquarters, regional, and district managers said that eliminating the 10 regional administrators would require one headquarters office to supervise 68 district directors. Second, regional and district officials were concerned that SBA would lose the overall regional perspective and ability to balance workloads within regions. Third, headquarters, regional, and district managers explained that the agency would be challenged to promote SBA's message without regional offices. They emphasized the role that regional administrators play in explaining and amplifying the President's and SBA Administrator's messages and priorities. However, a few (6 of 28) nonmanagement staff GAO interviewed disputed the importance of regional administrators, some stating that district offices could coordinate directly with headquarters offices. GAO recognizes that regional administrators and offices provide a number of services for SBA. If closures were to occur, there are options available to address these challenges. However, it would be important to carefully assess the feasibility of these options and weigh the related costs and benefits before deciding on a course of action.

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Abbreviations

FTE	full-time equivalent
HUBZone	Historically Underutilized Business Zone
OIG	Office of Inspector General
OPM	Office of Personnel Management
SBA	Small Business Administration
VERA	Voluntary Early Retirement Authority
VSIP	Voluntary Separation Incentive Payment

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September 22, 2015

The Honorable David Vitter
Chairman
Committee on Small Business and Entrepreneurship
United States Senate

The Honorable James E. Risch
United States Senate

The U.S. Small Business Administration (SBA) has provided billions of dollars in loans and guarantees to small businesses each year. As of March 31, 2015, SBA's total loan portfolio was about \$116.9 billion, including \$110.3 billion in direct and guaranteed loans and \$6.6 billion in disaster loans. Its mission is to help Americans start, build, and grow businesses throughout the United States through a network of regional and district field offices. In the late 1990s and early 2000s, a significant amount of restructuring was done to streamline the agency, including downsizing the staff and responsibilities of the regional offices. Currently, SBA's 10 regional offices, which are led by administrators appointed by the President, each have five employees or fewer. Questions have been raised about the role of the regional offices, including their contribution to complex reporting relationships among SBA operating units. We have previously reported about the complexity of some of these relationships.¹

You asked us to review SBA's current organizational structure, with a focus on the regional offices. Specifically, this report (1) examines any challenges related to SBA's organizational structure; (2) describes the specific responsibilities of the regional offices; and (3) discusses the budgetary effects of closing the regional offices and SBA managers' and staff's views on other possible effects of closures.

For each report objective, we interviewed SBA officials at headquarters, the 10 regional administrators, management and nonmanagement staff at

¹GAO, *Major Management Challenges and Program Risks: Small Business Administration*, [GAO-03-116](#) (Washington, D.C.: January 2003).

10 district offices, and union representatives.² To examine the organizational structure of SBA, we reviewed prior GAO and SBA Office of Inspector General (OIG) reports that documented, among other things, the effect of the agency's structure on its human capital management and program oversight and documentation on changes to SBA's organizational structure from fiscal years 2005 through 2014 (the period after SBA's last major reorganization in 2004). Additionally, we reviewed documentation on SBA's plans to assess its organizational structure and compared these plans to internal control standards.³ To determine the specific responsibilities of the regional offices, we reviewed position descriptions and interviewed officials at headquarters, regional, and district offices. We also analyzed data on field office goals and performance measures in fiscal year 2014. To determine how closing SBA's regional offices could affect SBA, we analyzed data on operating expenses and compensation and benefits for the regional offices in fiscal year 2013 (the most recent data available when SBA provided the information). We reviewed documentation on and interviewed knowledgeable officials about the data we used and determined that the data were sufficiently reliable for the purpose of reporting on SBA's field office performance and regional office costs. We also interviewed SBA officials about the potential effects of transferring the responsibilities of the regional offices to the district offices. (See app. I for a detailed description of our scope and methodology.) In conducting this review, we

²We visited 1 district office in each region. The 10 SBA district offices in the sample were selected purposefully based on location and office size to ensure we included offices of varying size and geography. They are located in Atlanta, Georgia; Boise, Idaho; Boston, Massachusetts; Denver, Colorado; Detroit, Michigan; Fresno, California; New Orleans, Louisiana; New York City, New York; Omaha, Nebraska; and Washington, D.C. The results of our interviews cannot be generalized to the population of all district offices. We interviewed a total of 19 managers and 28 nonmanagement staff. The managers were district directors or deputy district directors. For our interviews with nonmanagement staff, district office management invited any interested nonmanagement staff to meet with us. (At 4 of the 10 offices, no nonmanagement staff participated in the interviews.) SBA required inclusion of district counsel in the nonmanagement interviews as a condition for holding the meetings. Because participation by such staff members was limited, we sent an e-mail to nonmanagement staff in the 10 offices again inviting them to share their thoughts on specific topics with us. Nine staff members from 6 of these offices responded to our e-mail, 3 of whom also attended our interviews. The e-mails were used as additional information sources and to corroborate what we heard in the interviews. The group of union representatives we interviewed was from headquarters and the field.

³GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: November 1999).

focused on the role of regional offices. A related, soon-to-be-released GAO report addresses a range of SBA management issues, including strategic planning, human capital management, organizational structure, enterprise risk management, procedural guidance, and information technology.

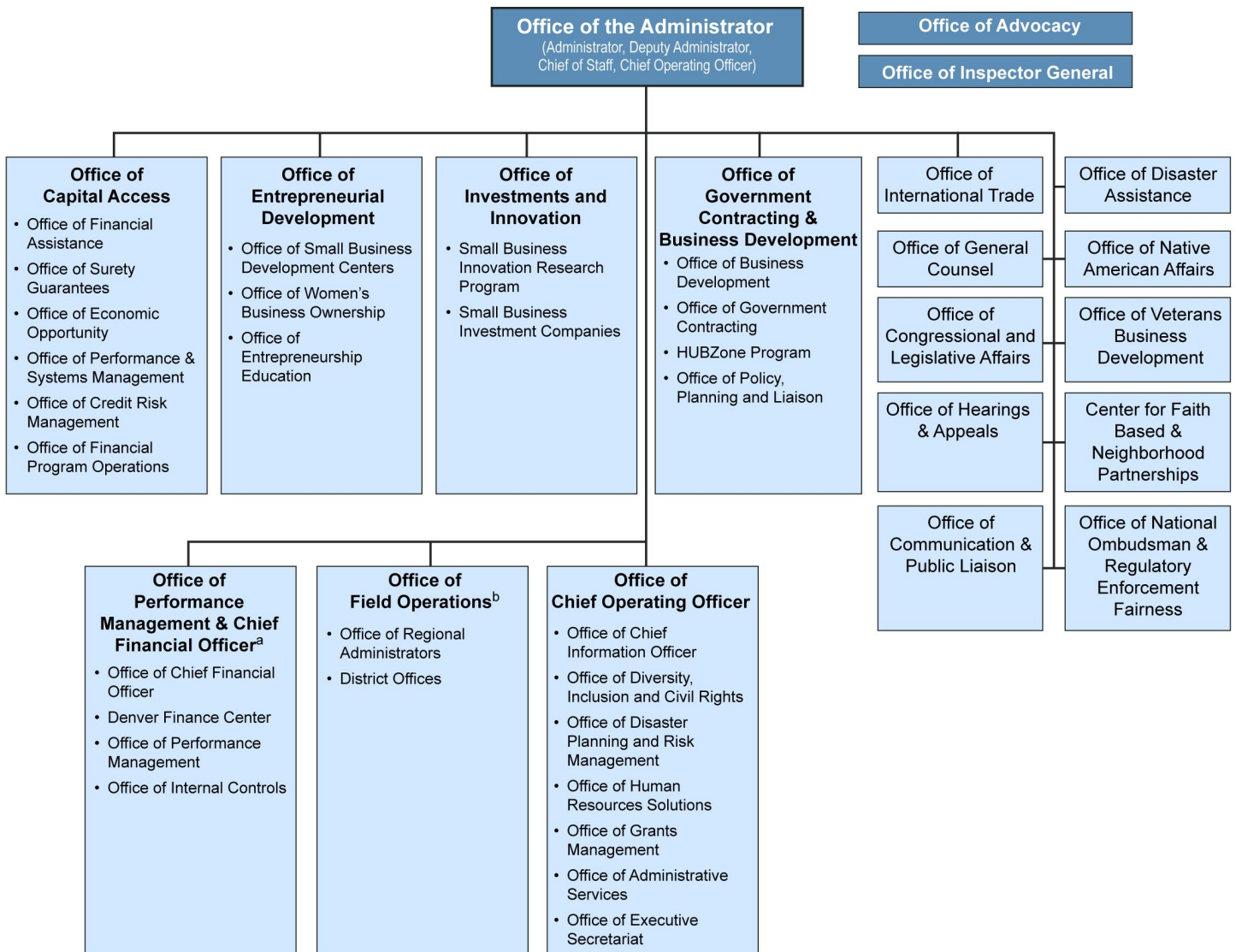
We conducted our work from June 2014 through September 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

