

@VAVetBiz NEWS

Your connection to VA OSDBU news, information, and resources

Spring 2017

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VA's Advocate for Small Businesses



VA OSDBU small business experts engage with the Veteran small business community to provide access to resources, information, potential opportunities, and more.

Originally published by MyVA NEWS blog on April 6, 2017

With a new administration in the White House and a Secretary of the U.S. Department of Veterans Affairs (VA) who understand how we work, it's no doubt that there's a renewed interest in small business. In fact, Chanel Bankston-Carter, VA Office of Small and Disadvantaged Business Utilization (OSDBU) Director of Strategic Outreach and Communications says, "Small businesses help make VA great! And we are committed to giving priority to Veterans and putting the Veteran first." There's no doubt that leveraging the talents of small businesses also supports MyVA mission to support Veterans.

VA hierarchy puts Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) and Veteran-Owned Small Businesses (VOSBs) at the top of the list when it comes to consideration for the awarding of contracts to small businesses. VA is one of the largest procurement and supply agencies in the federal government for SDVOSBs and VOSBs—procuring over \$6 billion of VA goods and services from them annually.

VA OSDBU is the Department's advocate to assist and support the interests of small businesses. Specifically, their mission is to enable Veterans to gain access to economic opportunity by leveraging the federal procurement system and enabling participation of procurement-ready small businesses.

Bankston-Carter explains, "Every day, in one form or another, we engage VOSBs and the small business community about what they need to do, [continued on Page 2] ➤➤

Connect and Engage With @VAVetBiz





Chanel Bankston-Carter

Greetings! Welcome to the U.S. Department of Veterans Affairs Office of Small and Disadvantaged Business Utilization (VA OSDDBU) quarterly newsletter, @VAVetBiz NEWS, that is designed with you in mind.

What to expect from our newsletter? @VAVetBiz NEWS will keep you informed of VA OSDDBU's program efforts to connect Veterans to economic opportunities.

@VAVetBiz NEWS has a broad appeal to anyone with interests in doing business with VA. Our goal with this publication is to provide quick access to information about VA OSDDBU programs, resources, and services to help Veteran-owned and other small businesses build and grow.

Why you should read our newsletter? I believe that you will find our newsletter to be informative and useful as you navigate the rewards and challenges of being a Veteran small business owner.

We hope that @VAVetBiz NEWS will become a valuable tool that you can rely on for educational and engaging content.

We welcome your feedback as we work to best serve your needs. Thank you for your continued support.

Sincerely,
Chanel Bankston-Carter
Director for Strategic Outreach
and Communications, VA OSDDBU

VA's Advocate for Small Businesses

[continued from Page 1] how they need to do it, how they need to prepare themselves to do business with VA, and the benefits of being verified."

What They Do VA OSDDBU helps small businesses diversify their portfolio to give them economic opportunities through federal procurement. For the sixth year, VA brought together more than 3,000 attendees for the National Veterans Small Business Engagement (NVSBE), the largest gathering of its kind geared to the Veteran small business community. NVSBE is VA's signature event where VOSBs are joined with procurement and contracting staff from VA, other federal agencies, state government, and large firms with small business needs.

With its unprecedented level of access, NVSBE continues to serve as the most effective way for VOSBs to build relationships with potential buyers, contracting professionals, and other small businesses. Early connections made during the Engagement allow VOSBs to get in front of the right people to capitalize on opportunities for contract awards and subcontracting. The next NVSBE will be held December 5-7, 2017, in St. Louis, Missouri.

VA OSDDBU also works diligently with internal customers by providing guidance and connecting them with VOSBs that can support their contract needs. VA OSDDBU provides market research and assists program offices with procurement needs. It also gives VA program offices direct access to verified VOSBs that are ready and capable to do business with VA. VA OSDDBU mission directors offer support throughout the entire procurement process.

Bankston-Carter says, "Our long term goal is to transform how procurement-ready small businesses gain access to economic opportunity through increased awareness, reduced risk, enhanced access, improved procurement mechanisms, and better performance in order to enable Veterans to gain access to economic opportunities. It is important to know the contributions that the small business community makes to VA. This will help us to improve performance in order to enable Veterans to have these opportunities and work in collaboration with VA internal customers."

