

SBA Office of Inspector General
 Survey of District Offices on PLP Review Process

Please complete the survey below or have the person most familiar with the PLP review process complete it. Survey should take approximately 15 minutes to complete.

1. What is the title of your position?

- District Director
- Deputy District Director
- Other _____

<i>Position title:</i>	<i># Responses</i>	<i>Percentages</i>
<i>District Director</i>	37	69%
<i>Deputy District Director</i>	9	17%
<i>Other</i>	8	15%
<i>Total responses:</i>	54	100%*

2. How many PLP lenders are in your district? _____

<i>Average:</i>	19.7
<i>Median:</i>	19.5
<i>Total responses:</i>	52

3. How knowledgeable are you about the PLP review process?

- Very knowledgeable
- Fairly knowledgeable
- Not very knowledgeable

<i>Level of knowledge:</i>	<i># Responses</i>	<i>Percentages</i>
<i>Very knowledgeable</i>	9	17%
<i>Fairly knowledgeable</i>	39	72%
<i>Not very knowledgeable</i>	6	11%
<i>Total responses:</i>	54	100%

*Percentage may not total 100 due to rounding

**4. What are your two primary sources of knowledge of the PLP review process?
(Check two)**

- PLP review officials in Kansas City
- SBA headquarters officials
- Training provided by SBA on the PLP review process
- SOPs
- Procedural Notices
- PLP lenders
- Other _____

<i>Sources of knowledge:</i>	<i># Checks</i>	<i>Ranking</i>
<i>PLP review officials in Kansas City</i>	<i>14</i>	<i>4 (tie)</i>
<i>SBA headquarters officials</i>	<i>8</i>	<i>6</i>
<i>Training provided by SBA on the PLP review process</i>	<i>13</i>	<i>5</i>
<i>SOPs</i>	<i>20</i>	<i>1</i>
<i>Procedural Notices</i>	<i>18</i>	<i>2</i>
<i>PLP lenders</i>	<i>14</i>	<i>4 (tie)</i>
<i>Other (e.g., copies of PLP reviews, district office staff, their own participation in one or more PLP reviews, and discussions with other district directors)</i>	<i>15</i>	<i>3</i>

5. How satisfied are you with the current PLP review process?

- Very satisfied
- Fairly satisfied
- No opinion
- Slightly dissatisfied
- Very dissatisfied

<i>Level of satisfaction:</i>	<i># Responses</i>	<i>Percentages</i>
<i>Very satisfied</i>	<i>2</i>	<i>4%</i>
<i>Fairly satisfied</i>	<i>19</i>	<i>35%</i>
<i>No opinion</i>	<i>5</i>	<i>9%</i>
<i>Slightly dissatisfied</i>	<i>19</i>	<i>35%</i>
<i>Very dissatisfied</i>	<i>9</i>	<i>17%</i>
<i>Total responses:</i>	<i>54</i>	<i>100%</i>

*Percentage may not total 100 due to rounding

6. Currently, the PLP review consists of a compliance review. Do you feel SBA should

- Add a review of PLP lender safety and soundness
- Include a more thorough review of credit underwriting in the review process
- Leave the review process as is
- Other _____

<i>SBA should...</i>	<i># Responses</i>	<i>Percentages</i>
<i>Add a review of PLP lender safety and soundness</i>	<i>7</i>	<i>11%</i>
<i>Include a more thorough review of credit underwriting in the review process</i>	<i>20</i>	<i>33%</i>
<i>Leave the review process as is</i>	<i>19</i>	<i>31%</i>
<i>Other</i>	<i>15</i>	<i>25%</i>
<i>Total responses:</i>	<i>61</i>	<i>100%*</i>

[Note: A post-inspection follow-up found discrepancies in the response numbers to question 6. in the original report. While they did not change the conclusions of the survey, they are now correct.]

7. Who should conduct the PLP reviews?

- District office personnel
- Contract reviewers reporting to the PLP Review Branch in Kansas City
- Combination of both
- Other _____

<i>Reviews should be conducted by...</i>	<i># Responses</i>	<i>Percentages</i>
<i>District office personnel</i>	<i>21</i>	<i>39%</i>
<i>Contract reviewers reporting to the PLP Review Branch in Kansas City</i>	<i>2</i>	<i>4%</i>
<i>Combination of both</i>	<i>21</i>	<i>39%</i>
<i>Other</i>	<i>10</i>	<i>19%</i>
<i>Total responses:</i>	<i>54</i>	<i>100%*</i>

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8. What are the most important skills or training that the PLP reviewers should have? (Rank the three most important, using a 1, 2, and 3)

- Basic Commercial Credit
- Advanced Commercial Credit
- Basic Resolutions
- Loan officer experience
- Critical elements of PLP lending seminar (Taught by the PLP Review Branch Chief)
- On-site PLP review training
- Lender relationship skills
- Lender marketing skills
- Other _____