In pursuing its mission of assisting small businesses, SBA facilitates access to capital and federal contracting opportunities, offers entrepreneurial counseling, and provides disaster assistance. Program offices are located at SBA's headquarters and include the offices responsible for oversight of the agency's key program areas (see fig. 1). For example, the Office of Capital Access delivers services and programs to expand access to capital for small businesses. The Office of Entrepreneurial Development oversees a network of resource partners that offer small business counseling and technical assistance.⁴ The Office of Government Contracting and Business Development works to increase participation by small, disadvantaged, and woman-owned businesses in federal government contract awards. The programs it manages include the 8(a) business development program, which is designed to assist small disadvantaged businesses in obtaining federal contracts, and the Historically Underutilized Business Zone (HUBZone) program, which aims to stimulate economic development by providing federal contracting assistance to small firms in economically distressed areas. Finally, the Office of Disaster Assistance makes loans to businesses and families trying to rebuild and recover in the aftermath of a disaster.

⁴These resource partners include small business development centers that provide technical assistance to small businesses and aspiring entrepreneurs and women's business centers that assist women in starting and growing small businesses.

Figure 1: Small Business Administration (SBA) Organizational Chart, April 2015



Source: SBA. | GAO-15-369

Note: The Office of Advocacy and the Office of Inspector General are independent offices within the Small Business Administration.

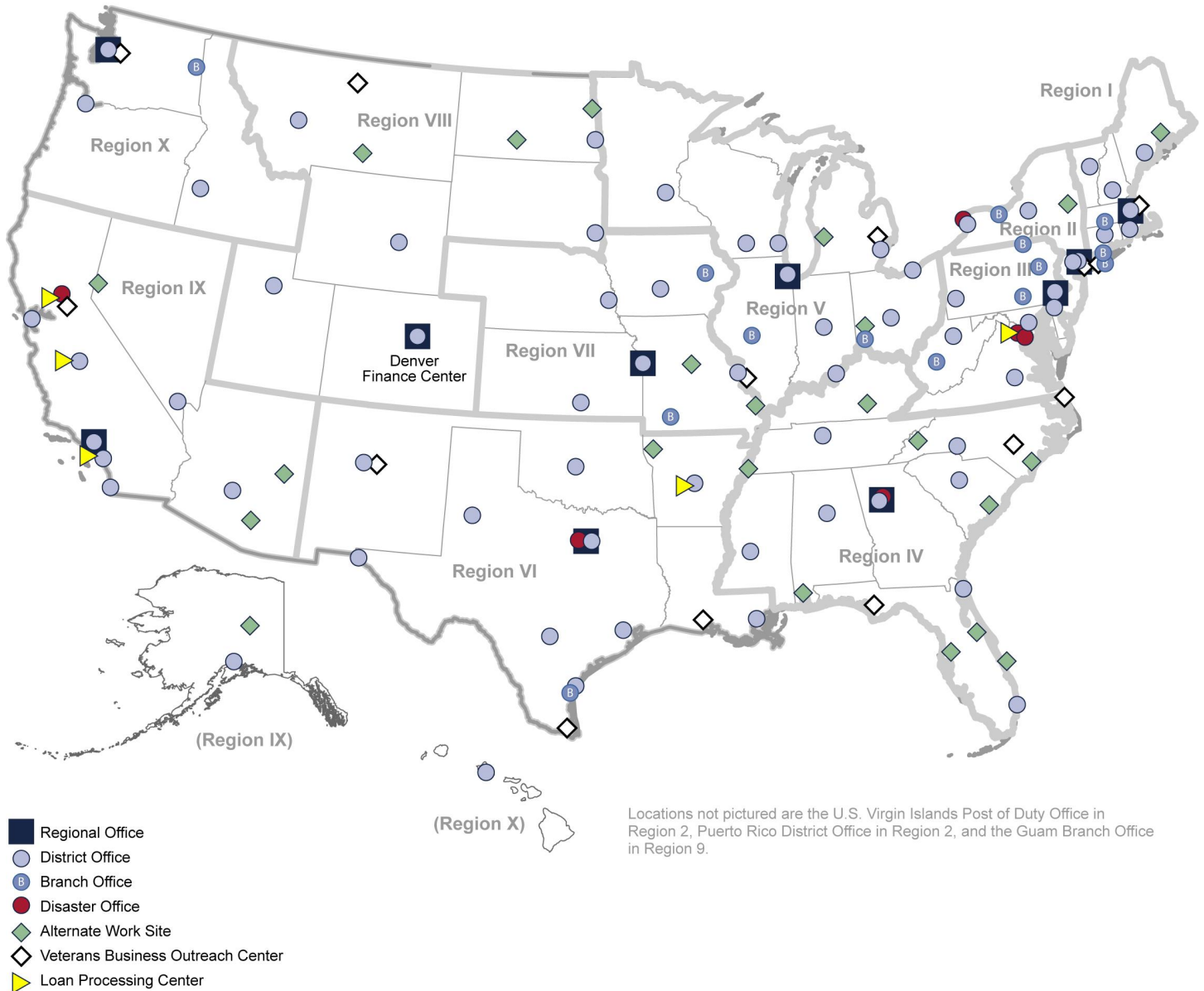
^aThe acquisition function is located within the Denver Finance Center.

^bThe Office of Field Operations includes branch offices and alternative work sites that report to the district offices.

SBA delivers its services through a network of field offices that includes 10 regional offices and 68 district offices led by the Office of Field Operations (see fig. 2).⁵ SBA's regional offices were established shortly after the agency was created in 1953. These offices, which are managed by politically appointed administrators, play a part in supervising the district offices and promoting the President's and SBA Administrator's messages throughout the region. District offices conduct marketing, outreach, and compliance reviews. Considered by officials as SBA's "boots on the ground," district offices serve as the point of delivery for most SBA programs and services and work with resource partners to accomplish the agency's mission.

⁵Other field offices include disaster offices, branch offices, alternate work sites, veterans business outreach centers, and loan processing centers. When a disaster is declared, officials from one of SBA's disaster offices arrive at the disaster site and begin assisting victims. According to SBA, its branch offices and alternative work sites have fewer staff than a district office and are strategically located to access markets that the district office cannot reach. Veterans business outreach centers provide entrepreneurial development services for eligible veterans. SBA's loan processing centers evaluate and issue guarantee commitments for loan applications, process guarantee purchase requests, and liquidate defaulted loans.

