

Testimony of Hannibal “Mike” Ware
Nominee to be Inspector General
U.S. Small Business Administration
Senate Committee on Small Business and Entrepreneurship
February 14, 2018

Thank you, Chairman Risch, Ranking Member Cardin, and Members of the Committee. I am deeply honored to appear before you today and to have your consideration to serve as Inspector General of the U.S. Small Business Administration (SBA).

I would like to thank the President for nominating me to this position. I can assure you when I began my Federal career as a student intern at the Department of Interior (DOI) Office of Inspector General’s (OIG’s) Virgin Islands field office in 1990, the opportunity to serve as an Inspector General was not imagined. I also would like to thank the professional staff of the Committee for their time and assistance in the confirmation process.

It has been an honor to serve taxpayers within the Inspector General community these 28 years. I am very excited about the opportunity to serve as the permanent Inspector General within SBA—an agency with the noble mission of aiding, counseling, assisting, and protecting the interests of small business concerns. I would like to take the next few minutes to introduce myself to you and to explain why I believe my career in the Inspector General community has prepared me to take on the role of Inspector General at SBA.

If I may, I also want to thank my wife, Elise Ware, my mother Barbara Donastorg, and my children for their love and their support. Elise, my Mom, my son, Zion, and my pastor from the USVI, Dr. George Phillips, are able to be with me here today and have been a source of inspiration and pride in my life. I also want to thank my other family members, friends, and colleagues for their unwavering support of me in my life’s endeavors. I truly feel blessed.

I was born and raised in the U.S. Virgin Islands, surrounded by strong women who guided and shaped me into the individual who appears before you today. They instilled a sense of right and justice within me that propels me in my work each day.

As a native to the U.S. Virgin Islands, I have lived through major hurricanes and their aftermath. I offer this to you with a profound understanding of SBA's vital role in providing low interest loans as a form of disaster assistance to homeowners and business owners alike. If confirmed, providing oversight of these funds to maintain the integrity of the program and to make recommendations to achieve efficiencies will remain a priority for me.

In terms of education and experience, I am a career auditor and have served at all levels within an OIG. I hold a Bachelor of Arts degree in accounting from the University of the Virgin Islands and am a graduate of the Senior Executive Service Career Development Program. I joined DOI OIG's Virgin Islands field office as an auditor in 1990 and later became the Field Office Supervisor, leading the very office where I was initially hired as a junior in college.

Throughout my oversight career, I performed increasingly challenging and vital roles within the Inspector General community. From the Virgin Islands field office, I was promoted to Eastern Regional Manager, where I provided leadership of all phases of the technical and administrative operation of the region, including planning and managing audits, inspections, evaluations, and joint investigations. I later moved to DOI OIG's Office of Management as the Deputy Assistant Inspector General for Management. In this capacity, I managed oversight of DOI OIG's independent operating budget and managed the logistical concerns for the office's nationwide presence. In April 2016, I was appointed to the Senior Executive Service as the SBA OIG's Deputy Inspector General. I have served as the Acting Inspector General since January 9, 2017.

As Deputy Inspector General and now Acting Inspector General, I have seized the opportunity to promote integrity and efficiency within the SBA. In this capacity, I have led an investigative and audit staff of over 100 employees, and we have provided effective oversight over SBA's programs, which encompasses more than \$100 billion in guaranteed loans and nearly \$100 billion in Federal contracting dollars.

During my tenure, we have continued to provide a significant return on investment to the taxpayer and issued impactful reports and conducted complex fraud investigations. The men and women of SBA OIG are dedicated professionals, and I will support, lead, and champion their efforts to achieve these positive outcomes. I believe I have distinguished myself in leading the SBA OIG through decisive action to improve internal processes and to manage our resources. It also has been a priority and will continue to be so to strengthen our relationship with our oversight and appropriations committees. To this end, I appeared as a witness at four congressional hearings in 2017 on topics ranging from SBA's disaster assistance program to SBA's execution of VERA and VSIP authority in 2014.

To further distinguish myself as a leader, I have executed our budget in a manner that revitalizes our disaster assistance oversight and bolsters our oversight of SBA internal management. Finally, I am proud to share with you results of the 2017 Federal Employee Viewpoint Survey (FEVS), as it pertains to our office and corresponds to my tenure.

OIG had a response rate of 76% eligible OIG employees, as contrasted with the government-wide rate of 45.5%. We can be assured the results include input from the vast majority of staff. OIG had 55 strength areas out of a possible total of 71, with only 2 challenge areas noted. When the results were presented to me, the SBA Office of Human Resources Solutions official indicated they had to double-check the figures given the unprecedented, single

year increases noted across the key OPM indexes. These increases included a 17 % increase in Global Satisfaction, 21 % increase in Leadership/Knowledge Management, 28 % increase in Diversity and Inclusion, 11 % increase in Employee Engagement, and 7 % increase in Results Oriented Performance Culture, among increases in other OPM indexes. The improvements noted in our own internal employee engagement survey conducted later in the year were even more noteworthy, with giant leaps in every single category. I believe I am leading the office in the right direction, and if confirmed, I will continue to focus on the impact of our work and the value of our staff.

As an auditor, I am driven by criteria to make assessments and identify risk. If confirmed, I will focus resources on the areas of highest risk to SBA and also against areas identified as top management challenges. I also will make it a priority to maintain a good working relationship with this Committee, Congress as a whole, the Administrator, and others—but I also intend to exercise complete independence in regards to choosing and pursuing audits and investigations.

I believe that I have the demonstrated integrity, skills, knowledge, judgment, demeanor and overall track record to serve as the SBA Inspector General. I have attained the support of the Council of the Inspector's General on Integrity and Efficiency (CIGIE) in pursuing this position and am committed to collaborating with my Inspector General colleagues to oversee SBA's programs and operations.

Thank you for your consideration, and I look forward to your questions.