



SBA Releases 2010 Small Business Scorecard

SDVOSB Lags Behind Other Set Aside Groups

(Washington, DC -- SDVOSB News Services, June 28, 2011)—

The Small Business Administration (SBA) released today the FY 2009-2010 annual scorecard of federal agency performance on small business contracting. The scorecard indicates that while most federal agencies have improved their procurement minimums for SDVOSB, other set-aside programs are much closer to their mandated goals than SDVOSB.

The scorecard tracks the progress of each federal agency in meeting mandated levels of contracts awarded directly to small business and subcontracted to small business. In addition to the overall mandated level of 23% awarded to small business, contracts set-aside for disadvantaged small businesses are recorded.

The federal government awarded nearly \$100 billion in federal contracts to small businesses in Fiscal Year 2010, an increase for the second straight year after four years of steady decline.

According to the American Small Business League (ASBL), however, SBA records indicate that of the 100 small business that received the highest dollar amount of contracts, 61 were large companies. These large companies significantly skew the SBA's calculations. The 61 firms received more than \$8 billion, or nearly 60 percent of the \$14 billion that went to the top 100 "small" companies, ASBL contends.

SBA Method:

1. An overall grade holistically assesses an agency's entire small business procurement performance along three "quantitative" measures.

- prime contracting achievement
- subcontracting achievement
- plan progress achievement

On the Hill	2
Featured Interview	3
Editorial	4

comprehensive procurement practices of an agency.

2. The Scorecard moved from a color based methodology that used three potential grade ranges (green, yellow, red) to a letter grade based methodology with six potential grade ranges (A+, A, B, C, D, F). Expanding the number of grade ranges allows for greater distinction between agencies.

Much has happened in the SDVOSB community since issue 2.3 of *VetLikeMe*, including the release of the SBA Scorecard, the VA Audit and Hearing and the introduction of new legislation concerning SDVOSB. This is a crammed issue, and we apologize for the multiple pages and small font.

(SBA Scorecard, cont. page 6)

ON THE HILL

Bill Introduced to Hold Federal Agencies ‘Accountable’ to Contracting Goals for SDVOSB



(SDVOSB News Services June 7-- Washington, D.C.) – Today Senator Max Baucus (D-MT) introduced the “Honoring Promises to Service-Disabled Veterans Act of 2011” (S.1154). The bill seeks to hold federal agencies to the mandated three percent minimum of procurement contracts to SDVOSB as outlined by PL 106-50 and EO 13360.

By posting quarterly contract awards on the internet, the bill is intended to bring attention to those federal agencies who are not meeting the threshold, including the Department of Defense, an agency that has never met the minimum.

“My bill will hold agencies accountable by letting taxpayers know which offices are doing right by our veterans and which aren’t, and there’s nothing like the disinfectant of sunshine to force folks to hold up their end of the bargain,” Baucus said in a news release.



S. 1154 was referred to the Senate Committee on Small Business and Entrepreneurship for deliberation. Though sponsors in this Committee are pending, the Committee, Chaired by Senator Mary Landrieu (D-LA) has championed legislation concerning SDVOSB and VOSB. In March, Ranking Member Olympia Snowe (R-ME), introduced S. 633, **Small Business Contracting Fraud Prevention Act of 2011**, which has not moved beyond the Committee. According to Press Secretary Jennifer Donohue, Senator Baucus is working with colleagues to garner bi-partisan support for S. 1154.

S. 1154 pressures agencies to meet the goal by requiring public disclosure of every federal department and prime contractor. The bill also requires the SBA to maintain the information on a web site to be updated every three months and report progress of each department to Congress annually.

Senator Max Baucus

S. 1154 Analysis

Though similar to the SBA scorecard, this bill has several key differences.

- The bill requires that all federal agencies submit *quarterly* reports on agency progress toward meeting the 3% minimum, as opposed to the SBA’s annual report. In general, the smaller the measurement window, the results -- positive and negative – can be tracked easier and changes more evident.
- Prime contractors must reveal SDVOSB subcontractors quarterly and at the completion of contracts.
- These agency rankings reported to SBA must then be reported directly to Congress. The scorecard currently used by SBA is not reported to Congress.

Drawback: The SBA’s methodology will probably be used in the quarterly reports.

Drawback: Co-sponsors pending, legislation will be delayed until bipartisan support is attained.~~VLM

“...there's nothing like the disinfectant of sunshine to force [federal agencies] to hold up their end of the bargain.”