Figure 2: Small Business Administration's Field Locations, May 2015



Source: GAO (analysis); MapInfo (map). | GAO-15-369

SBA's field structure has been revised over the years. In response to budget reductions, SBA streamlined its field structure during the 1990s by downsizing regional and district offices and shifting supervisory responsibilities to headquarters. The 10 regional offices originally acted as intermediaries between headquarters and the field and served as

communication channels for critical information, policy guidance, and instructions. SBA downsized these offices and reallocated some of the regional offices' workload to district and headquarters offices and created the Office of Field Operations to act as the field's representative in headquarters and help facilitate the flow of information between headquarters and district offices.⁶ The Office of Field Operations also provides policy guidance and supervision to regional administrators and district directors in implementing SBA's goals and objectives. Regional offices continue to play a supervisory role by monitoring performance against district goals and coordinating administrative priorities with the districts.

Since the early 2000s, SBA has further restructured and centralized some key agency functions.⁷ For example, from 2003 through 2006, SBA completed the centralization of its 7(a) loan processing, servicing, and liquidation functions from 68 district offices to 1 loan processing center, 2 commercial loan servicing centers, and 1 loan liquidation and guaranty purchase center.⁸ From fiscal years 2003 to 2006, headquarters full-time equivalents (FTE) decreased from 1,154 to 1,089 (see fig. 3).⁹ District office FTEs decreased from 1,285 in fiscal year 2003 to 997 in fiscal year

⁶In a 2001 report, we found that the Office of Field Operations was not fully staffed when it was created and had fewer than 10 employees. SBA officials told us that such a small office could not have the same capacity to carry out communications responsibilities once held by multiple staff in each of the 10 regional offices before the offices were downsized. GAO did not make recommendations in this report. GAO, *Small Business Administration: Current Structure Presents Challenges for Service Delivery*, GAO-02-17 (Washington, D.C.: Oct. 26, 2001). In 2014, the Office of Field Operations had 15 full-time equivalents.

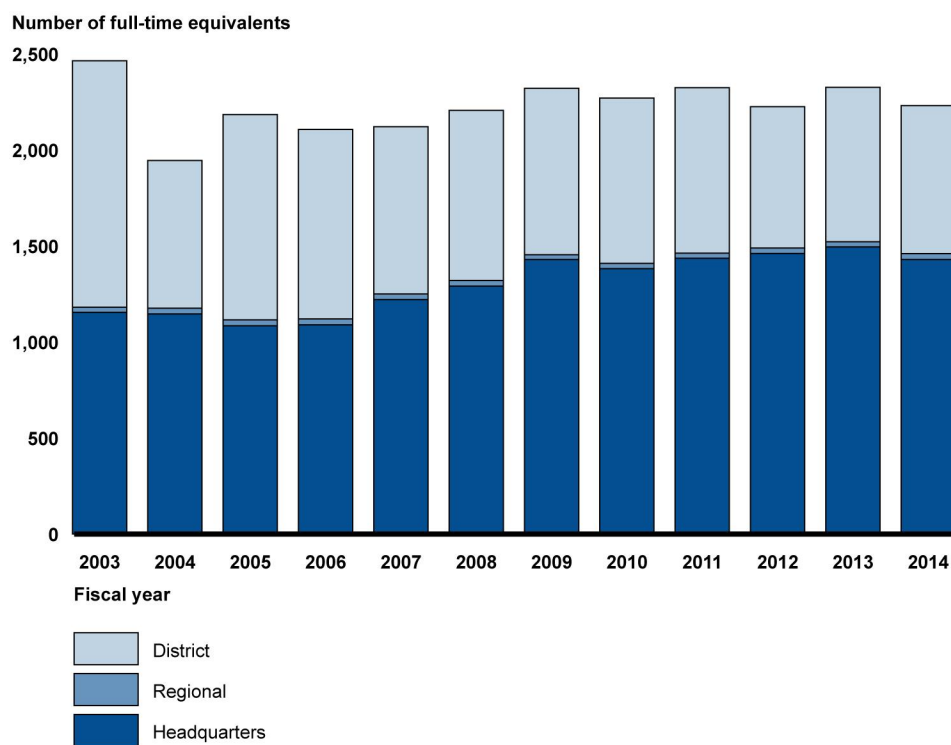
⁷In February 2000, SBA had 3,024 employees, of which 2,326 (77 percent) were located in field offices and 698 (23 percent) were located in headquarters.

⁸The 7(a) program is SBA's largest loan program and guarantees a portion of loans for establishing new businesses, operating or expanding existing businesses, or acquiring businesses. The two commercial loan servicing centers also carry out loan liquidation and guarantee purchases for SBAExpress loans (loans that feature an accelerated turnaround time for SBA review). The loan liquidation and guarantee purchase center carries out the liquidation and guarantee purchase functions for all other 7(a) loans. When a borrower with an SBA-guaranteed loan defaults and the loan has been liquidated, the lender has the option of submitting a purchase request to SBA to honor the guaranteed portion of the loan.

⁹The data do not include FTEs in the Offices of Inspector General, Advocacy, or Disaster Assistance. As mentioned previously, the Offices of Advocacy and Inspector General are independent offices within SBA. The FTEs for the Office of Disaster Assistance are funded out of an account specific to that office.

2006, and regional office FTEs remained about the same. In fiscal year 2014, headquarters FTEs were 1,429, district office FTEs were 771, and regional office FTEs were 31.

Figure 3: Small Business Administration (SBA) Full-time Equivalents, Fiscal Years 2003-2014



Source: GAO analysis of SBA data. | GAO-15-369

SBA Faces Ongoing Organizational Challenges

Despite long-standing organizational challenges affecting program oversight and human capital management that we and others have identified, SBA has not documented an assessment of its overall organizational structure, which could provide information on how best to address these challenges. Since its last major reorganization in 2004, the agency has continued to face long-standing organizational and workforce challenges, including complex overlapping responsibilities among offices, poor communication between headquarters and district offices in the administration of programs, and persistent skill gaps, especially in field offices. These challenges can affect SBA's ability to deliver its programs consistently and effectively, especially in a climate of resource

constraints. But its response has been limited to making incremental (piecemeal) changes to some of its divisions to, among other things, consolidate functions or change reporting relationships and offering employees early retirement in an attempt to address skill gaps. SBA told us that it has assessed its organizational structure but did not provide documentation of the results of the assessment.