<i>Rankings</i>	<i>Basic Commercial Credit</i>	<i>Advanced Commercial Credit</i>	<i>Basic Resolutions</i>	<i>Loan officer experience</i>	<i>Critical Elements of PLP lending</i>	<i>On-site PLP review training</i>	<i>Lender relationship skills</i>	<i>Lender marketing skills</i>	<i>Other</i>
1	1	2	0	33	6	2	4	0	1
2	1	2	1	9	7	12	14	1	0
3	3	2	0	2	12	15	11	1	2

9. What would be the most efficient way to assign district office personnel to conduct PLP reviews?

- Temporarily assign to PLP Review Branch in Kansas City
- Make assignments based on geographical proximity to PLP lenders being reviewed
- Make assignments based on cost of travel
- Make assignments so that personnel do not review lenders within their districts

<i>The most efficient way...</i>	<i># Responses</i>	<i>Percentages</i>
<i>Temporarily assign to PLP Review Branch in Kansas City</i>	2	4%
<i>Make assignments based on geographical proximity to PLP lenders being reviewed</i>	43	88%
<i>Make assignments based on cost of travel</i>	2	4%
<i>Make assignments so that personnel do not review lenders within their districts</i>	2	4%
<i>Total responses:</i>	49	100%

*Percentage may not total 100 due to rounding

10. Who should have the authority to assign district office personnel to PLP reviews?

- Office of Field Operations
- Office of Capital Access/Office of Lender Oversight
- PLP Review Branch in Kansas City
- District Offices
- Other

<i>Who should have the authority to assign...?</i>	<i># Responses</i>	<i>Percentages</i>
<i>Office of Field Operations</i>	2	4%
<i>Office of Capital Access/Office of Lender Oversight</i>	3	5%
<i>PLP Review Branch in Kansas City</i>	2	4%
<i>District Offices</i>	35	64%
<i>Other (e.g., combination of a couple of the above)</i>	13	24%
<i>Total responses:</i>	55	100%*

11. Who should have the authority to schedule PLP reviews?

- Office of Field Operations
- Office of Capital Access/Office of Lender Oversight
- PLP Review Branch in Kansas City
- District Offices
- Other

<i>Who should have the authority to schedule...?</i>	<i># Responses</i>	<i>Percentages</i>
<i>Office of Field Operations</i>	3	6%
<i>Office of Capital Access/Office of Lender Oversight</i>	11	21%
<i>PLP Review Branch in Kansas City</i>	16	31%
<i>District Offices</i>	16	31%
<i>Other (e.g., combination of a couple of the above)</i>	6	12%
<i>Total responses:</i>	52	100%*

*Percentage may not total 100 due to rounding

12. How significant a problem is the possible conflict of interest with having District Office personnel conducting the PLP reviews of lenders within their districts?

- Very significant
- Fairly significant
- No opinion
- Little significance
- No significance

<i>How significant a problem...?</i>	<i># Responses</i>	<i>Percentages</i>
<i>Very significant</i>	2	4%
<i>Fairly significant</i>	3	6%
<i>No opinion</i>	1	2%
<i>Little significance</i>	26	49%
<i>No significance</i>	21	40%
<i>Total responses:</i>	53	100%*

13. What best describes the feedback you have received about the PLP review process from lenders in your district? (Check all that apply)

- Most lenders believe the current review process serves an appropriate purpose
- Most lenders believe the PLP review process is important to ensure quality in PLP lenders
- Most lenders believe the PLP review process is too expensive
- Most lenders believe the PLP review process takes up too much of the lenders' time and resources
- Most lenders believe the current review process does not serve a useful purpose
- Insufficient feedback from the lenders to answer the question
- Other _____

<i>According to district officials, most lenders believe the PLP review process...</i>	<i># Checks</i>
<i>...serves an appropriate purpose</i>	19
<i>...is important to ensure quality in PLP lenders</i>	16
<i>...is too expensive</i>	46
<i>...takes up too much of the lenders' time and resources</i>	9
<i>...does not serve a useful purpose</i>	7
<i>Insufficient feedback to answer the question</i>	3
<i>Other</i>	9

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14. Based on the feedback you have received, what actions would most of the PLP lenders in your district prefer? (Enter 1, 2, and 3 in order of lender preference)

- Continue to pay a fee for the contract reviewers to conduct the PLP reviews
- Not pay a fee and have the district offices conduct the PLP reviews
- Pay a reduced fee and have a combination of SBA staff and contractors conduct the PLP reviews
- Insufficient feedback from the lenders to answer the question
- Other _____

<i>According to district officials, the actions most PLP lenders would prefer...</i>	<i>1st Preference</i>	<i>2nd Preference</i>	<i>3rd Preference</i>
<i>Continue to pay a fee for the contract reviewers to conduct the PLP reviews</i>	0	0	16
<i>Not pay a fee and have the district offices conduct the PLP reviews</i>	44	0	0
<i>Pay a reduced fee and have a combo of SBA staff and contractors conduct the PLP reviews</i>	1	24	2
<i>Insufficient feedback from lenders to answer the question</i>	9	1	0
<i>Other</i>	0	4	0

15. The review ratings are used to determine PLP renewal status. What should SBA primarily base its renewal decision on? (Check one)