Senator Max Baucus (D-MT)

Featured Interview, Senator Max Baucus

We interviewed Senator Baucus from Washington on July 2.

VetLikeMe: Thank you, Senator Baucus for drawing attention to this issue. At present there are no cosponsors of this bill. Do you expect other Senators to cosponsor?

This bill is a simple, common sense approach to help create jobs and do right by our veterans – and that’s something everyone can support. I’m working with my colleagues to build support and find a path forward to pass this bill into law, so it can start working for our veterans and our economy.

VLM: How many veterans operate businesses in Montana? Is there an estimate of the number of SDVOSB business in your state?

A 2007 survey showed that Montana has about 20,000 businesses that are at least 50 percent veteran-owned. There are about 1000 SDVOSB’s in Montana seeking business with the federal government.

VLM: What urged you to introduce S. 1154?

It’s a no brainer: we need jobs, and we need to support our veterans. That’s why Congress set the goal that when government agencies contract with private companies they ought to award at least a portion of those contracts to small businesses owned by veterans wounded in service. Now it’s time to hold federal agencies’ feet to the fire and make sure they meet this goal. My bill will hold agencies accountable by letting taxpayers know which offices are doing right by our veterans and which aren’t.

VLM: As noted in S. 1154, very few Executive agencies have met the *mandated* 3% minimum of procurement contracts to SDVOSB. PL 106-50 and E.O. 13360 both require Executive agencies to comply with the 3% minimum. Why do you think federal agencies have not come close to this mandated minimum?

I like to give credit where credit is due, and the Department of Veterans Affairs has been doing a great job of meeting this goal in recent years. Sadly, I can’t say the same of the other departments. I think the biggest reason that the goal isn’t being met is that the federal departments aren’t being held accountable -- no one seems to be paying attention.

VLM: In your bill, the SBA is required to exhibit greater transparency of agency progress on this issue. Currently the SBA issues a ‘scorecard’ of agencies’ progress on meeting this mandated minimum. How does S. 1154 differ from the SBA scorecard?

First, my bill puts scrutiny on large prime contractors, not just the agencies. Some of these contractors receive hundreds of billions of government contracts in a decade and it is also their job to help achieve this goal.

(Baucus, cont. page 9)

Editorial



By Hardy Stone

Historic Irony and Government Shame

I learned today the U.S. Navy will soon be cutting 33,000 troops, the Marine Corps 29,000 and the U.S. Army 28,000. We've seen military draw downs before, but this one is very different—and likely to be a severe blow to these veterans because of, among other things, the fragile state of the American economy and the scarcity of jobs.

Soldiers exiting the U.S. military today are twice as likely as other job seekers to be rejected by employers. The national unemployment rate is about 9%. The unemployment rate for veterans separating from the uniformed services is 17%.

Last month, this astonishing unemployment rate drew big smoke from the Senate Committee on Veterans Affairs that we hope will encourage government agencies to dedicate more resources to Veterans. Veterans Service Organizations are scrambling for answers to a problem that seems to be getting worse.

Sure, it's not easy to land a job anywhere today, even if you have skills. Targeted skills make one more employable and we hope the VA's VocReb programs and the GI Bill can help returning vets develop the skills that employers want. In addition, the experience factor comes into play.

A son of a friend of mine returned from Afghanistan recently and has had doors close on his job prospects. A combat veteran, he joined the Army Infantry right out of High School because he was drawn to serve. He went to Airborne school and played out his military time with distinction.

Now let's look deeper into the problem. We've said this before but it's worth repeating. Vets hire vets, simple as that. We watch after our own. Vets know that vets have skills that are not recognized--attention to detail, the importance of teamwork, judgment, respect of chain of command and the critical completion of the 'mission.' Aren't these all skills that employers want?

The 2010 SBA small business scorecard came out earlier last month. The percentages of federal procurement contracts awarded to SDVOSB has risen slightly, but those numbers are more than likely a direct result of the recovery dollars that were injected into the government in 2009 and 2010.

While we saw very modest gains, 8a, Hubzone and women-owned companies enjoyed significant increases, much higher percentages than we did. This is puzzling.

All of these protected groups achieved that status not because of anything they did, but because they were born into a protected group. I understand the urban-renewal theory of Hubzone business preference and the importance of all small disadvantaged businesses to the overall economy. But that's where it ends.

