Agency Priority Goal Action Plan

Reduce Loan Processing Time for Disaster Survivors

Goal Leaders:

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Fiscal Year 2019, Quarter 4

Overview

Goal Statement

- o Increase the speed of loan application processing for survivors recovering from disasters. By September 30, 2019, increase the average number of loan applications processed from three to six applications per loan specialist per day

Challenge

- o As the volume of disaster loan application activity increases, due to large scale disasters, the SBA has been challenged by a need to increase staff to ensure that the Agency can achieve its mission to provide timely financial assistance to disaster survivors

- o As more large-scale disasters impact the United States, the SBA must be ready to respond with the resources to process more effectively and efficiently

Opportunity

- o The SBA will achieve efficiency and cost savings as a result of increasing the average number of loans processed per loan specialist per day and increase the bandwidth to respond to periods of high disaster loan activity.

Leadership

- Office of Disaster Assistance
    - Associate Administrator/Deputy Associate Administrator
    - Office of Program Policy and Evaluation (Director)
    - DCMS Operation Center (loan application processors)

Goal Structure & Strategies

o Modernize Disaster Credit Management System (DCMS) to DCMS 2.0, to increase SBA's productivity and process a greater number of disaster loan applications more effectively and efficiently

o Test and assess system improvements

o Train disaster loan processing staff on system improvements

External Factors and Mitigation Strategies

o Average daily loan productivity could fall short of the Priority Goal due to insufficient loan activity, while still outperforming the performance indicator for percent of disaster loans processed within the standard number of days.

Key Milestones

| Milestone Summary				
Key Milestone	**Milestone Due Date**	**Milestone Status**	**Owner**	**Comments**
FY19 Q4: Complete DCMS 2.0 releases monthly	9/30/19	Complete	ODA	

Summary of Progress – FY 2019 Q4

Overall Progress towards Priority Goal

- The average daily loan productivity fell short of the Priority Goal due to insufficient loan activity. The average number of loans processed per loan specialist was 3.65 as of FY 2019 Q4, which is 61% of the APG target (see charts in following slides). This low average stems from the decreased volume of disaster activity in FY 2019.

- In Q4, the SBA approved $2.2 billion in loans, which is 216% less than the same time last year. However, the SBA was able to meet the Priority Goal for individual disasters; sufficient loan activity was observed for the California wildfires (11/2018 – 01/2019) with an average of 6.00 loans processed per loan specialist and Midwest floods (07/2019) with an average of 6.09 loans processed per loan specialist.

- In Q4, the average number of days (8.75) to process loan applications was nearly half the rate in FY 2018.

- In FY 2019, the SBA processed 81,676 home and 13,950 business applications (totaling 95,626) and worked on a total of 280 active disaster assistance declarations.

- The SBA conducted bi-annual Disaster Media Training June 11 – 13, 2019.

- The SBA completed LV 2.0 application pilot and DCMS 2.0 reached full operating capability on June 30, 2019.
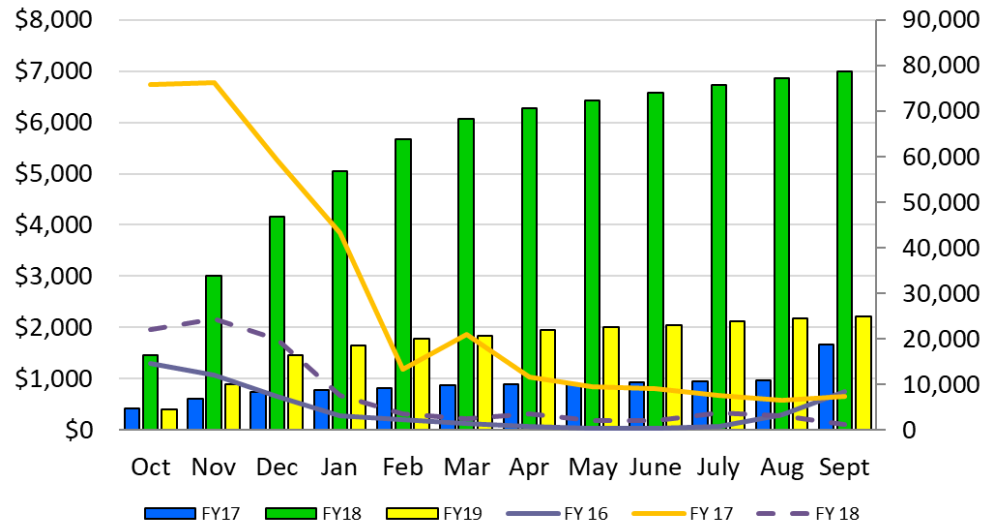
Key Indicators