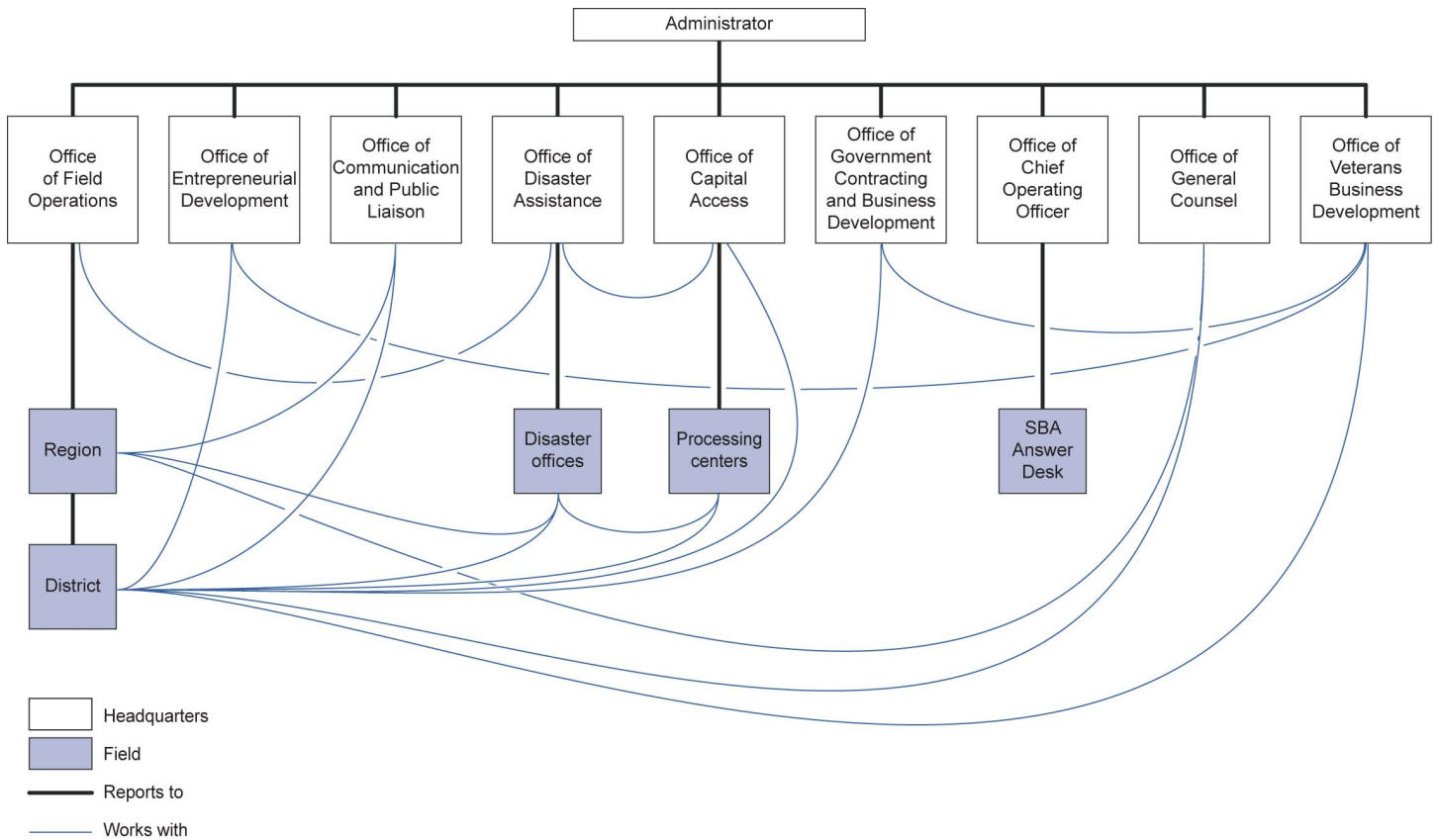
SBA's Ongoing Organizational Challenges Have Affected Program Oversight and Human Capital

SBA continues to face program oversight and human capital challenges related to its organizational structure. In a January 2003 report on SBA's management challenges, we found that SBA's organizational structure created complex overlapping relationships among offices that contributed to challenges in delivering services to small businesses.¹⁰ In 2004, SBA centralized its loan functions by moving responsibilities from district offices to loan processing centers. However, some of the complex overlapping relationships we identified in 2003 still exist (see fig. 4).¹¹ Specifically, SBA's organizational structure often results in working relationships between headquarters and field offices that differ from reporting relationships, potentially posing programmatic challenges. District officials work with program offices at SBA headquarters to implement the agency's programs but report to regional administrators, who themselves report to the Office of Field Operations. For example, the lender relations specialists in the district offices work with the Office of Capital Access at SBA headquarters to deliver programs but report to district office management. Similarly, the business opportunity specialists in the district offices work with the Office of Government Contracting and Business Development at SBA headquarters to assist small businesses with securing government contracts but report to district office management. Further, some officials have the same duties. The public affairs specialists at the district offices and the regional communications directors both handle media relations. In addition, district directors and regional administrators both are to conduct outreach to maintain partnerships with small business stakeholders such as chambers of commerce; lending institutions; economic development organizations; and federal, state, regional, and local governments. They also participate in media activities and speak at public events.

¹⁰[GAO-03-116](#).

¹¹We did not find evidence that some other organizational challenges we identified in 2003—confusion over the mission of district offices and a field structure that did not consistently match mission requirements—still exist.

Figure 4: Small Business Administration’s Headquarters and Field Organizational Relationships, April 2015



Source: GAO. | GAO-15-369

In later reports, we and others—including SBA itself—identified organizational challenges that affected SBA’s program oversight and human capital management.

- In a March 2010 report on the 8(a) business development program, we identified a breakdown in communication between SBA district offices and headquarters (due in part to the agency’s organizational structure) that resulted in inconsistencies in the way district offices delivered the program.¹² For example, in about half of the 8(a) files we

¹²GAO, *Small Business Administration: Steps Have Been Taken to Improve Administration of the 8(a) Program, but Key Controls for Continued Eligibility Need Strengthening*, GAO-10-353 (Washington, D.C.: Mar. 30, 2010).

reviewed we found that district staff did not follow the required annual review procedures for determining continued eligibility for the program. We found that the headquarters office responsible for 8(a) did not provide clear guidance to district staff. In addition, we found that confusion over roles and responsibilities led to district staff being unaware of the types and frequency of complaints across the agency on the eligibility of firms participating in the 8(a) program. As a result, district staff lacked information that could be used to help identify issues relating to program integrity. We made six recommendations that individually and collectively could improve procedures used in assessing and monitoring the continued eligibility of firms to participate and benefit from the 8(a) program. SBA agreed with the six recommendations when the report was issued. As of July 2015, SBA had taken actions responsive to four of the recommendations. Specifically, it had assessed the workload of business development specialists, updated its 8(a) regulations to include more specificity on the criteria for the continuing eligibility reviews, developed a centralized process to collect and maintain data on 8(a) firms participating in the Mentor-Protégé Program, and implemented a standard process for documenting and analyzing complaint data.¹³

- In addition, in 2013 the SBA OIG found that communication from a headquarters program office to field offices about conducting examinations for a specific program had been limited.¹⁴ The report noted that this lack of communication could have not only inhibited the

¹²Under the Mentor-Protégé Program, experienced firms mentor 8(a) firms to enhance the capabilities of the protégé, provide various forms of business developmental assistance, and improve the protégé's ability to successfully compete for contracts. The two remaining recommendations yet to be fully implemented as of July 2015 focus on (1) procedures to ensure that appropriate actions are taken for firms subject to early graduation from the program and (2) taking actions against firms that fail to submit required documentation. We maintain that these recommendations continue to have merit and should be fully implemented.

¹³Under the Mentor-Protégé Program, experienced firms mentor 8(a) firms to enhance the capabilities of the protégé, provide various forms of business developmental assistance, and improve the protégé's ability to successfully compete for contracts. The two remaining recommendations yet to be fully implemented as of July 2015 focus on (1) procedures to ensure that appropriate actions are taken for firms subject to early graduation from the program and (2) taking actions against firms that fail to submit required documentation. We maintain that these recommendations continue to have merit and should be fully implemented.

¹⁴Small Business Administration, Office of Inspector General, *Improved Examination Quality Can Strengthen SBA's Oversight of Small Business Investment Companies*, Report No.13-22 (Washington, D.C.: Sept. 30, 2013). The staff who conduct these examinations are program office officials assigned to regional offices.

sharing of crucial information but also caused inconsistencies in the examinations across field offices. It concluded that these weaknesses in the examination process had diminished the agency's ability to identify regulator violations and other noncompliance issues in the operation of the program. The OIG recommended that SBA create and execute a plan to improve the internal operations of the examination function, including a plan for better communication. Although SBA disagreed with the recommendation, the agency issued examination guidelines that in 2015 the OIG deemed satisfactory to close the recommendation.