In an editorial for *VLM* in January, Lynn Lowder, a Vietnam combat-disabled veteran, insists that this must change:

Editorial, cont. page 8

Veterans Administration Inspector General Audit Report

Blasts VA's Acquisition Program

(Washington, DC -- SDVOSB News Services, July 25, 2011) The VA office of the Inspector General (OIG) released today “Audit of Veteran Owned and Service Disabled Veteran-Owned Small Business Programs.”

The 50-page report revealed that at least 1400 VOSB and SDVOSB contracts valued at \$500 million have been awarded to fraudulent companies annually. The VA will award \$2.5 billion to ineligible business over the next five years.

In addition, 76% of the 42 companies randomly selected by the OIG were either ineligible to participate in the SDVOSB set-aside program or ineligible for the awarded contracts. The thirty-two companies the OIG found to be ineligible were awarded \$46.5 million in contracts including \$26.7 in Recovery Act contracts, according to the report.

Congress required the Small Business Administration in 1999 to establish programs to help veterans and service disabled veterans make the transition from active duty to civilian business owner. The SBA was tasked with increasing business opportunities for SDVOSB by creating a set-aside program for this small business group.

Certification of SDVOSB was mandated in October 2010 by the Small Business Verification Act. The VA, however, is the only federal agency that requires verification, and the Center for Veterans Enterprise (CVE) maintains that responsibility, which will reportedly be complete in August 2011.

According to the report, many of the businesses were ineligible because the veterans owners subcontracted more work to non-veteran owned SDVOSB than allowed under federal regulations or SDVOSB did not really control or own the business. This practice, known as ‘rent-a-vet,’ is widespread in VA’s procurement system.

Inadequate oversight of contracting officers responsible for determining eligibility contributed to fraud. The VA’s Office of Acquisition, Logistics and Construction, Jan Frye, Director, is responsible for contracting policy and training acquisition staff.

VA's Subcommittee on Oversight and Investigations Holds Congressional Hearing

(Washington, DC -- SDVOSB News Services, July 28, 2011)— The U.S. House Veterans Affairs Committee’s Subcommittee on Oversight and Investigations (Bill Johnson, (R-OH) Chair), heard testimony from several government officials regarding widespread fraud in the contracting set-aside program for Service Disabled Veteran Owned Small Business (SDVOSB).

The hearing came on the heels of the VA’s Office of the Inspector General’s report of a 2-year investigation of fraudulent SDVOSB. “Audit of Veteran Owned and Service Disabled Veteran-Owned Small Business Programs,” released on July 25, stirred the Subcommittee’s action. The VA’s Office of the Inspector General revealed that at least 1400 VOSB and SDVOSB contracts valued at \$500 million annually were awarded to fraudulent companies. The VA will award \$2.5 billion to ineligible business over the next five years.

Hearing, cont. page 7

(SBA Scorecard, cont. from page 1)

3. [The 2010 Scorecard] incorporated a quantitative measurement of subcontracting and plan performance categories not previously measured. According to the SBA, “the new scorecard format measures the total performance of an agency’s achievements in a more transparent and consistent method...”

SDVOSB agency highlights of the SBA’s FY 2009-2010 report include:

	<u>FY 08-09</u>	<u>Goal</u>	<u>FY 09-10</u>
DOD DOD received a “B”	1.43%	3%	1.82%
DHHS DHHS “A”	.94%	3%	1.00%
DHS DHS “A”	1.91%	3.0%	3.21%
OPM OPM “D”	.15%	3.0%	.05%
SBA SBA “B”	3.05%	3.0%	1.9%
VA VA “A”	16.96%	3.0%	20.05%

According to SBA’s measurement method, 13 agencies received an "A"; five agencies received a "B"; four agencies received a "C"; two agencies received a "D."

The federal government overall received a "B" on the scorecard, just less than one point short of an "A". This grade reflects significant efforts by federal agencies toward meeting the 23 percent statutory goal, but indicates the need for continued improvement, according to the SBA news release. ~VLM

NOTE:

The recent OIG report does and will have an effect on the Veterans Administration SBA scorecard. The investigative report indicates that fraud and miscalculations of the amount of contracts to SDVOSB are bloated. We don’t know if the SBA will ‘re-examine’ VA’s reported levels of contracting activity with SDVOSB. If the VA is falsifying, what’s to keep other agencies from doing the same? The SBA Scorecard is not a reliable indicator of contracts let to SDVOSB. ~VLM

