

# Doing Business with the United States Department of Veterans Affairs



**Office of Construction & Facilities Management  
Industry Day  
Integrated Design Construct and Construction Management at Risk**

**June 13, 2011**

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**VA Office of Small and Disadvantaged Business Utilization**



# Today's Topics

- OSDBU Mission
- Procurement Preference Goals
- VetBiz and CCR
- Class Deviation VAAR 804.1102
- Subcontracting and Marketing to Prime Contractors



# Today's Topics *(Continued)*

- Mentor Protégé Program
- Joint Venture Agreements



# OSDBU Mission

OSDBU serves as an advocate for SDVO, VO, SDB, HUBZone and Women Owned Small Businesses. OSDBU provides outreach and liaison support to business (small and large) and other members of the private sector concerning small business acquisition issues. OSDBU is responsible for monitoring VA implementation and execution of the socioeconomic programs.



## FY 2010 Goals & Accomplishments (October 1, 2009 – September 30, 2010)

Category	Secretary's Goals	VA Accomplishments
Small Business	33.5	35.7%
Small Disadvantaged Bus. (including Section 8(a))	5%	9.0%
Women-Owned SB	5%	3.2%
Veteran-Owned SB	12%	22.8%
Service-Disabled Veteran- Owned Small Business	10%	19.8%
HUBZone Small Business	3%	2.1%

# FY 2011 Goals & Accomplishments

(October 1, 2010 – April 31, 2011)

Category	Secretary's Goals	VA Accomplishments
Small Business	33.5%	35.2%
Small Disadvantaged Business [including 8(a)]	5%	8.7%
Woman Owned SB	5%	3.9%
Veteran Owned SB	12%	18.6%
Service Disabled Veteran Owned SB	10%	16.3%
HUBZone SB	3%	2.0%



## VA Hierarchy of Small Business Programs\* (Open Market Acquisitions\*\*)

It is the policy of the VA that firms in the following categories be given maximum practicable opportunity to participate in our acquisitions, including subcontracting:

1. Service-disabled Veteran-owned firms\*\*\*
2. Veteran-owned firms\*\*\*
3. HUBZone firms and Small Disadvantaged Businesses (tied)
4. All others (including general small business)

\*P.L. 109-461 : SDVOSB/VOSB Set-Aside Authorities (Competitive - Unlimited by dollar amount); Sole Source - \$5 million limit

\*\*Not applicable to FSS, Federal Prison Industries, Ability One.



## CCR and VetBiz

- It is vital that Contractors be registered in the [www.CCR.gov](http://www.CCR.gov) web page
- It is vital that SDVOSB Contractors and VOSB Contractors be registered and request verification in VA's vendor information pages at [www.VetBiz.gov](http://www.VetBiz.gov)
- Why? VA Class Deviation



## Class Deviation

- As of October 1, 2010 all SDVOSB/VOSB must be verified in order to be awarded a VA contract.
- Contracting Officers will contact the Center for Veterans Enterprise (CVE) to confirm that the apparent successful offeror has been verified or has a pending verification application in VetBiz.



# Subcontracting: Improves your chances

- When is a Subcontracting Plan required?  
(Ref: FAR 19.7)
  - When a Construction Contract or modification is expected to exceed \$1,000,000 (\$650,000 for other types of contracts)
  - Small businesses need to market their capabilities to potential Prime Contractors looking for quality small businesses that will help them fulfill their subcontracting plan socio-economic categories



# VA's Mentor Protégé Program

- Under the VA MPP the protégé firms must be either SDVOSB or VOSB
- Developmental Assistance Mentors can provide to protégé include but are not limited to the following:
  - ✓ *Financial management*
  - ✓ *Organizational management*
  - ✓ *Overall business management/planning*
  - ✓ *Business development and Technical assistance*



## Frequently Asked Questions (FAQ)

- How will Contracting Officer view our proposal if we have a VA in MPP?

*The Solicitation document will define any additional evaluation consideration (if any) that will be given to your firm for a MPA.*

- Can I participate in the VA Mentor-Protégé Program if I am registered in VIP but not verified?

*No. A participant must be a SDVOSB or VOSB and verified in the Vendor Information Pages.*



## FAQ

- How many agreements may a Mentor and Protégé have?

*A mentor is not limited in the number of MPP agreements they can have at any time; but VA reserves the right to limit the number of agreements*

*The protégé may only be in one active VA Mentor –Protégé agreement at a time.*

*A protégé may not participate in the VA MPP more than twice.*



## FAQ

- Is a joint venture under the VA Mentor-Protégé Program treated the same as the Small Business Administration 8(a) Program?

*No, a joint venture between the VA mentor and protégé must adhere to the requirements of VA IL 049-6-4 and 13 CFR 125.15.*

- Can a protégé joint venture with its mentor on VA contracts?

*The MPA does not create a joint venture. A separate JV agreement must be submitted to and accepted by VA's Contracting Officer.*



# Joint Ventures

- SDVOSB /VOSB and one or more other business concerns may submit an offer on a competitive procurement if each company is:
  - A Small Business under the size standard to the NAICS code for the procurement
    - Revenue Base – Procurement exceeds half the size standard to the NAICS assigned to the contract
    - Employee Based – Procurement exceeds \$10,000,000



## Joint Ventures (continued)

### VA IL 049-6-4

- Other Factors of JV agreement:
  - SDVOSB must be the managing partner
  - Employee of the SDVOSB must be project manager
  - 51% of profits distributed to SDVOSB
  - JV agreement must obligate all parties to ensure performance
  - Final records kept by SDVOSB for JV
  - Contract execution in the name of the JV



VA Office of Small & Disadvantaged Business  
Utilization

[www.va.gov/osdbu](http://www.va.gov/osdbu) / **1-202-461-4300**

[John.Fedkenheuer@va.gov](mailto:John.Fedkenheuer@va.gov) / **1-202-461-4392**

VA Center for Veterans Enterprise

**1-866-584-2344**

**[www.VetBiz.gov](http://www.VetBiz.gov)**

