

OSDBU UPDATE



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Inside this Issue

- 1 Notes From Scott
- 1 Veteran Businesses in VA
- 3 Veterans Mean Business Conferences
- 4 VETS-100 Reporting
- 5 Congressional Small Business Committees
- 6 Committee Activities on Anti-Bundling
- 6 Small Business Program Training

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Notes From Scott

By Scott Denniston

Well, the temperature may be dropping, but things are heating up in OSDBU. It's been a busy month for our office. This month, we recognize the contributions and sacrifices veterans have made on behalf of our nation's citizens. I was honored to represent Secretary West and all employees in the Department of Veterans Affairs in offering the keynote address at the Calverton National Cemetery Veterans Day Service in New York. As a veteran, I am deeply moved by the outpouring of goodwill from our neighbors each Veterans Day.

We are featuring veterans entrepreneurship in this issue. Also, we're recognizing the contributions of our elected officials in support of small business programs by identifying the members of the House and Senate Small Business Committees. The Senate Small Business Committee hosted this month's Interagency OSDBU Directors' Council meeting. One topic generating a lot of dialogue was speculation about how

Continued on Page 2 (Notes)

Veteran Businesses in VA

By Ilene Waggoner

With the passage of Public Law 106-50, the "Veterans Entrepreneurship and Small Business Development Act of 1999," each Federal agency will have a goal to award procurement dollars to disabled service connected veteran-owned businesses. We in VA have had a goal for awards to veteran, Vietnam Era veteran-owned and disabled veteran-owned businesses since 1983. The enactment of the law will

Continued on Page2 (Veterans)



**IN HONOR
OF THOSE WHO HAVE SERVED
VETERANS DAY NOVEMBER 11, 1999**





(Notes) Continued from Page 1

agencies will achieve the new 3% goal for prime contracting with service-disabled veteran owned firms and when the goal will actually take effect. The many thorny issues associated with subcontract plan administration (how to get primes to support real outreach; the dual recordkeeping primes must now have to track pre-and-post certified SDB program dollars; why monetary incentives to primes, a tool supported by industry as the most beneficial, aren't generally used by civilian agencies) also generated lively discussion. Finally, and not unexpectedly, the impact of contract bundling and consolidation was examined. That topic is separately reported in this issue.

We've also seen a lot of cross-agency dialogue this month. DoD's OSDBU staff and our office are working together to provide small business components in next year's VA-DoD Health Care Conference and to initiate joint support for women-owned small businesses in the construction industry. Because of the new Veterans Entrepreneurship law, I've been on the road addressing DoD personnel, primarily in Small Business Council settings. This month, I've traveled to Louisiana and Nevada, while Lisa Russell of our staff traveled to Biloxi to speak at DoD-sponsored conferences.

Lisa also traveled to Texas, to participate in the first anniversary event of the Air Force's award-winning Small Business Outreach Program office. Also this month, GAO initiated the study required by P.L.106-50 on revising the GI Bill's home loan program to permit a veteran to waive the housing benefit and substitute a business loan. They met with VA representatives from OSDBU, Veterans Benefits Administration and the Office of Congressional Affairs. This study is due to Congress early next year.

In closing, each November we pause to appreciate all the good things and good people in our lives and we acknowledge all the help we receive from others in our daily activities. In this spirit of thanksgiving, I extend to you my sincere gratitude for your support of small business programs. Your hard work and continuing support have made VA a leader in small business accomplishments. More importantly, your support has improved entrepreneurs' lives and livelihoods throughout our nation.



(Veterans) Continued From Page 1

require the identification of veteran-owned businesses by not only our agency, but other Federal agencies as well.

chartered corporation known as the "National Veterans Business Development Corporation." This corporation will assist veterans by working with and organizing public and private resources, including the Department of Veterans Affairs and the business development staffs of each department and agency of the United States. The corporation will also establish and maintain a network of information and assistance centers for use by veterans.