Hearing, from page 5

In his opening statement before the Subcommittee, Chairman Johnson remarked: “The Department of Veterans’ Affairs Veteran Owned Small Business (VOSB) and SDVOSB contracts accounted for approximately 30% of government-wide contracts in this category during FY 2010. This leaves 70% of VOSB and SDVOSB contracts to be given to *self-certifying firms not verified by the VA.*” (emphasis added)

The OIG report released this week detailed that more than \$21 million had been awarded to fraudulent companies, and estimated that ineligible firms receive \$500 million in VA contracting funds annually. In October 2009, the Government Accountability Office issued a investigative report on ten firms and uncovered that all ten were ineligible for the SDVOSB set-aside program. Despite the investigation, the companies continued to perform millions of dollars in contracting work for VA.

Mr. Johnson added, “In some cases [VA personnel] have been threatened into silence [for speaking out on fraud in the system], they have been circumvented by their own chain of command, they have been ignored, or even fired.” Former OSDDBU Executive Director Tim Foreman was fired earlier this year for questioning upper level management on contradictory activities in the VA’s “Veterans First Program.” Johnson quoted Christian cleric **Quintus Tertillian** (c. 160 – c. 220 AD): “Truth engenders hatred of truth. As soon as it appears, it is the enemy.”

Testifying witnesses included: Belinda J. Finn, Assistant Inspector General for Audits and Evaluations, Office of Inspector General, U.S. Department of Veterans Affairs, Gregory D. Kutz, Director, Forensic Audits and Investigative Service, U.S. Government Accountability Office and Thomas J. Lency, Executive Director, Small and Veteran Business Programs, Office of Small and Disadvantaged Business Utilization, U.S. Department of Veterans Affairs.



The Congressional Hearing – Blow-by-Blow

(SDVOSB News Services—Washington, July 28, 2011) The Congressional hearing focused on the recent rash of SDVOSB set-aside contracts that the VA has awarded to businesses that are not eligible SDVOSBs. The VA’s Office of Inspector General (“OIG”) audit confirmed that awards of contracts to ineligible companies seems to be the rule rather than the exception, with an estimated three-quarters of all VA set-aside awards going to companies that are not bona fide SDVOSBs.

The witnesses at the hearing were able to offer extensive diagnosis but few solutions. The witnesses described **how contracting officer error** was by far the greatest contributing factor to wrongly awarded contracts and that the lack of coordination between the VA and SBA made correct eligibility determinations vastly more difficult. The witnesses frequently offered abstract solutions such as greater coordination between the VA’s

Blow-by-Blow, cont. pg 10

Editorial, from page 4

**“NO ONE IN THIS NATION HAS A GREATER RIGHT TO BE HEARD AND TO
RECEIVE PROMISED SMALL BUSINESS OPPORTUNITIES
THAN SDVOSBs...NO ONE”**

Everyone should believe that diversity makes America great and should strengthen our economy. I also understand that Hubzones, WOSB, and 8A small businesses groups did not sign an oath, did not imperil themselves in any way, did not get injured in the line of duty. Yet they enjoy this business preference and exceed the minimums that have been mandated by our federal government.

This is a monumental irony, especially since the unemployment rates for returning vets are so high. Impending military draw downs will release more SDVOSB into the economy than ever before. It is shameful for the American government not to honor our warriors – regardless of the circumstances of injuries sustained in service.

The SBA encourages federal agencies to ‘give’ 5% of federal contracts to qualified protected groups. Yet the SBA encourages federal agencies to ‘reward’ disabled veterans with 3%...and to make that slap in the face sting more...most agencies’ dismal record toward that three percent is simply astonishing.

This great country provides opportunities for protected business groups BECAUSE of the freedoms we enjoy...thanks to our veterans. But if we’re disabled while serving, our great government historically rejects our sacrifices. Uncle Sam is concerned with birthright.

And birthright groups have rich war chests and powerful connections in Congress to ensure these business preferences are maintained...it’s time that SDVOSB make themselves known to the powers in Washington.

It’s time to circle the wagons.~~VLM



For almost two years, *VLM* has featured unvarnished national news and editorial opinion concerning the SDVOSB community. This publication will always be free.

We’re heard from Congress and federal agencies. We hope *VLM* pressures decision makers to provide increased federal contracting opportunities for those of us injured while serving our country. We’ve been promised these opportunities.

Advocacy begins with agitation.

If you’d like to contribute toward our expenses, we won’t refuse it...

