



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF INSPECTOR GENERAL

THE INSPECTOR GENERAL

November 3, 2014

The Honorable Maria Cantwell  
Chair, Committee on  
Small Business & Entrepreneurship  
United States Senate  
428A Russell Senate Office Building  
Washington, D.C. 20510

The Honorable James E. Risch  
Ranking Member, Committee on  
Small Business & Entrepreneurship  
United States Senate  
428A Russell Senate Office Building  
Washington, D.C. 20510

Dear Chairwoman Cantwell and Ranking Member Risch:

As you know, the National Defense Authorization Act for Fiscal Year 2012 reauthorized the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR) programs. Section 5143(c) of the statute 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. The U.S. Department of Education (ED) participates in the SBIR program; however, it 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 the ED Office of Inspector General (OIG) for the SBIR program covering fiscal year (FY) 2014. ED SBIR program staff reported that its total funding in FY 2014 was approximately \$10.3 million. As ED administers about 120 programs and disburses more than \$317 billion each year, the SBIR is a relatively small program within ED.

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

For FY 2014, no 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.*

OIG conducted training sessions aimed at assisting SBIR grant recipients in identifying and addressing fraud, waste, and abuse involving the SBIR program and trained ED's National Institute on Disability and Rehabilitation Research SBIR program manager as well; however, those trainings took place after the close of FY 2014. As such, we will report the costs related to that training in our FY 2015 SBIR report.

We will track and follow up on any allegations or complaints we receive involving ED's SBIR program and will be certain to relate 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,



Kathleen S. Tighe  
Inspector General

cc: The Honorable Arne Duncan, Secretary, U.S. Department of Education