Good Character Eligibility Requirement

Issue:
This brief explains the good character eligibility requirement that a concern must meet to qualify for the Vendor Information Pages (VIP) Verification Program.

The Regulations:

38 C.F.R. § 74.2(b) provides:

*Good character and exclusions in System for Award Management (SAM)*. Individuals having an ownership or control interest in verified businesses must have good character. Debarred or suspended concerns or concerns owned or controlled by debarred or suspended persons are ineligible for VIP Verification. Concerns owned or controlled by a person(s) who is currently incarcerated, or on parole or probation (pursuant to a pre-trial diversion or following conviction for a felony or any crime involving business integrity) are ineligible for VIP verification.

Concerns owned or controlled by a person who is:

(i) currently incarcerated; or
(ii) on parole; or
(iii) on probation (pursuant to a pre-trial diversion or following conviction for a felony or any crime involving business integrity) are ineligible for VIP verification.

If a person who controls a Participant is found to lack good character, the Center for Verification and Evaluation will immediately remove the company from the VIP database.

Please note that 48 C.F.R. 9.406-2(b)(3) as cited in 38 C.F.R. § 74.2(b) was not cited correctly in the publication of the final rule.

Good character is examined on a case-by-case basis.

What This Means:

To qualify for the Vendor Information Pages (VIP) database, both Veterans and non-Veterans who have an ownership or control interest in a concern must have good character.

Debarred or suspended concerns are ineligible for VIP Verification. Similarly, concerns owned or controlled by debarred or suspended persons are ineligible for VIP Verification.

Concerns owned or controlled by a person who is:

(i) currently incarcerated; or
(ii) on parole; or
(iii) on probation (pursuant to a pre-trial diversion or following conviction for a felony or any crime involving business integrity) are ineligible for VIP verification.

If a person who controls a Participant is found to lack good character, the Center for Verification and Evaluation will immediately remove the company from the VIP database.

Please note that 48 C.F.R. 9.406-2(b)(3) as cited in 38 C.F.R. § 74.2(b) was not cited correctly in the publication of the final rule.

Good character is examined on a case-by-case basis.

FOR INFORMATIONAL PURPOSES ONLY
This information has been provided by the U.S. Department of Veterans Affairs (VA) Office of Small and Disadvantaged Business Utilization (OSDBU) for general informational purposes and should not be construed as legal advice. You should contact your attorney to obtain advice with respect to any particular issue or problem. In addition, VA OSDBU makes no representation as to whether the information above is accurate or current. All applicants and participants must read the applicable regulations and determine how best to meet these requirements. This Verification Assistance Brief does not constitute legal notice or replace governing regulations.
For more information about VA Small and Veteran Business Programs, visit http://www.va.gov/osdbu.

VA Office of Small and Disadvantaged Business Utilization
1–866–584–2344
Monday–Friday | 8 a.m. to 6 p.m. (Eastern)
Status Update: verificationfollowup@va.gov
Profile Questions: vip@va.gov