Send donations to:

Hardy Stone, BluePoint Productions

241 Diamond Drive

Walkersville, MD 21793

Thanks.

BluePoint ▶
◀ *Productions*

(Baucus, from page 3)

Second, the bill requires more frequent reporting, and a comprehensive, user-friendly website to make this information transparent and easily accessible to the American people. We've got to let federal departments know that this is important and that we're keeping an eye on them.

But it's not all sticks, we've got some carrots in there too. The bill encourages agencies to do the right thing by having the Small Business Administration nominate contractors with outstanding progress for Congressional recognition.

VLM: What is the penalty for agencies that do not meet the minimum? What accountability measures will S. 1154 put in place?

I strongly believe in the power of sunshine. This bill will hold federal agencies feet to the fire by making sure the American people know exactly who is meeting their obligations to our veterans and who isn't.

VLM: The lack of accountability is the main reason agencies have done so poorly meeting the minimum. Agencies continue to ignore PL 106-50 and E.O. 13360. What's different about S. 1154 that will make a difference for SDVOSB?

This bill will help the American people engage on this issue. The American people know how important it is to do right by our veterans and to support our small business owners in these tough economic times. If we give folks the information, they'll hold agencies accountable.

VLM: The unemployment rate among returning troops is well over 17%. For veterans disabled in the line of duty unemployment is substantially higher. This is especially true of National Guard and Reserve Forces who have no medical benefits after separation from the service.

It's well known that veterans hire veterans. Do you think that holding agencies accountable to their

obligations would reduce the dismal employment situation for disabled veterans?

Absolutely. This bill is just one more piece in my strategy to help create good paying jobs for our veterans...no service member should return home to an unemployment check instead of a paycheck.

VLM: Would you be willing to speak with SDVOSBs prior to Committee deliberations?

My staff for I are always available to help answer questions you may have. I thank you so much for your support. With your help we'll get these bill passed and start creating good-paying jobs for our veterans. ~VLM

Short Takes

Hire a vet, get a tax credit: As the wars in Iraq and Afghanistan wind down, more than 1 million service members are projected to leave the military between 2011 and 2016.

<http://tinyurl.com/3pzsu23>

H. R. 1424 —To improve the Federal Acquisition Institute. Training in procurement for contracting officers. The July 25 Congressional Hearing shot arrows at poorly trained COs in the VA acquisition system. From *Government Executive Magazine*:

<http://tinyurl.com/4xy3qhq>

Unemployment payments to service members fresh out of the military have doubled since 2008, a sign that veterans are returning from war to an increasingly tough job market. Senate Veterans Affairs Committee Chair Patty Murray (D-WA) is pushing legislation that would help troops enter the civilian workforce; DOD would provide exit training.

<http://tinyurl.com/3mdfcgs>

Blow-by-Blow, from page 7

various offices and better training for contracting officers. But at the end of the day, concrete solutions to effect a more consistent application of the eligibility rules – such as changes in process or procedure – were elusive.

The Members in Congress who participated in the hearing were very concerned and upset with the state of affairs. The only options – new legislative enactments or cutting off funding – do not seem viable options at this point.

The first panel included two witnesses from the VA OIG: Belinda J. Finn, Assistant Inspector General for Audits and Evaluations, and James J. O’Neill, Assistant Inspector General for Investigation. A third witness, Gregory D. Kutz, is the Director of the GAO.

Ms. Finn spoke extensively about a recent audit completed by her office revealed an endemic problem of VA contracts set-aside for SDVOSBs being awarded to ineligible companies. According to the audit, 76% of the randomly selected contracts reviewed were awarded to ineligible companies. The main reasons for ineligibility in the evaluated contracts was that a service-disabled veteran did not own and control the company or veteran-owned businesses “passed through” or subcontracted more work to nonveteran-owned businesses than allowed under Federal regulations. The audit concluded that the Center for Veteran’s Enterprise (“CVE”) “online document reviews were insufficient to establish program eligibility and ensure businesses meet Federal ownership and control requirements.” The audit indicates that “interviews with veteran owners and business managers and the review of documents such as corporate bylaws, stock certificates, tax returns, resumes, and negotiated checks during onsite visits are critical to establishing a veteran’s ownership and control of a business.”

Ms. Finn placed the blame for the high percentage of ineligible businesses receiving contracts squarely on the Office of Small and Disadvantaged Business Utilization (“OSDBU”) and the CVE and those offices’ lack of coordination with the VA’s acquisition offices.