- In documentation requesting fiscal years 2012 and 2014 Voluntary Early Retirement Authority and Voluntary Separation Incentive Payments (VERA/VSIP) programs, SBA said that long-standing skill gaps (primarily in field offices) that had resulted from the 2004 centralization of the loan processing function still existed.¹⁵ SBA determined that its organizational changes had resulted in a programmatic challenge because employees hired for a former mission did not have the skills to meet the new mission. Specifically, before the centralization field offices had primarily needed staff with a financial background to process individual loans. But the new mission required staff who could conduct small business counseling, develop socially and economically disadvantaged businesses and perform annual financial reviews of them, engage with lenders, and conduct outreach to small businesses.

SBA's Assessment of Its Organizational Structure Is Ongoing

While it has made incremental (piecemeal) changes, SBA has not documented an organizational assessment that it first planned to undertake in 2012. According to federal internal control standards, organizational structure affects the agency's control environment by providing management's framework for planning, directing, and controlling operations to achieve agency objectives.¹⁶ A good internal control environment requires that the agency's organizational structure clearly define key areas of authority and responsibility and establish appropriate lines of reporting. Further, internal control guidance suggests

¹⁵The Office of Personnel Management administers VERA/VSIP programs, which give agencies the authority to offer employees voluntary early retirement or a lump sum payment, respectively, for voluntary separation when the agency is in the process of restructuring or downsizing.

¹⁶[GAO/AIMD-00-21.3.1](#).

that management periodically evaluate the organizational structure and make changes as necessary in response to changing conditions.¹⁷ Since its last major reorganization in 2004, SBA has seen significant changes, including decreases in budget and an increase in the number of employees eligible to retire.

Despite the organizational and managerial challenges it has faced, SBA's changes to its organizational structure since fiscal year 2005 have been incremental and largely involved program offices at headquarters rather than field offices where we and others have identified many of the organizational challenges. For example, SBA reestablished its Office of the Chief Operating Officer to improve efficiency and restructured the Office of Human Capital Management in response to significant turnover. In addition, following a review of all position descriptions, the Office of Field Operations revamped district office positions to ensure that the positions aligned with SBA's and its district offices' strategic plans. No changes to the regional offices were made during the last 10 years. For more information on changes that SBA has made to its organizational structure since fiscal year 2005, see appendix II.

In 2012, the agency committed to assessing and revising its organizational structure to meet current and future SBA mission objectives.¹⁸ However, the contractor that SBA hired to assess its organizational structure did not begin its assessment until November 2014. SBA officials told us that the effort was delayed because in February 2013 SBA's Administrator announced she was leaving the agency and the position was vacant from August 2013 until April 2014. In August 2015, SBA officials told us that after the new administrator reviewed business delivery models and became acclimated to the agency, the agency procured a contractor and work began on the organizational assessment in November 2014. According to the statement of work, the contractor was to assist the chief human capital officer by making recommendations on an agency-wide realignment to improve service delivery models, modernize systems and processes, and realign personnel, among other things. SBA officials told us the contractor

¹⁷GAO, *Internal Control Management and Evaluation Tool*, [GAO-01-1008G](#) (Washington, D.C.: August 2001).

¹⁸SBA committed to revising its organizational structure in its Strategic Human Capital Plan for fiscal years 2013-2016.

completed its assessment in March 2015 and that SBA had completed its assessment of the contractor's work. However, SBA has not provided documentation that shows when the assessment was completed or that describes the results.

Instead of conducting its planned assessment and subsequent reorganization when initially scheduled, SBA used two VERA/VSIP programs to attempt to address workforce challenges, including those related to field offices, resulting from the 2004 reorganization. As noted previously, SBA had identified ongoing skill gaps resulting from the 2004 centralization of the loan processing function. These gaps were primarily in district offices, which are supervised by regional offices. SBA determined that this organizational change had resulted in a gap between the competency mix of the employees who had been hired for one mission (loan processing) and the competency mix needed to accomplish a new mission (business development, lender relations, and outreach). SBA noted that the skill gap was particularly pronounced among 480 employees in two job series—GS-1101 and GS-1102—that included business opportunity specialists, economic development specialists, and procurement staff. In addition, SBA stated that the skill gap had been compounded by recent changes in job requirements and new initiatives that required new skill sets for its employees.¹⁹

SBA's plans in the aftermath of the fiscal year 2014 VERA/VSIP program include restructuring that would address the skill gaps. Specifically, an October 2014 guidance memorandum on staffing the agency-wide vacancies after the fiscal year 2014 VERA/VSIP stated that an Administrator's Executive Steering Committee for SBA's Restructuring

¹⁹For example, the National Defense Authorization Act for Fiscal Year 2014 now requires business opportunity specialists to obtain federal acquisition certification in contracting as a prerequisite for employment. SBA stated that although it had worked with its business opportunity specialists to ensure that they had proper training and preparation for certification, a number of its current employees might not be able to pass the certification test. In addition, other job titles within the 1101 series have similar new job requirements, such as being able to address new risk compliance issues in SBA's lender oversight function. SBA said that it anticipated that many employees would be motivated to take on these new challenges but that employees in the GS-1101 and GS-1102 series had found it difficult to accept changes or major shifts in their duties and responsibilities.

would make decisions about restructuring.²⁰ The memorandum also stated that the chief human capital officer had been tasked with identifying vacant FTEs for new positions that would support any new functions or initiatives envisioned by the administrator’s restructuring efforts. For example, the memorandum noted that 82 of the 147 vacancies would be used to support the restructuring, but did not include details of how these positions would be allocated among program offices. The memorandum added that the remaining 65 vacancies would remain in their respective program offices and that the position descriptions would be modified or positions relocated to meet internal needs. According to SBA, options for restructuring and related hiring were still being considered as of May 2015.

We also report on these issues in a related, soon-to-be-released report on SBA’s management and make recommendations as appropriate.

Regional Offices Have Specific Supervisory and Communications Responsibilities

Regional Offices Supervise the District Offices

Regional administrators supervise and evaluate the district offices within their regions. For example, they help to ensure that the district offices within their boundaries are consistently meeting agency goals and objectives. Field office performance is tracked and assessed by goals, measures, and metrics reports and is largely driven by district office performance. SBA headquarters officials, in consultation with regional and district officials, set the goals and measures for the district offices in part on the basis of a “capacity planner” that considers the number of staff

²⁰The committee is composed of the Associate Administrators and Deputy Associate Administrators of the Offices of Field Operations, Capital Access, Government Contracting and Business Development, and Entrepreneurial Development; the Associate Administrator for the Office of Diversity, Inclusion, and Civil Rights; the Chief Financial Officer and Deputy Chief Financial Officer; the Chief Operating Officer; and the Chief Human Capital Officer.

and their positions. Regional office goals are generally the combined goals for the district offices within the region.²¹ The six goals are:

- protecting public funds and ensuring regulatory compliance;
- supporting lending to small businesses;
- expanding contracting to small businesses;
- supporting small business training and counseling;
- providing outreach to high-growth and underserved communities; and
- serving as a voice for the small business community.

