

CASE ANALYST STUDY GUIDE

Question 1

An electronic information system used and administered by the Department of Veterans Affairs Veterans Benefits Administration (VBA) containing Veteran's personally identifiable information is ____.

- A. EPLS
- B. VEEMs
- C. **BIRLS**
- D. VCMS

Question 2

The unique nine-digit identifier for a single business entity established through D&B is a ____.

- A. DBA
- B. SDVOSB
- C. FRC
- D. **DUNS**

Question 3

The act of CVE removing the verified status of a company from the VIP database.

- A. Removal
- B. **Cancellation**
- C. Withdrawal
- D. Participant

Question 4

This website is used by CVE to verify Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) and Veteran-Owned Small Businesses (VOSBs) who wish to participate in VA's Veterans First Contracting Program.

- A. **VIP**
- B. SAM
- C. D&B
- D. SBA

Question 5

The self-initiated act of an applicant removing its application from the Verification process.

- A. Applicant
- B. Removal
- C. Participant
- D. **Withdrawal**

Question 6

The federal employee(s) whose role is to assign new cases from VCMS daily to the Federal Reviewers.

- A. Case Coordinator
- B. Portfolio Manager
- C. Federal Review Coordinator**
- D. Team Lead

Question 7

Veteran status can be verified using the following: BIRLS, DD 214, or DOD Letter.

- A. TRUE**
- B. FALSE

Question 8

What website is used to conduct an Excluded Parties List System (EPLS) search?

- A. VIP
- B. D&B
- C. SAM**
- D. VATAS

Question 9

Which Public Law (P.L.) required the Secretary of VA to “establish a goal for each fiscal year for participation in Department contracts by small business concerns owned and controlled by Veterans” and to “maintain a database of small business concerns owned and controlled by Veterans”

- A. P.L. 461-275
- B. 38 CFR Part 74
- C. P.L. 111-275
- D. P.L. 109-461**

Question 10

Which Public Law (P.L.) states, “No small business concern may be listed in the database until the Secretary has verified” the firm.

- A. P.L. 111-275**
- B. P.L. 387-499
- C. 38 CFR Part 74
- D. P.L. 109-461

Question 11

A participant receives an eligibility term of _____ years from the date of CVE's approval letter establishing verified status.

- A. 4 years
- B. 1 year
- C. 2 years
- D. **3 years**

Question 12

A Service-Disabled Veteran is a Veteran who possesses either a disability rating letter issued by VA or DOD establishing a service-connected rating between 0 to 100 percent.

- A. **TRUE**
- B. FALSE

Question 13

The governing regulation for the MyVA Verification Program is _____.

- A. P.L. 109-461
- B. **38 CFR Part 74**
- C. P.L. 111-275
- D. Federal Register Vol. 77

Question 14

What are the stages of the MyVA Verification Process?

- A. **Intake, Pre-Application Review, Assessment, Decision**
- B. Intake, Examination, Evaluation, Federal Review, Determination
- C. Pre-Qualification, Intake, Federal Review, Decision
- D. Examination, Public Research Evaluation, Assessment

Question 15

At a minimum, what percentage of ownership must one or more Veterans own to meet the eligibility requirements for MyVA Verification?

- A. 49%
- B. 50%
- C. **51%**
- D. 52%

Question 16

A "Doing Business As" (DBA) name, also known as a fictitious name, trade name, or assumed name, is a business name that is different from a personal name, partners' names or the officially registered name of the Limited Liability Company (LLC) or corporation.

- A. **TRUE**
- B. FALSE

Question 17

DBA names will ONLY be included on the Determination Letter if:

- A. The applicant has uploaded a government issued document confirming the DBA name has been registered with the state, territory, or local government
- B. The VA form 0877 and the VIP profile match the official DBA name on the State Registration
- C. The applicant is located in a state where a DBA registration is not required
- D. A & B**
- E. All of the above

Question 18

A verification application has been processed and approved. However, the federal employee who conducted the review has outstanding concerns due to case fact patterns or red flags. The Federal Reviewer may request a _____.

- A. Pre-Verification Site Visit
- B. Cancellation
- C. Post-Verification Site Visit**
- D. None of the Above

Question 19

The applicant is required to complete, sign, date, and submit the Business License Declaration form.

- A. TRUE**
- B. FALSE

For questions 20–23 below, indicate if the requirement for Legal Organization is Satisfied or Not Satisfied:

Question 20

A search of D&B shows that the applicant has state debt only.