Because contracting officers were not adequately trained or monitored, they repeatedly failed to assess the eligibility of business for set-aside contracts. Contracts awarded to ineligible businesses, in 75% of the cases, it was due to contracting officer error – typically the contracting officer did not review or properly assess the business’ subcontracting and partnering agreements at the time of the award.

The only solutions that Ms. Finn could offer for the VA’s failures were to strengthen the CVE verification practices and to promote greater collaboration between OSDBU and the VA’s acquisition offices.

Mr. Kutz reported on a GAO review of the VA’s response to 2009 and 2010 GAO reports on weaknesses in the VA’s fraud prevention controls. The GAO’s review found that while the VA and SBA have taken some action to correct fraud prevention controls and punish businesses that misrepresent themselves as SDVOSBs, the VA continues to overlook businesses that misrepresent themselves. Furthermore, the GAO found that there was insufficient coordination between the VA and the SBA with regard to eligibility reviews. The GAO also found that the current VetBiz verification program is ineffective in preventing award of SDVOSB set-aides by other agencies. Lastly, the GAO found that the VA needs to be more aggressive in referring firms for suspension or debarment for misrepresenting their status.

Most of the questioning by the Members of Congress expressed shock and outrage at the percentage of contracts being awarded to ineligible businesses. In the panel’s view, the solution to the problem was greater coordination between the various offices within the VA and SBA. However, the witnesses were unable to offer any more concrete solutions. The Members of Congress also wanted to know what efforts were being taken at criminal prosecution. The panel responded that all OIG investigations were referred to the appropriate U.S. Attorney’s Office but the cases usually did not merit much attention from the U.S. Attorneys.

The sole witness on the second panel was Thomas J. Leney, Executive Director of Small and Veteran Business Programs at the VA’s OSDBU. Mr. Leney generally described the benefits that the VA’s government contracting programs were providing to veteran owned businesses. He went on to describe the efforts that the VA had undertaken to ensure that ineligible firms did not receive awards including referrals to the OIG and its own, internal status protest process. He closed by making assurances that the VA was doing everything that it could to keep ineligible companies from winning contracts.

Questioning of Mr. Leney was similar to the questioning of the previous panel. The Members impressed on him the urgency of getting this problem fixed. Representative Poe (R-TN) suggested that the program should be scrapped and a new program should be created. Mr. Leney assured the Members that changes would be enacted.

All in all, the hearing, did not give much for SDVOSBs aggrieved by the procurement process failures to be optimistic about. **Additional congressional pressure and scrutiny may force improvements.** But if anything, the hearing showed that cultural issues within the VA are causing these problems and they will be difficult to overcome.

~~VLM



Veterans Administration Audit and Evaluation Report Analysis

By Aaron Pease

This news is disturbing to say the least. Although somewhat aware of the existence of fraud within the system, I was incredulous to learn of ineligibility issues with 76% of awards made!! Following your lead, I downloaded the OIG report and read through the specifics and would offer the following unsolicited opinions:

- 1) The Recommendations do nothing except add additional bureaucracy to a verification process that already takes too long;
- 2) The oversight requirements highlighted in the recommendations are already in place under current policy. They're just not being correctly executed due to incompetence, negligence, or both;
- 3) No mention is made of a specific timeline or plan for corrective action implementation and follow up by the IG to ensure corrections have been made;
- 4) No mention of what corrections will be made with regard to fraudulent contracts already let and / or the prosecution of those who have committed these frauds including the larger businesses that may have engaged in "pass through" practices as well as those "posing" as SDVOSB or VOSB eligible;
- 5) No mention was made of elevating this serious fraud outside and above the visibility of the VA super structure. This is a fraud on the American taxpayer and they have a right to know legitimate SDVOSB and Vets are being pushed out of opportunities intended to increase competition in government contracting.

In the end, I view this as a simple verification process for both or either SDVOSB or VOSB: show me a DD-214 and an adjudicated VA claim indicating a specific percentage of disability. Period. No need for massive technocratic or bureaucratic analysis to examine eligibility.

Similarly, if the contracting officers were actually executing their tasks in the spirit of the FAR, they would allot for reporting vendor validation as part of due diligence. Instead, they operate in somewhat of a leadership vacuum, more or less, solely focused on "high visibility" acquisitions, obligation rates, and year end close usually in that order.