- The PLP review ratings
- Lender performance statistics
- Total PLP loan volume
- A system with all of the above having equal weight
- Other _____

<i>Renewal decision based on what?</i>	<i># Responses</i>	<i>Percentages</i>
<i>The PLP review ratings</i>	0	0%
<i>Lender performance statistics</i>	11	21%
<i>Total PLP loan volume</i>	0	0%
<i>A system with all of the above having equal weight</i>	29	55%
<i>Other (e.g., a system with all of the above but <u>not</u> equally weighted, or a system with all of the above plus the district office's recommendation)</i>	13	25%
<i>Total responses:</i>	53	100%*

*Percentage may not total 100 due to rounding

16. How important are the review ratings in providing useful information to you about PLP lenders?

- Very important
- Fairly important
- Not very important

<i>Level of importance?</i>	<i># Responses</i>	<i>Percentages</i>
<i>Very Important</i>	<i>15</i>	<i>28%</i>
<i>Fairly Important</i>	<i>31</i>	<i>57%</i>
<i>Not Very Important</i>	<i>8</i>	<i>15%</i>
<i>Total Responses:</i>	<i>54</i>	<i>100%</i>

17. What are the most frequent uses of the PLP review ratings for lenders in in your district (Check all that apply)

- Identify training needs
- Determine the level of oversight of lenders’ practices
- Expand lenders’ PLP status
- Renew lenders’ PLP status
- Terminate lenders’ PLP status
- Other _____

<i>Most frequent uses of PLP review ratings?</i>	<i># Checks</i>	<i>Rankings</i>
<i>Identify training needs</i>	<i>44</i>	<i>1</i>
<i>Determine the level of oversight of lenders’ practices</i>	<i>17</i>	<i>4</i>
<i>Expand lenders’ PLP status</i>	<i>18</i>	<i>3</i>
<i>Renew lenders’ PLP status</i>	<i>39</i>	<i>2</i>
<i>Terminate lenders’ PLP status</i>	<i>16</i>	<i>5</i>
<i>Other</i>	<i>3</i>	<i>6</i>

18. Are you aware of a lender’s PLP status being terminated as a result of the PLP review rating(s)?

- No
- Yes (please provide examples)

<i>Are you aware...?</i>	<i># Responses</i>	<i>Percentages</i>
<i>No</i>	<i>48</i>	<i>89%</i>
<i>Yes</i>	<i>6</i>	<i>11%</i>
<i>Total responses:</i>	<i>54</i>	<i>100%</i>

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19. Does SBA’s oversight of the PLP lenders adequately protect the Government’s interests?

- No
- Yes

<i>Adequate protection?</i>	<i># Responses</i>	<i>Percentages</i>
<i>No</i>	<i>23</i>	<i>45%</i>
<i>Yes</i>	<i>28</i>	<i>55%</i>
<i>Total Responses:</i>	<i>51</i>	<i>100%</i>

If you answered No, please answer 20. Otherwise go to question 21.

20. If the Government’s interests are not adequately protected, what should be done? (Check all that apply)

- Increase frequency of reviews
- Increase comprehensiveness of reviews
- Reduce renewal period
- Terminate lenders with consecutive “minimal in compliance” or “not in compliance” review ratings
- Other _____

<i>What should be done?</i>	<i># Checks</i>	<i>Percentages</i>
<i>Increase frequency of reviews</i>	<i>1</i>	<i>3%</i>
<i>Increase comprehensiveness of reviews</i>	<i>9</i>	<i>26%</i>
<i>Reduce renewal period</i>	<i>2</i>	<i>6%</i>
<i>Terminate lenders with consecutive “minimal in compliance” or “not in compliance” review ratings</i>	<i>12</i>	<i>34%</i>
<i>Other (e.g., a larger sampling of loans should be taken, better risk management review elements should be developed, intervals between reviews should be shortened for lenders showing “signs of trouble”)</i>	<i>11</i>	<i>31%</i>
<i>Total Responses:</i>	<i>35</i>	<i>100%</i>

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21. Who is the main beneficiary of the PLP reviews (Check one)?

- PLP lenders
- District offices
- SBA headquarters
- Other _____

<i>Main beneficiary?</i>	<i># Responses</i>	<i>Percentages</i>
<i>PLP lenders</i>	<i>16</i>	<i>30%</i>
<i>District offices</i>	<i>5</i>	<i>9%</i>
<i>SBA headquarters</i>	<i>15</i>	<i>28%</i>
<i>Other (e.g., all of the above, everyone, the Agency and the taxpayers, small businesses)</i>	<i>18</i>	<i>33%</i>
<i>Total responses:</i>	<i>54</i>	<i>100%</i>

22. Do you believe SBA is going in the right direction with the PLP review process?

- No
- Yes

<i>Right direction?</i>	<i># Responses</i>	<i>Percentages</i>
<i>No</i>	<i>11</i>	<i>22%</i>
<i>Yes</i>	<i>38</i>	<i>78%</i>
<i>Total responses:</i>	<i>49</i>	<i>100%</i>

23. Comments or suggestions on the PLP review process:

*Percentage may not total 100 due to rounding