- A. SATISFIED**
- B. NOT SATISFIED

Question 21

The applicant is registered as a Not-for-profit firm.

- A. SATISFIED
- B. NOT SATISFIED**

Question 22

The Secretary of State website lists the firm as ACTIVE/In Good Standing.

- A. SATISFIED**
- B. NOT SATISFIED

Question 23

The Articles are registered within the state it is organized in and bears a date/time stamp on the form.

- A. SATISFIED
- B. NOT SATISFIED

Question 24

An applicant has federal debt as indicated on the SAM website. In response to the request for further information, the applicant provides a Letter of Explanation (LOE) explaining the debt payoff plan.

- A. SATISFIED
- B. NOT SATISFIED

Question 25

The default rule is to assume that an LLC's distributions are made on a pro rata basis.

- A. TRUE
- B. FALSE

Question 26

If the Operating Agreement is silent on profits and distributions, what is the next step?

- A. Recommend a denial
- B. Check state code
- C. Assume the default rule

Question 27

Ownership by a Trust, such as a living Trust, may be treated as the functional equivalent of ownership by a Veteran or service-disabled Veteran where:

- A. The Trust is Revocable, All Veterans are grantors, The Veteran is a Trustee, and the Veteran is the sole current beneficiary
- B. The Trust is Irrevocable, All Veterans are grantors, The Veteran is a Trustee, and the Veteran is one of the beneficiaries
- C. The Trust is Revocable, The Veteran is the grantor, The Veteran is a Trustee, and the Veteran is the sole current beneficiary
- D. None of the above

Question 28

Community Property requirements are based on the state where the business is located.

- A. TRUE
- B. FALSE

Question 29

CVE should review the applicant's website, resume, capability narratives, contracts, marketing material, NAICS codes, etc. to make a determination of primary line of work.

- A. TRUE
- B. FALSE

Question 30

The firm is 51% owned by the service-disabled Veteran (SDV) and 49% owned by a non-Veteran. The applicant conducts business in Psychological Services. According to his resume, the SDV has a Masters' in Psychology and has 2 years of psychology experience. The non-Veteran is a licensed psychologist with 15 years of experience. According to state licensing requirements, a psychologist MUST be licensed in order to practice Psychological Services. Barring any additional information, is the Critical Licensing requirement satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 31

A dated and signed Community Property waiver states, "I, Alice Wonderland, have no community property rights to Company A." Is the Community Property requirement satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 32

The SDV is applying for Verification for Blue Windows. According to VA Form 0877 and other supporting documents, Blue Windows is 100% owned by SDV Holding Company, which is not a living trust. Is the Direct Ownership requirement satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 33

The Veteran is 100% owner, and supporting documents show that he has no outside employment or ownership. The Veteran indicates that he devotes 30 hours per week towards the applicant. Barring any additional information, is the Full-Time requirement satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 34

The bank signature card shows that two authorized signers are required for all checks. The two authorized signers are the SDV owner and the non-Veteran CFO. Is the Day-to-Day Control requirement satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 35

Financial documentation shows that both the SDV owner and non-Veteran Project Manager received \$92,000 in total compensation in 2016. No other owner or employee received higher compensation. 2017 financial records are not yet available. Is the Highest Paid requirement satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 36

According to the financial records provided, the SDV is not the highest paid employee. In a LOE the SDV states, "I have decided not to take a salary as I am putting that money back into the company in order to pay my employees and build equity. I do not need the money as I receive my disability pension to support myself." Is the Highest Paid requirement satisfied?

- A. SATISFIED
- B. NOT SATISFIED

QUESTION 37

Typical officer positions for a Corporation are:

- A. Member or Manager
- B. President or CEO
- C. None of the above
- D. All of the above

Question 38

In order to be considered a "small business" for the purposes of the Verification Program, the applicant must be considered small for all NAICS codes listed on its VIP profile.

- A. TRUE
- B. FALSE

Question 39

Which line on a 1040 tax form reports wages, salaries, and other compensation (example: W2)?

- A. Line 11
- B. Line 17
- C. Line 7
- D. Line 12

Question 40

Scenario 1:

The applicant is a Corporation, owned 51% by the SDV and 49% owned by a non-Veteran. Both owners are Shareholders. The Bylaws state:

SECTION 6. Voting List. Upon request of any shareholder at least 30 days prior to a vote, the officer or agent having charge of the stock transfer books for shares of the corporation shall make a complete list of the shareholders entitled to vote at each meeting of shareholders or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each. Such list shall be made available for inspection on the request of any shareholder within 30 days of a written request therefor.

