

Payment Integrity Scorecard

Program or Activity
Economic Injury Disaster Loan Emergency Assistance (Advance)

Reporting Period
Q3 2023

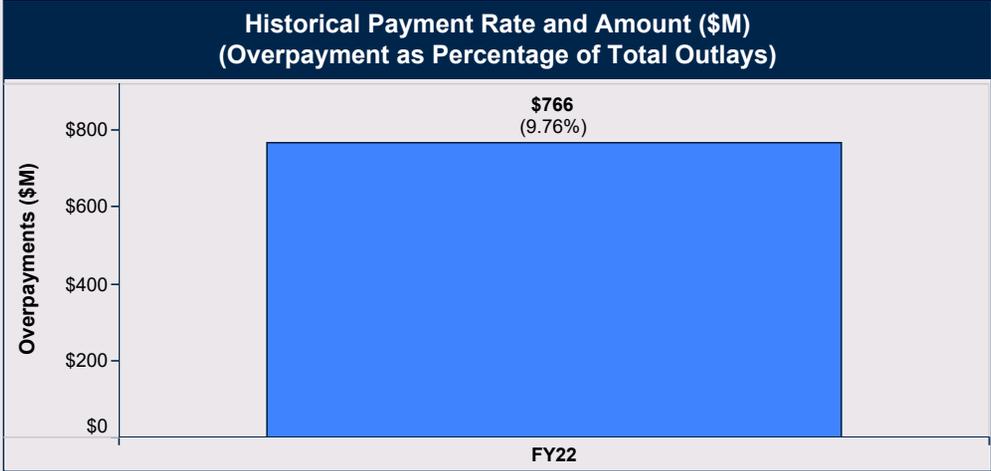
FY 2022 Overpayment Amount (\$M)* **\$766**

*Estimate based a sampling time frame starting 4/2021 and ending 3/2022

SBA SBA
Economic Injury Disaster Loan Emergency Assistance (Advance)

Brief Program Description & summary of overpayment causes and barriers to prevention:

The COVID -19 Advance was a program which provided funding to help small business recover from the economic impact of the COVID -19 pandemic. COVID -19 EIDL funds could be used to cover working capital and other normal operating expenses. As of January 1, 2022, SBA stopped accepting applications for new Advances. As of May 6, 2022, SBA was no longer processing COVID -19 EIDL increase requests or requests for reconsideration of previously declined loan applications. As of May 16, 2022, the COVID-19 EIDL portal was closed. Advances are similar to grants (without the typical requirements for grants) and are not required to be repaid.



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

As of January 1, 2022, SBA stopped accepting applications for new Advances. As of May 6, 2022, SBA was no longer processing COVID -19 EIDL increase requests or requests for reconsideration of previously declined loan applications. As of May 16, 2022, the COVID-19 EIDL portal was closed. Currently SBA is only performing re-issuance of funds obligated by the end of 2022 for Advances that were not deliverable due to technical issue such as incorrect routing number or bank accounts numbers. Eligibility for these advances was determined in FY2022. Since there is no additional funding no further training or corrective actions are being performed, SBA is currently auditing and drafting a response to OIG Report 22-01: SBA's Emergency EIDL Grants to Sole Proprietors and Independent Contractors.

Accomplishments in Reducing Overpayment		Date
1	Agency continues to close out the Advance Program by completing re issuance described in 4b above.	Jun-23
2	Completed re-issuance of funds obligated prior to January 1, 2022. These are obligated funds that were rejected due to technical issues such as incorrect routing number or bank account information.	Jun-23
3	Estimated improper payment rate is expected to be in compliance with PIIA requirements.	Jun-23

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Goals towards Reducing Overpayments	Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 As of January 1, 2022, SBA stopped accepting applications for new Advances. As of May 6, 2022, SBA was no longer processing COVID -19 EIDL increase requests or requests for reconsideration of previously declined loan applications. As of May 16, 2022, the COVID-19 EIDL portal was closed. To complete improper payment reporting requirements for the Advance Program, SBA will continue to identify root cause(s) and complete corrective actions as required.	On-Track	Sep-23	1 Recovery Activity	SBA is currently performing an audit to recover payments disbursed in excess of policy allowance. SBA continues collection efforts on COVID Advance to recover overpayments.	SBA is currently addressing OIG Audit 22-01.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$766M	Overpayments within agency control that occurred because of an Inability to Access the Data/Information Needed.	Primary Root cause for the Advance Program is Statutory Requirements Were Not Met. Lacking documentation regarding ownership of business. Lack of evidence to support citizenship/qualified alien status. Lack of evidence business was in a low-income area.	Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Currently SBA is only performing re-issuance of funds obligated by the end of 2022 for Advances that were not deliverable due to technical issues. Eligibility for these advances was determined in FY2022. There is no additional funding no further training or corrective action