Under these goals are a total of 54 measures that cover specific areas. For example, “maintain and increase active lending” and “expand lender participation through direct outreach” are measures under the goal “supporting lending to small businesses.” According to SBA, 6 of the 10 regions met or exceeded all of their goals in fiscal year 2014.²²

Further, regional administrators are the interface between the district offices and SBA headquarters, overseeing staff across their regions. In particular, they supervise and provide direction to the district directors in their region, who report directly to them. The regional administrators are to meet with district directors quarterly to evaluate progress on meeting critical elements tied to their job descriptions. In addition, according to officials regional administrators may assign district directors tasks to help create a team effort within the region—for example, to explain new legislation that affects small businesses or to focus on alternative financing.

Regional Offices Are Responsible for Internal and External Communications

Officials we interviewed cited a number of internal communication channels that involved the regional offices. In general, regional administrators help to facilitate communication between headquarters and district offices, specifically concerning program implementation, and serve as the regional points of contact for the Office of Field Operations. As

²¹In addition to overseeing district office performance, regional administrators also have individual performance measures that they are evaluated on which are (1) development and implementation of a regional strategic plan; (2) support of district offices; (3) organizational representation, marketing, and outreach; (4) serving as a high-profile resource for the agency and the administration; and (5) leadership and management.

²²One region completed 96 percent of one type of program renewal submission. Two regions completed 97 percent and 95 percent, respectively, of their goals for publishing small business success stories. One region completed 78 percent of its goal for conducting contracting training events.

SBA develops proposals for new initiatives, the agency convenes panels that include field officials and are often led by regional administrators. SBA officials cited a panel that was looking at upgrading technology in district offices as an example of a panel that was co-chaired by a regional administrator.

In addition, program changes are typically communicated to the Office of Field Operations, which then talks to the regional administrators to get input on how the changes could affect the field offices. Office of Field Operations officials said that they hold a weekly conference call with all 10 regional administrators. If a program is being changed or a new initiative introduced, a manager from the relevant program office would participate in this meeting to provide the information to the regional administrators. The regional administrators share best practices for carrying out their role during these meetings. The regional administrators also told us that they had weekly calls with district office management for their region to discuss agency initiatives and obtain input. Finally, during an annual management conference regional administrators meet with each SBA division to discuss how to implement the programs in the field.²³

Most of the 60 officials we interviewed from the Office of Field Operations and regional and district offices thought that internal communication was effective and sufficient.²⁴ Senior officials from the Office of Field Operations said that the presence of regional offices enhanced agency communication. All 10 regional administrators pointed to regular communication that occurs between headquarters and the field. For example, one regional administrator noted that having a field office structure fostered effective communication. Fourteen of 19 district managers emphasized that communication within the agency was seamless and that, in addition to scheduled calls and meetings, they communicated with program offices during the course of their work. Twelve of the 28 nonmanagement staff noted that communication was effective and sufficient.

²³According to officials who attended the annual management conference, leadership from headquarters and the field convened for team building and to receive information on the work of the program offices.

²⁴We use district officials to refer to both management and nonmanagement staff.

However, 5 of the 28 district office nonmanagement staff and 3 of the 19 managers who we interviewed expressed concerns about communication between headquarters and field offices.²⁵ For example, one district official said that communication was inconsistent and that at times industry officials might know about a program change before district staff had been informed. Another district official said that communications came from too many different sources. For example, program changes were not always consistently communicated to the field offices, and such information could come from the Office of General Counsel instead of a program office. We and the SBA OIG have identified communication challenges that affected program oversight and made recommendations to address these challenges (as discussed earlier in this report).

Externally, regional officials are responsible for interpreting, supporting, and communicating the President's and SBA Administrator's policies as well as for setting regional priorities. Each regional office has a regional communications director tasked with coordinating SBA's marketing, communications, and public affairs functions throughout the assigned area. According to SBA, this responsibility includes authorizing all outgoing communication within the region to avoid duplication in communication duties conducted by district offices. Regional administrators attend public speaking engagements, are involved in press activities, and conduct outreach and coordination with small business partners and government officials. Regional administrators also regularly work with representatives from local and state governments and collaborate with economic development departments to help promote SBA's products and services. In addition, they help manage interagency relations and maintain relationships with industry representatives and suppliers, including in geographic areas that may have unique small business needs.

²⁵Eleven nonmanagement staff and two managers did not offer an opinion on the effectiveness and sufficiency of communication.

Closing Regional Offices Would Have a Limited Effect on SBA's Budget, but the Impact on Operations Is Less Clear

Because regional office costs represent a relatively small part of SBA's overall costs, closing them would have a limited budgetary effect. However, according to SBA officials closing these offices could cause nonbudgetary challenges such as difficulties in providing supervision to 68 district offices and broadcasting the President's and SBA administrator's message. If such closures were to occur, other options exist that could help ensure that these functions are performed effectively. However, it would be important to assess the feasibility of these options and weigh the related costs and benefits before deciding on a course of action.

Regional Office Costs Are a Relatively Small Part of SBA's Budget

In fiscal year 2013, SBA's costs for the regional offices totaled slightly more than \$4.7 million. Given that these costs constituted less than 1 percent of SBA's approximately \$1 billion appropriation for that year, closing the regional offices would have a limited budgetary effect. The bulk of regional office costs went to compensation and benefits, which totaled \$4.5 million in fiscal year 2013. Other administrative costs for the 10 regional offices totaled just \$234,539, with individual office budgets ranging from \$11,771 to \$36,692. According to officials, these funds were spent on travel, equipment, and office supplies. All 10 regional offices are co-located with district offices, so they are not incurring separate rental costs. Further, because (as noted previously) each regional office generally has five employees or fewer, they are not materially affecting district office rental costs.

Closing Regional Offices Could Impact SBA Operations

Over half of the headquarters (Office of Field Operations), regional, and district office managers (18 of 32) we interviewed cited challenges that could result if regional offices were to close and their functions were transferred to headquarters and district offices, but a few nonmanagement staff (6 of the 28) offered different views. The challenges managers cited were related to oversight, workload, advocacy, and outreach.

First, as mentioned earlier, regional administrators supervise and evaluate the performance of the district offices, responsibilities that would likely have to be transferred to headquarters. The 10 regional administrators oversee between 4 and 10 district offices each. Fifteen headquarters, regional, and district managers we interviewed said that without regional supervision, all 68 district directors would likely report to two senior officials in the Office of Field Operations. Eight of these officials said that it would be difficult for these two individuals to manage

all 68 districts and to understand the economic, political, and other nuances of each district.

Second, four regional and district managers we interviewed noted that one of the regional administrators' responsibilities was to help "even out" the workload among district offices to ensure that the offices could continue to carry out their responsibilities even with critical vacancies. For example, regional administrators can request that a lender relations specialist in one district office take on additional duties to help another district office that has lost staff. Thus, the managers were concerned that without regional offices, district offices would be challenged to address such workload issues.

Third, according to six district managers, the district offices would lose their advocates for resources if the regional offices closed. For instance, regional administrators identify training and staffing needs across the region and emphasize these issues during their interactions with the Office of Field Operations. Officials we interviewed also noted that without regional offices, SBA would lose its knowledge of regional needs, which headquarters and district offices might not have. These officials stated that regional administrators had a broad view of the district offices in their regions and could see differences and similarities among offices. For example, a district official noted that a regional administrator might be aware of a specific issue within a particular district office, see the similarities with the challenges of another district office, and develop a solution.