Aaron Pease is the President & CEO of Spear Point Medical Logistics, Inc. and founded the company in 2008 after completing over 13 years of service. Spear Point Medical Logistics is a VA Certified Service Disabled Veteran Owned Small Business and offers medical logistics consulting and management services to clients in acute care, ambulatory surgery and alternate site, and expeditionary medical environments.

Federal Spotlight

This is a new series in *VetLikeMe* that we hope is helpful to the SDVOSB community at large. Some federal agencies are meeting their commitments to SDVOSBs and awarding at or above the 3% mandated contracting dollars. We give credit where credit is due, and though we'd like to think this feature will appear in each issue of *VLM*, agency track records tells us otherwise. We hope this series is here to stay.



Dan Sturdivant, II

Assistant to the Director,
Outreach Programs, De-
partment of Homeland
Security, OSDBU

VLM: What do you attribute to the success of DHS' 3.2% procurement to SDVOSB?

I attribute our success to a "team effort" & upper (DHS) Management's support of the entire small business program.

VLM: Have DHS Contracting Officers been given training on considering SDVOSB for contracts?

The Director for DHS's Office of Small and Disadvantaged Business Utilization, Kevin Boshears, is adamant regarding training, across the board.

VLM: In your opinion, why do so many agencies have dismal scorecards regarding SDVOSB?

If you're asking for my opinion; I am fortunate enough to work for an agency that supports the Veterans program in not only contracts, but the hiring of Veterans as well. I have long maintained that there are only two things that make for a successful program & that is, support from the top & a budget. At DHS, we have both!

VLM: Would you support DHS giving guidance to other agencies in achieving their mandated goals?

We are ready, willing & able (when requested) to advise any agencies that are interested in ascertaining what types of outreach efforts, programs & Department-wide Acquisition Contracts (or DWAC's) that we implement at DHS, in support of the overall mission & our SDVOSB program.

Federal agency public affairs and media relations policy maintains a consistent voice for the agency. *VLM* understands and respects this requirement for internal discipline. Some questions were considered opinion by DHS media officials and inappropriate for an official agency response, including:

VLM: Public Law 106-50 was passed in 1999. It mandated that agencies reach the 3% level as a minimum. That mandate quickly devolved into a 'goal.' In your opinion why has this happened?

VLM: Why do you think that SDVOSB have fewer contract awards than HUBZone, 8(a) and WOSB?

VLM: As a decorated combat-disabled veteran, do you think that service deserves, and that of other disabled veterans, greater preference than contracts awarded solely by birthright (8(a), HUBZone, WOSB)? ~VLM

Other Voices

VLM receives emails and comments from members of the national SDVOSB community that provide perspective and a sense of political urgency to SDVOSB. Comments, criticism and suggestions are encouraged.

Email: bluepoint1@comcast.net

Identifying information is redacted.

Mentor-Protégé Program Evaluated

From email: “The stated purpose of the Mentor-Protégé (MPP) as a mechanism intended to support SDVOSB and VOSBs is indeed a farce. Instead, it is a mechanism to further the interests of large business incumbents at the expense of SDVOSB and VOSB.

Second, I would caution SDVOSB & VOSB from engaging in such a program as I would characterize the risks for moral hazard as "significant."

Third, going forward, I would encourage the Secretary of the VA to have the honor to engage in a discourse that is candid and honest with regard to its programs and positions regarding the VA's lack of commitment to disabled warriors and publicly admit their interests lie with large business incumbent contractors.

Lastly, I would encourage them to discontinue the current version of the MPP Guidebook until a significant revision can be developed. A revision that does not seek to mislead veteran owned companies with flowery language regarding a hollow commitment to assisting SDVOSB and VOSBs in enhancing their capabilities to perform as prime and sub contractors for the VA; a goal that has been refuted by the VA MPP program staff themselves.”

The logo for BluePoint Productions features the words "BluePoint" and "Productions" in a blue, cursive-style font. A blue arrow points to the right from the end of "BluePoint", and another blue arrow points to the left from the beginning of "Productions".

VetLikeMe is published bi-monthly by *BluePoint Productions*

Editor and publisher: Hardy Stone

Graphics Courtesy: Cactus Farm Graphics, Frederick, Maryland

Copyright *BluePoint Productions*, August 2011

bluepoint1@comcast.net www.bluepointgov.com

Contributing writers: Aaron Pease

Please duplicate, Repost, Tweet, Linked In, FaceBook, forward and spread widely. Airborne!