SECTION 7. Quorum. A majority of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If less than a majority of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notices. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

SECTION 8. Proxies. At all meetings of shareholders, a shareholder may vote in person or by proxy executed in writing by shareholder or by his duty authorized attorney in fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting. No proxy shall be valid after twelve months from the date of its execution, unless otherwise provided in the proxy.

SECTION 9. Voting of Shares. Each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at the meeting of shareholders.

Control of Applicant Decision Making – Shareholders quorum and voting. Based solely on the stated fact pattern and language in the excerpt above, do these issues meet the requirements?

- A. Shareholders voting is not met; Shareholders quorum is met
- B. No, neither is met
- C. Shareholders quorum is not met; Shareholders voting is met
- D. Yes, both are met

Question 41

Scenario 2:

The applicant is a Corporation, owned 51% by the SDV and 49% owned by a Veteran. The applicant is applying for SDVOSB status. Both owners are Directors. The Bylaws state:

SECTION 6. Quorum. A majority of the number of directors fixed by Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such a majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

SECTION 7. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 8. Action without a Meeting. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed before such action by all of the Directors.

SECTION 9. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors through less than a quorum of the Board of Directors unless otherwise provided by law. A director elected to fill a vacancy shall be elected for the unexpired term of this predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by election by the Board of Directors for a term of office continuing only until the next election of directors by the shareholders.

Control of Applicant Decision Making – Board of Director (BOD) quorum and voting. Based solely on the stated fact pattern and language in the excerpt above, do these issues meet the requirements?

- A. BOD voting is not met; BOD quorum is met
- B. **No, neither is met**
- C. BOD quorum is not met; BOD voting is met
- D. Yes, both are met

Question 42

Scenario 3:

The applicant is a Corporation, owned 51% by the SDV and 49% owned by a Veteran. The applicant is applying for SDVOSB status. The Stock Ledger and Stock Certificate indicate that the SDV owns 51% and the Veteran owns 49%. The applicant is a start-up; therefore there are no business taxes. The only reference to profits, distributions, or dividends in the Bylaws is depicted below. The Bylaws state:

ARTICLE VIII DIVIDENDS

The Board of Directors may from time to time declare, and the corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and its articles of incorporation.

Profits and distributions. Based solely on the stated fact pattern and language in the excerpt above, is this issue satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 43

Scenario 4:

The applicant is a Corporation, owned 100% by the SDV. The Stock Ledger and Stock Certificate indicate that the SDV owns 100%. The applicant is a start-up; therefore there are no business taxes. The Bylaws state:

ARTICLE XIII AMENDMENTS

These bylaws may be altered, amended or repealed and new bylaws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors.

Amendment provision. Based solely on the stated fact pattern and language in the excerpt above, is this issue satisfied?

- A. SATISFIED**
- B. NOT SATISFIED**

Question 44

Scenario 5:

The applicant is a Corporation, owned 51% by the SDV and 49% by a non-Veteran. Both owners are Shareholders and Directors. The most recent Meeting Minutes indicate that the SDV was elected as CEO and the non-Veteran was elected as the President. The Bylaws state:

ARTICLE 5 OFFICERS

5.1 Designations. The officers of the corporation shall be President, one or more Vice-Presidents (one or more of whom may be Executive Vice-President), a Secretary, a Treasurer, and such Assistant Secretaries and Assistant Treasurers as the Board may designate, who shall be elected for one year by the directors at their first meeting after the annual meeting of shareholders, and who shall hold office until their successors are elected and qualified. Any two or more offices may be held by the same person, except the office of President and Secretary.

5.2 The President. The president shall preside at all meetings of shareholders and directors, shall have general supervision of the affairs of the corporation, and shall perform all other duties as are incident to his office or are properly required of him by the Board of Directors.

5.3 Vice-President. During absence or disability of the President, the Executive Vice-Presidents in the order designated by the Board of Directors, shall exercise all functions of the President. Each Vice- President shall have such powers and discharge such duties as may be assigned to him from time to time by the Board of Directors.