Fourth, six headquarters, regional, and district managers we interviewed said that SBA would experience challenges in promoting SBA's message without the regional offices. Thirteen headquarters, regional, and district officials emphasized that as political appointees, regional administrators played a greater role than district directors, who are career officials, in explaining and amplifying the President's and SBA Administrator's

message and priorities.²⁶ For example, officials cited the role of regional administrators in informing small businesses, during the time when the Patient Protection and Affordable Care Act was pending, of how the bill might affect them.²⁷

Conversely, six nonmanagement district staff we interviewed and union officials told us that they did not see a particular need for the regional offices. Three district officials said that they could coordinate directly with headquarters instead of coordinating with the regional offices. One of these district officials noted that SBA would be more efficient if the functions of the regional and district offices were consolidated. Another of these district officials could not identify the impact of the regional offices, despite the regional administrators' stated roles in providing guidance and supervision. In addition, union officials stated that the outreach

²⁶SBA regional administrator appointments are so-called "Schedule C" appointments. According to the *United States Government Policy and Supporting Positions* (commonly known as the Plum Book), "Schedule C" appointments are excepted from the competitive Civil Service because of their confidential or policy-determining character. See U.S. House of Representatives, Committee on Oversight and Government Reform, *United States Government Policy and Supporting Positions* (Washington, D.C.: 2012). Schedule C appointees either make or approve substantive policy recommendations or their work "can be performed successfully only by someone with a thorough knowledge of and sympathy with the goals, priorities, and preferences of an official who has a confidential or policy determining relationship with the President or the agency head." *Id.* at p. 203. Because of the confidential or policy-determining nature of Schedule C positions, such officials serve at the pleasure of the appointing authority (usually the agency head) and may be removed at any time.

²⁷We note that certain types of agency communications advocating for or against pending legislation—whether by political or career officials—are subject to anti-lobbying restrictions such as section 715 of the Financial Services and General Government Appropriations Act, 2015. Pub. L. No. 113-235, div. E, title VII §715, 128 Stat. 2130, 2382-83 (2014). Among other things, section 715 prohibits executive branch agencies from using appropriated funds for "the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before Congress, except in presentation to the Congress itself." GAO has interpreted similar language as prohibiting the use of appropriated funds for indirect or "grassroots" lobbying—that is, soliciting others to lobby Congress—to support or oppose pending legislation. See GAO, *Department of Housing and Urban Development—Anti-Lobbying Provisions*, B-325248 (Washington, D.C.: Sept. 9, 2014). (Access at <http://www.gao.gov/products/D08772>.) As we explained there, while agency officials have broad authority to educate the public on their policies and views, including the authority to be persuasive in their materials, they may not appeal to the public to contact Members of Congress in support of, or in opposition to, pending legislation. SBA has stated that none of its employees—whether career or political—is authorized or encouraged to engage in grassroots lobbying.

responsibilities of the district directors and regional administrators were duplicative, pointing out that both regional and district officials did outreach to small businesses in their communities.²⁸ However, as noted previously regional communications directors are expected to authorize all outgoing communication within the region to avoid duplication.

We recognize that the regional administrators and other staff in the regional offices provide a number of services for SBA. However, if closures were to occur, there are options available to address these challenges. For example, one option could involve adding career senior officials to the Office of Field Operations to address the challenge of overseeing the 68 district offices. In addition, to address the challenge of the potential loss of flexibility in managing district office workloads, district directors could coordinate with each other to help distribute the workload among their offices. Alternatively, this responsibility could be assigned to the Office of Field Operations. An option to address the challenge associated with the loss of regional administrators as advocates would be having district directors collaborate to identify the needs of the various offices and advocate directly to the Office of Field Operations. However, before deciding on whether regional offices should be closed or selecting an alternative option, it is important to carefully assess the feasibility of these options as well as any others and to weigh the costs and benefits associated with available options and closure of the regional offices.

Agency Comments and Our Evaluation

We sent a draft of this report to SBA for review and comment. SBA provided technical comments that we incorporated into the report as appropriate. As part of these comments and in response to a GAO point that certain types of statement constitute prohibited “grassroots” lobbying, SBA clarified that “[n]o SBA employee, whether career or political, is authorized or encouraged to ‘grassroot’ lobby ... to support or oppose pending legislation.” We modified our draft report to take into account SBA’s clarification.

²⁸District directors often act in regional administrators’ stead because of turnover in the regional administrator position due in part to changes in presidential administrations. During the 10-year period (2005 to 2014) that we reviewed for this report, SBA had four administrators, and five regional offices had five or more regional administrators. Regional administrators served terms ranging from 4 months to over 7 years (the average was 3 years). In 10 instances from 2005 to 2014, district directors served as acting regional administrators for terms of up to about 4 years.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to SBA and appropriate congressional committees. This report also will be available at no charge on our website at <http://www.gao.gov>.

If you or your staffs have any questions about this report, please contact me at (202) 512-8678 or shearw@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix III.



William B. Shear
Director, Financial Markets and
Community Investment

Appendix I: Objectives, Scope, and Methodology

This report (1) examines any challenges associated with the Small Business Administration's (SBA) organizational structure; (2) describes the specific responsibilities of the regional offices; and (3) discusses the budgetary effects of closing the regional offices and SBA managers' and staff's views on other possible effects of closures.

For the background, we analyzed data on staffing levels at headquarters, regional, and district offices from fiscal years 2003 through 2014 (to include staffing levels prior to and after SBA's last major reorganization in 2004). To assess the reliability of these data, we interviewed SBA officials from the Office of Human Resource Solutions to gather information on the completeness and accuracy of the full-time equivalent database and examined the data for logical inconsistencies and completeness. We determined that the data were sufficiently reliable for the purposes of reporting on staffing levels.

For all objectives, we interviewed SBA headquarters officials in the Office of Field Operations, the 10 regional administrators, management and nonmanagement staff at 10 district offices, and union representatives. Specifically, to obtain perspectives from SBA district office officials, we selected a nonrandom, purposive sample of 10 of the 68 district offices, 1 from each SBA region to provide national coverage.¹ We randomly selected 7 of the 10 district offices from those offices located within the continental United States. We selected the Washington, D.C., and Georgia district offices to pre-test our interview questions because of proximity to GAO offices. We selected the New York district office to include an additional large office to better ensure a variety of offices with both a larger and smaller number of employees. During our visit to 9 of the 10 district offices, we interviewed the office managers (district directors and deputy district directors). At the remaining district office, the deputy district director could not attend the meeting. For our interviews with nonmanagement staff at the 10 district offices, district office management invited any interested nonmanagement staff to meet with us. However, as a condition of meeting with nonmanagement staff, SBA's general counsel required inclusion of district counsel in these interviews. Of the approximately 120 nonmanagement district staff members invited

¹The 10 SBA district offices we interviewed were selected randomly or based on office size and proximity to GAO staff. They are located in Atlanta, Georgia; Boise, Idaho; Boston, Massachusetts; Denver, Colorado; Detroit, Michigan; Fresno, California; New Orleans, Louisiana; New York City, New York; Omaha, Nebraska; and Washington, D.C.

to speak with us, 28 participated in the interviews.² We generally met with the participating staff as a group. Because participation by nonmanagement staff members was limited, we provided them an additional opportunity to share their perspectives via e-mail. Specifically, we sent an e-mail to all nonmanagement staff at those 10 district offices, inviting them to share their thoughts on specific topics by sending an e-mail to a specified GAO e-mail address. Nine staff members from 6 of these offices responded to our e-mail, three of whom also attended our interviews. The e-mails were used as additional information sources and to corroborate what we heard in the interviews. The results of our interactions with the 10 district offices cannot be generalized to other SBA district offices. The group of union representatives we interviewed was from headquarters and the field.³ In conducting this review, we focused on the role of regional offices. A related, soon-to-be-released GAO report addresses a range of SBA management issues.