**"Small businesses help
make VA great!
And we are committed
to giving priority
to Veterans and putting
the Veteran first."**

—Chanel Bankston-Carter

Going the Extra Mile VA OSDDBU provides verification. The new verification focuses on placing the Veteran at the center of all actions during the life of the process thereby making it more Veteran-friendly and streamlined. The Center for Verification and Evaluation (CVE) is under the umbrella of VA OSDDBU. Its primary purpose is to verify applicants as SDVOSBs and VOSBs. VA is the only federal agency that has a verification program.

Another way that VA OSDDBU strives for excellence is by exceeding specific socioeconomic goals made by the Small Business Administration. For instance, while the federal-wide small business goal for procurements with VOSBs is three percent and no goal at all for SDVOSBs, VA has a goal of 10 and 12 percent respectfully.

VA will continue to offer the Veteran small business community access to unique opportunities through education and training, direct access events, verification, and outreach events which will foster relationships, expand networks, and provide access to potentially secure contract awards in the federal government. ★

#NVSBE2017: Get Ready for Engagement



#NVSBE2017

SAVE THE DATE

DECEMBER 5-7
ST. LOUIS, MO

 **NATIONAL VETERANS**
Small Business **Engagement**

2017



Factoring: A Way to Succeed

Small Businesses and Lack of Money

By Dr. Linda Williams, VA OSDBU Small Business Specialist

Factoring is a financial transaction and a type of debtor finance in which a business sells its accounts receivable (i.e., invoices) to a third party (called a factor) at a discount. A business will sometimes factor its receivable assets to meet its present and immediate cash needs.

Both FAR (32.802e) and Invoice Factoring (NOTICE OF ASSIGNMENT) provide further information and format. For more insight on rules governing the federal government acquisition process, visit www.acquisition.gov.



Short-term, non-bank financing of accounts-receivable is of four main types:

▶ Maturity Factoring (or Service Factoring)

The factor maintains the seller's sales ledger, controls credit, follows up on the payments, and pays the amount (after deducting a commission) of each invoice as it falls due, whether or not the payment was collected.

▶ Finance Factoring

The factor (called the financing factor) advances funds to a producer or a manufacturing firm on the security of produce or goods that will be produced or manufactured utilizing those funds.

▶ Discount Factoring (or Service Plus Finance Factoring)

The factor advances a percentage (usually between 70 to 85 percent of the value of accounts receivable) to the seller on a non-recourse basis and assumes the full responsibility of collecting the debts.

▶ Undisclosed Factoring

A factor buys the goods from a primary party (producer, manufacturer, or seller) and then appoints the same party as its agent to resell those goods and collect the payments. This arrangement prevents the disclosure that goods are being sold under a factoring agreement. The undisclosed factor, as in all other types of factoring, remains liable for uncollectible payments. Factoring is a type of 'off balance sheet financing.' See also discounting of accounts receivable and forfaiting.

From SBA.gov, "Expanding your business into the federal marketplace can be lucrative, and provide numerous networking and growth opportunities. **But be warned: Winning a federal contract also means complying with laws and regulations unique to those doing business with the government.** Many new contractors, especially small businesses, are unprepared for the rules and regulations they must follow, which can lead to costly errors and potential legal problems [continued on Page 6]. ▶▶

FAR 32.802 Conditions.

Under the Assignment of Claims Act, a contractor may assign moneys due or to become due under a contract if all the following conditions are met:

- a) The contract specifies payments aggregating \$1,000 or more.
- b) The assignment is made to a bank, trust company, or other financing institution, including any Federal lending agency.
- c) The contract does not prohibit the assignment.
- d) Unless otherwise expressly permitted in the contract, the assignment—
 - 1) Covers all unpaid amounts payable under the contract;
 - 2) Is made only to one party, except that any assignment may be made to one party as agent or trustee for two or more parties participating in the financing of the contract; and
 - 3) Is not subject to further assignment.
- e) The assignee sends a written notice of assignment together with a true copy of the assignment instrument to the—
 - 1) Contracting officer or the agency head;
 - 2) Surety on any bond applicable to the contract; and
 - 3) Disbursing officer designated in the contract to make payment.

Let's Get Social

Connect with @VAVetBiz to gain access to the latest news and resources surrounding the Veteran small business community.