Highest Officer. Based solely on the stated fact pattern and language in the excerpt above, is this issue satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 45

Scenario 6:

The applicant is a Corporation, owned 51% by the SDV and 49% by a non-Veteran. The applicant is a start-up; therefore there are no business taxes. The SDV provided a LOE stating that he has not issued stock certificates. The Bylaws state:

ARTICLE IV COMPANY SHARES AND SHARE TRANSFERS

4.1 Form of Certificate. The shares of the corporation shall be represented by certificates signed by the owner and president. Any or all of the signatures may be facsimile.

Based solely on the stated fact pattern and language in the excerpt above, is the applicant to provide Stock Certificates?

- A. YES
- B. NO

Question 46

Scenario 7:

The applicant is a LLC. The applicant is 51% owned by three SDVs (William Theodore Wadsworth, Jr. at 25%, Todd Andrew Taranto at 13.5%, and Thomas Leo William Aiello at 12.5%) and 49% owned by a non-Veteran (Mulan Moana). The applicant is Member managed. According to the Definitions section, Members vote “means, at any given time, Members that hold in the aggregate more than fifty percent (50%) of the outstanding Units of the Company.” The Operating Agreement does not provide for block voting. The Operating Agreement states:

5.3 Voting Rights. Each Member shall be entitled to cast one vote for each Unit that such Member owns.

Member voting. Based solely on the stated fact pattern and language in the excerpt above, is Member voting satisfied?

- A. SATISFIED
- B. NOT SATISFIED

Question 47

Scenario 8:

The company is 52% owned by SDV, Vincent Flanagan, 24% owned by Veteran, Todd McDowell, and 24% owned by Veteran, Brian Barnett. The applicant is a start-up; therefore there are no business taxes. Meeting Minutes indicate that all three owners are Members and all are Managers. The applicant is applying for SDVOSB status. Operating Agreement:

ARTICLE V

RIGHTS AND DUTIES OF MANAGERS

5.1 Management. The business and affairs of the Company shall be managed by its Managers. The Managers shall direct manage, and control the business of the Company Except for situations in which the approval of the Members is expressly required by this Operating Agreement or by non-waivable provisions of the Act, the Managers shall have exclusive, sole, full and complete authority power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the management of the Company's business. At any time when there is more than one Manager any one Manager may take any action permitted to be taken by the Managers, unless the approval of more than one of the Managers is expressly required pursuant to this Operating Agreement or the Act The Managers may create a Board of Directors, and may also appoint individuals with or without titles, including the titles of General Manager, Executive Director, President, Vice President, Treasurer, Secretary, and Assistant Secretary, to act on behalf of the Company with such power and authority as the Managers or Board of Directors may delegate to any such Person.

ARTICLE VII

MEETINGS OF MEMBERS

7.1 Meetings. Meetings of the Members, for any purpose or purposes, may be called by any Manager or by any Member or Members holding at least 24% of the Membership Interests.

7.6 Quorum. Members holding at least two-thirds (2/3) of all Percentage Interests, represented in person or by proxy, shall constitute a quorum at any meeting of Members. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Percentage Interests whose absense would cause less than a quorum.

7.7 Manner of Acting. If a quorum is present, the affirmative vote of Members holding more than 50% of the Percentage Interests represented at the meeting shall be the act of the Members, unless the vote of a greater or lesser proportion or number is otherwise required by the Act, or by this Operating Agreement. Unless otherwise expressly provided herein or required under applicable law, only Members who have a Membership Interest may vote or consent upon any matter and their vote or consent, as the case maybe, shall be counted in the determination of whether the matter was approved by the Members.

13.5 Amendments. This Operating Agreement may not be amended wxcept in writing by the affirmiative vote of Members holding at least two-thirds (2/3) of all Percentage Interests. Any amendment changing either the Percentage Interests of the Members or any provision within Article V requires the unanimous vote of the Members.

Member quorum. Based solely on the stated fact pattern and language in the excerpt above, does the SDV control Member quorum?

- A. YES
- B. NO

Question 48

Member voting. Based solely on the stated fact pattern and language in the excerpt above, does the SDV control Member voting?

- A. YES
- B. NO

Question 49

Manager-managed. Based solely on the stated fact pattern and language in the excerpt above, does the SDV control Manager decisions?

- A. YES
- B. NO

Question 50

Amendment provision. Based solely on the stated fact pattern and language in the excerpt above, does the SDV control the decision to amend the Operating Agreement?

- A. YES
- B. NO