With the passage of the new law this office has had an increase in inquiries regarding the law and how it will apply to veteran business owners and those wishing to go into business. Many of the inquiries have been in regard to funding for the startup of a new business venture. Unfortunately, the law does not designate any direct money for startup costs in setting up a new business. This office has compiled a list of resources that will help those individuals seeking funding assistance. Many states have micro or revolving loan programs which have been funded by Federal money. Each program has different criteria for qualifying depending on the qualifications and income levels set by the state. We have made this resource guide available on our website, which can be accessed at <http://www.va.gov/osdbu>.

P. L. 106-50 establishes a federally

Continued on Page 3 (Law)



(Law) Continued from Page 2

With the passage of the new law the Government-wide goal for participation by small business concerns owned and controlled by service-disabled veterans shall be established at not less than 3 percent of the total value of all prime contract and subcontract awards for each fiscal year. Many of the VA facilities do an excellent job in seeking out and awarding contracts to veteran-owned businesses. In the past five years the stations listed below have achieved first place in awards to veterans. The chart below lists the First Place award winners and the percentages. We as an agency will need to make a greater effort if we are to meet our veteran goals each year. **Please see page eight for charts on VA trends.**☛

Veterans Mean Business Conferences

By Ilene Waggoner

The State of Ohio has shown it's commitment to supporting and helping veterans interested in starting or expanding their own business. This past year the VA Vocational Rehabilitation & Counseling Division has sponsored three Veterans Mean Business conferences, in Columbus , and Cleveland, attended by Ramsey Alexander of the OSDBU office; and Cincinnati, Ohio, which was attended by Ilene Waggoner. Voc REHAB teamed with the Small Business Administration, SCORE, AMVETS, the Ohio Bureau of Employment Services, the University of Cincinnati SBDC, the

City of Cincinnati, Hamilton County, Wright Patterson AFB, Enterprise Works, and local small business bankers to offer a day where all of these resources would be under one roof. Veterans were invited to spend a few hours talking and receiving one on one counseling from the various participants. The conferences feature business start-up information and assistance, a How to Do Business With Government Entities Workshop, financing information, business resources and access to commercial banks and SBA loans. Many veterans were counseled and received information at the three conferences. Mr. Bruce Holderead, Vocational Rehabilitation Officer and Ms. Melissa Fraley, Vocational Rehabilitation Counselor in Cleveland Mr. Lynn Johnson, Vocational Rehabilitation Counselor in Columbus, and Mr. Mike Lee and Mr. Sam Keifer Vocational Rehabilitation Counselors in Cincinnati were all instrumental in developing, planning and pulling the conferences together. We congratulate their efforts in promoting the Veterans Mean Business theme, and dedicating their time to helping the veterans in their state learn more about the opportunities available to them. If anyone is interested is sponsoring a Veterans Mean Business Conference please contact our OSDBU.☛

<u>Year</u>	<u>Facility</u>	<u>Award</u>	<u>Percentage</u>
1998	Butler, PA	Veteran-owned	44.53%
	Butler, PA	Vietnam Veteran-owned	42.23%
	Battle Creek, MI	Disabled Veteran-owned	6.38%
1997	Grand Island, NE	Veteran-owned	40.94%
	Grand Island, NE	Vietnam Veteran-owned	39.13%
	Las Vegas, NV	Disabled Veteran-owned	3.08%
1996	Prescott, AZ	Veteran-owned	39.21%
	Prescott, AZ	Vietnam Veteran-owned	38.11%
	Bedford, MA	Disabled Veteran-owned	4.27%
1995	Boise, ID	Veteran-owned	24.43%
	Boise, ID	Vietnam Veteran-owned	20.69%
	Los Angeles, CA	Disabled Veteran-owned	15.64%
1994	Canandaigua, NY	Veteran-owned	48.76%
	Salisbury, NC	Vietnam Veteran-owned	24.07%
	Knoxville, IA	Disabled Veteran-owned	8.63%



FEDERAL CONTRACTOR VETERANS' EMPLOYMENT REPORT (VETS-100)