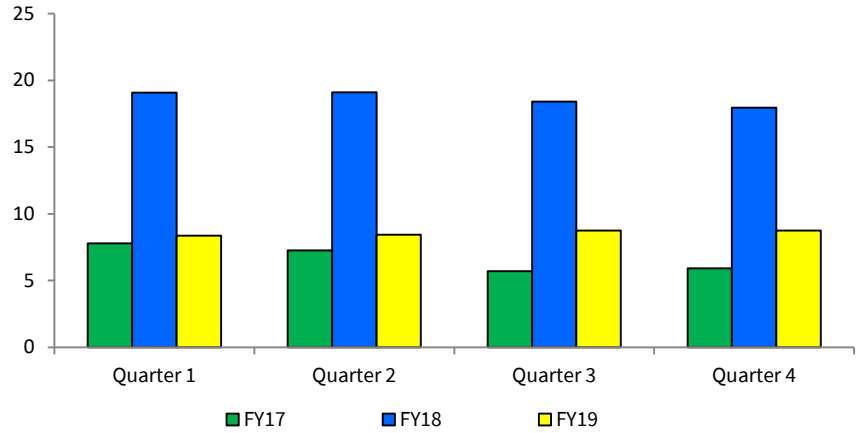**Number of applications processed per loan specialist per day**
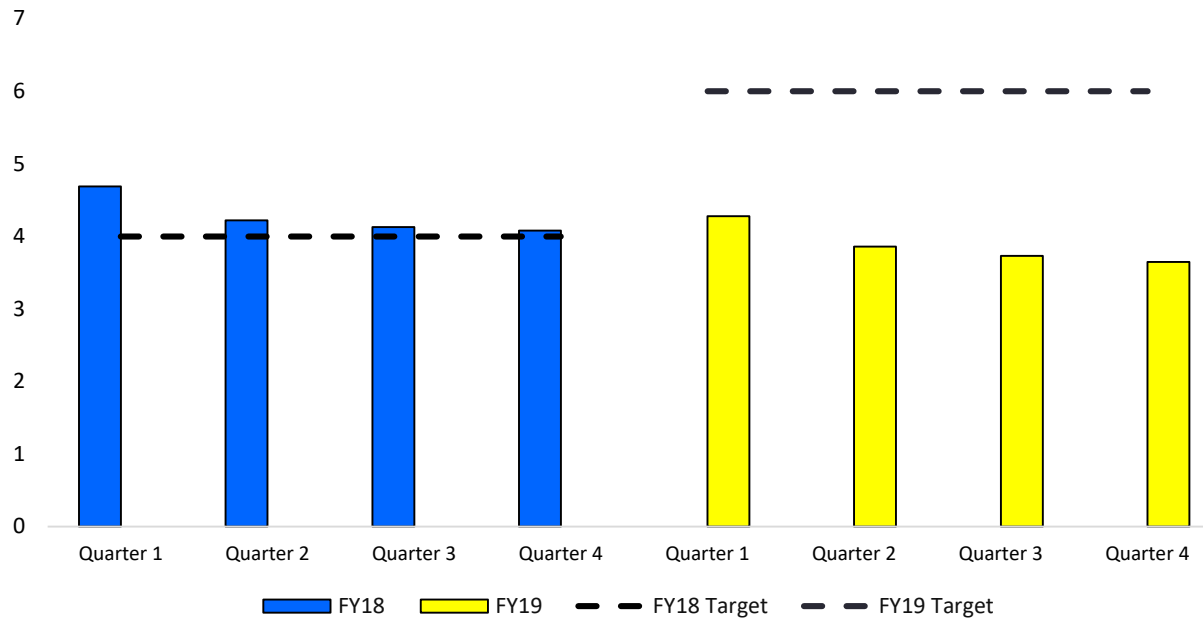
Key Indicators

Cumulative dollar (millions) of loans and monthly number of applications

Average number of days to process disaster loan applications

Data Accuracy and Reliability

- The SBA will develop a tracking mechanism in DCMS 2.0, and in the interim will also use a self-reporting tracking mechanism to establish a baseline for the fiscal year.

- The DCMS 2.0 modernization project launched May 31, 2018, which increased overall loan officer efficiency.

Additional Information

Contributing Programs

- SBA Office of Disaster Assistance (ODA)

- Federal Emergency Management Agency (FEMA)

- Internal Revenue Service (IRS)

Stakeholder / Congressional Consultations

The SBA met with authorizing and appropriating committees in Congress to review its FY 2018-2019 Agency Priority Goals. It conducted outreach and incorporated comments from lender trade associations.