To review SBA's organizational structure, we reviewed prior GAO and SBA Inspector General reports that discussed, among other things, the effect of the agency's structure on its human capital management and program oversight. We also examined documentation on changes to SBA's organizational structure from fiscal year 2005 to 2014 (the period after SBA's last major reorganization in 2004). Specifically, we requested and reviewed all of the forms that SBA used to document organizational changes that were approved during this period. We also reviewed documentation on SBA's planned efforts to assess its organizational structure—including its *Strategic Human Capital Plan Fiscal Years 2013-2016*, guidance implementing its fiscal year 2014 Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Payments (VSIP) programs, and the statement of work for a contractor's assessment of organizational structure—and compared these plans to federal internal control standards.⁴

²At 4 of the 10 offices, no staff participated in the interview.

³We contacted the union President, and she invited various union representatives.

⁴The Office of Personnel Management administers VERA/VSIP programs, which give agencies the authority to offer employees voluntary early retirement or a lump sum payment for voluntary separation when the agency is in the process of restructuring or downsizing. GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: November 1999).

To determine the specific responsibilities of the regional offices, we reviewed position descriptions for the regional administrator and regional communications director, and compared them to the position descriptions for the district director and public affairs specialist. In addition, we interviewed officials at headquarters, regional, and district offices. We also analyzed data on the 10 regional offices from the field office goals, measures, and metrics reports from fiscal year 2014 (the most currently available data). To assess the reliability of these data, we reviewed the goals, measures, and metric reports for outliers and interviewed officials from the Office of Field Operations to obtain information on the completeness and accuracy of the database. We determined that the data were sufficiently reliable for the purpose of reporting on field performance.

To determine how closing SBA's regional offices could affect SBA, we analyzed fiscal year 2013 operating budgets and compensation and benefits data for the regional offices. SBA had to create a report that separated regional costs from other field office costs, and fiscal year 2013 data were the most recent data available at the time they generated the report. To assess the reliability of these data, we examined the data for logical inconsistencies and completeness and reviewed documentation on the agency's financial system. We also interviewed officials from the Office of the Chief Financial Officer to gather information on the completeness and accuracy of the budget database. We determined that the data were sufficiently reliable for the purpose of reporting on SBA's regional office costs. Additionally, we reviewed documentation on the tenure of regional administrators and acting regional administrators from fiscal years 2005 through 2014 to determine turnover. We also interviewed SBA officials about the costs of operating the regional offices and the potential effects of transferring the responsibilities of the regional offices to the district offices.

We conducted our work from June 2014 through September 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Examples of Changes to the Small Business Administration's Organizational Structure in Fiscal Years 2005 through 2014

The Small Business Administration (SBA) made a number of incremental (piecemeal) changes to its organizational structure in fiscal years 2005-2014, as illustrated by the following examples.

- In 2007, SBA reorganized five program offices and four administrative support functions in order to clearly delineate reporting levels, among other things.¹ The agency also eliminated the Chief Operating Officer as a separate office and integrated its functions into the Office of the Administrator.
- In 2008, the Office of Equal Employment Opportunity and Civil Rights Compliance began reporting directly to the Associate Administrator for Management and Administration to facilitate better oversight, planning, coordination, and budgeting for all of the agency's administrative management operations.²
- In 2010, SBA consolidated financial management by moving its procurement function to the Office of the Chief Financial Officer and transferring day-to-day procurement operations from headquarters to the agency's Denver Finance Center. This change was intended to improve the efficiency and effectiveness of SBA's acquisition programs.
- In 2011, SBA restructured the Office of Human Capital Management in response to significant turnover that had a serious effect on the level and scope of services. The reorganization streamlined the office, which was renamed the Office of Human Resources Solutions, by reducing the number of branches and divisions.
- In 2012, new offices were created in the Office of Capital Access to respond to, among other things, growth in small business lending programs and increased servicing and oversight responsibilities

¹The Offices of Entrepreneurial Development, Government Contracting and Business Development, Capital Access, Disaster Assistance, and Field Operations became equivalent organizational units, each with an Associate Administrator. (The Offices of Disaster Assistance and Field Operations previously were not denoted as major program offices, although they contained over half of SBA's staff.) The Offices of Management and Administration, Chief Information Officer, Chief Financial Officer, and General Counsel were grouped together to reflect the broad administrative support they provided.

²The Office of Equal Employment Opportunity and Civil Rights Compliance previously reported to the Chief of Staff in the Office of the Administrator.

following the 2007-2009 financial crisis.³ The changes sought to help the agency become a better partner with lending institutions and nonprofit financial organizations to increase access to capital for small businesses.

- In 2012, SBA established a new headquarters unit within the Office of Government Contracting and Business Development and made it responsible for processing the continued eligibility portion of the annual review required for participants in the 8(a) program.⁴ Prior to this change, district officials, who are also responsible for providing business development assistance to 8(a) firms, were tasked with conducting exams of continued eligibility. While district officials have continued to perform other components of the annual review, shifting the responsibility for processing continued eligibility to headquarters was designed to eliminate the conflict of interest for district officials associated with performing both assistance and oversight roles.
- In 2012, the Office of Field Operations revamped field office operations following a 2010 review of all position descriptions to ensure that they aligned with SBA's strategic plan and its district office strategic plans. Many position descriptions were rewritten, although there were no changes in grade or series. Before the review, district offices had two principal program delivery positions—lender relations specialist and business development specialist. As a result of the review, descriptions for both positions were rewritten, and the business development specialist position became two—economic development specialist and business opportunity specialist. The skills and competencies for the new position descriptions focused on the change in the district offices' function from loan processing to compliance and community outreach in an effort to address skill gaps. As a result, staff were retrained for the rewritten positions.
- In 2013, SBA reestablished the Office of the Chief Operating Officer (formerly the Office of Management and Administration) to improve operating efficiency.⁵ Among other things, this change transferred

³Among other things, SBA established the Offices of Economic Opportunity and Performance and System Management within the Office of Capital Access, and created a second Deputy Associate Administrator position to be held by a career employee to help ensure a greater level of continuity during transitional periods.

⁴The Small Business Act requires SBA to conduct exams of initial and continued eligibility of 8(a) program participants.

⁵In 2007, SBA had eliminated the Office of the Chief Operating Officer and made the Offices of Management and Administration and Chief Information Officer equivalent offices.

**Appendix II: Examples of Changes to the Small
Business Administration's Organizational
Structure in Fiscal Years 2005 through 2014**

Office of Management and Administration staff to the reestablished office, along with the Office of the Chief Information Officer and the Office of Disaster Planning, which saw its mission expanded to include enterprise risk management.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

William B. Shear, (202) 512-8678 or shearw@gao.gov

Staff Acknowledgments

In addition to the contact named above, A. Paige Smith (Assistant Director), Meredith P. Graves (Analyst-in-Charge), Jerry Ambroise, Emily Chalmers, Pamela Davidson, Carol Henn, John McGrail, Marc Molino, Erika Navarro, William Reinsberg, Deena Richart, Gloria Ross, and Jena Sinkfield made key contributions to this report.

Appendix IV: Accessible Data

Data Tables for Charts

**Data Table for Figure 3: Small Business Administration (SBA) Full-time Equivalents,
Fiscal Years 2003-2014**

Year	Headquarters	Regional	District
2003"	1154	27	1283
2004"	1146	30	769
2005"	1084	31	1069
2006"	1089	31	987
2007"	1221	29	871
2008"	1291	29	886
2009"	1429	25	867
2010"	1382	27	861
2011"	1436	27	861
2012"	1461	28	736
2013"	1495	27	804
2014"	1429	31	771

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