Join the Conversation

@VAVetBiz Let's Chat Series



Twitter Chats

Second Tuesdays • 12–1 p.m. EST

June 13, 2017

July 11, 2017

August 8, 2017

UPCOMING TOPICS

JUNE Verification

JULY Forecasting

AUGUST Direct Access



Facebook Live

Fourth Tuesdays • 12–1 p.m. EST

June 27, 2017

July 25, 2017

August 22, 2017

Join the Conversation
#VetBizChat

VA



U.S. Department of Veterans Affairs

Office of Small and Disadvantaged Business Utilization

FOLLOW US!

@VAVetBiz



Join our online community of Vetpreneurs, small business owners, acquisition professionals, contracting specialists, and more.

Factoring for Small Businesses

[continued from Page 4]

Q: Who can factor your invoices for a specified period of time?

A: Your bank may have invoice factoring or search invoice factoring on the Internet to compare rates (charge to do so).

Q: How much will I get during and after the factoring process?

A: Companies charge different rates and release certain amounts until they are paid by the government. Always compare the benefits.

Q: Do I have to remain with the factorer for the duration of the contract?

A: No, the company will need a release from the factorer as payee; and then start invoicing yourself.

Disclaimer: VA OSDBU does not recommend or endorse factoring in any form nor from any vendor. The information is provided for knowledge only for the small or large business. This information is provided to give the small businesses another way to extend their growth in the marketplace and increase their financial standing. However, by no means, this information is not a recommendation to do so. Factoring types and definitions obtained from www.businessdictionary.com/definition/factoring.html. ★



Be Prepared. Be Procurement Ready.

Doing business with VA as a government contractor significantly increases your company's growth in many ways. VA OSDBU encourages all small businesses to be procurement ready. This means your small business is capable to meet the requirements necessary to compete for contracting opportunities with VA and other federal agencies.

Not Procurement Ready? Get Started.

- Gain knowledge through education by knowing government contracting rules and regulations.
- Attend procurement events and workshops to connect with customers.
- Validate your experience through solid business capabilities and accomplishments.

Doing Business With VA Webinar Series 2.0

**NEW
2017**

Upcoming Topics and Dates

Building an Effective
Capabilities Statement
June 13

Introduction to VA OSDBU
June 14

Navigating FedBizOpps
June 20, June 29



VA



U.S. Department of Veterans Affairs
Office of Small and Disadvantaged Business Utilization

www.va.gov/osdbu/outreach/soc/training.asp

Upcoming Events

Whether online or in your community, our events can help you build and grow your small business. Gain quick access to the **VA OSDBU Events Calendar** at www.va.gov/osdbu/library/events.asp.

Outreach and Procurement

DC PTAC Small Business Summit June 14, Washington, DC

Opportunity for local businesses to learn how to do business with D.C., federal government, and other government agencies.

2017 Small Business Entrepreneurs Training Conference June 19, Washington, DC

Hosted by HUD Veterans Affinity Group to promote education, training, and relationship building among small businesses.

Fort Bragg 3rd Annual B2G Conference & Expo June 22, Fort Bragg, NC

Lecture series with focus on Veteran opportunities, new technology, business best-practices, and more.

USBLN 20th Annual National Conference & Biz2Biz Expo August 21–24, Orlando, FL

Sharing and developing proven strategies for including people with disabilities in the workplace and marketplace.

Vets First Verification Program Webinars and Town Halls

Topic

Date/Time (EST)

Pre-Application

Designed for firms that are new to the Vets First Verification Program and have not created a VetBiz VIP profile. SDVOSBs and VOSBs that have been inactive in the program and are interested in submitting an application may also benefit from this session.

Every Friday
2–3 p.m.

Preparing for Reverification

Designed for firms whose verification will expire in 30 days and/or five months from the date of the scheduled webinar.

Every First Tuesday
2–3 p.m.
(new dates available in October 2017)

How to Stay Verified

Designed for firms that have been verified for six months and would like to remain verified.

Every Fourth Tuesday
2–3 p.m.

For more information about the **Vets First Verification Program Webinars and Town Halls**, visit www.va.gov/osdbu/verification/you_asked_we_listened.asp.

VA



U.S. Department of Veterans Affairs

Office of Small and Disadvantaged Business Utilization

Call Center: 1–866–584–2344 ★ **Web:** www.va.gov/osdbu ★ **Email:** osdbu@va.gov