By Lynette Simmons

Department of Labor Requirements for Contractors to Hire Veterans

You may recall a series of electronic messages from Ramona Jones, previously with VA's Acquisition Program Management staff on this topic last February. It's a good time to review contractors' requirements for hiring veterans. Have all your contractors filed their reports? They were due September 30. Why is this important to small business programs? First, veterans hire veterans at higher rates than non-veterans. This practice offers mentoring and, in many cases, incubator experiences for veterans to acquire the skills and knowledge needed to open their own businesses. Secondly, companies who do not file the required reports are not eligible to receive new Federal awards until such time as the report is filed. Here's some material we collected on this topic for you to use in counseling small businesses:

VETERANS' EMPLOYMENT REPORT (VETS-100)

FAR GUIDANCE: Part 22.1304(b). FAR Clause 52.222-35, Affirmative Action for Disabled Veterans and

Veterans of the Vietnam Era; and 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era. Note that the guidance requires the clause and reporting for Federal contracts exceeding \$10,000. FAR Part 22.1303 permits a waiver under certain circumstances.

PURPOSE: Public Law 105-339, Section 1354, was enacted on October 31, 1998. It provides that no agency may obligate or expend appropriated funds to enter into a contract with a contractor subject to filing a VETS-100 report for the preceding fiscal year under Title 38, US Code, Section 4212(d). A as soon as the required report is filed. Federal contractors must report at least annually the numbers of: 1) special disabled veterans, 2) veterans of the Vietnam era, and 3) other veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized who are in their workforce. Reporting is required by hiring location and includes both the number employed and the number of new hires, within the three categories listed above. The number of veterans employed within these categories is to be broken out by job category and maximum and minimum total employment is to be reported as well.

WHO MUST FILE: The VETS-100 Report is to be completed by **all**

nonexempt federal contractors and subcontractors with contracts or subcontracts for the furnishing of supplies and services or the use of real or personal property for **\$25,000 or more** (note: FAR guidance currently says \$10,000 or more because the FAR text predates P.L. 105-339). Services include but are not limited to the following services : Utility, construction, transportation, research, insurance, and fund depository, irrespective of whether the government is the purchaser or seller. The existence of \$25,000 or more in federal contracts or subcontracts during a given calendar year establishes the requirement to file a VETS-100 Reporting during the following calendar year.

WHEN TO FILE: This is an annual report and must be filed **no later than September 30**. The form is mailed to the U.S. Department of Labor; Veterans Employment and Training Service; VETS-100 Reporting; 6101 Stevenson Avenue; Alexandria, VA 22304.

HOW TO LOCATE THE FORM: You can download it at <http://vets100.cudenver.edu>. This site also provides information about the report. A copy of the form is attached to this newsletter. If you do not have Internet access, you may call (703) 461-2460. This is a voice mail box where you may



request a copy of the form to be mailed to you.

HOW TO SUBMIT REPORTS:

Single establishment employers must file one completed form. All multi-establishment employers, i.e., those doing business at more than one hiring location, must file (A) one form covering the principal or headquarters office; (B) a separate form for each hiring location employing 50 or more persons; and (C) EITHER (1) a separate form for each hiring location employing fewer than 50 persons, OR (ii) consolidated reports that cover hiring locations within one State that have fewer than 50 employees. Each state-consolidated report must also list the name and address of the hiring locations covered by the report. **COMPANY CONSOLIDATED REPORTS SUCH AS THOSE REQUIRED BY EEO-1 REPORTING PROCEDURES ARE NOT REQUIRED FOR THE VETS-100 REPORT.** Completed reports for the headquarters location and all other hiring locations for each company should be mailed in one package to the address listed above.

HOW TO CHECK THAT THE FORM HAS BEEN FILED WITH DOL:

The DOL is required to maintain a database listing contractors that have filed a VETS-

100 report for the current reporting period. The database resides on <http://nvti.cudenver.edu/vets/vets100Search.htm>. If for some reason this site does not work, you may go through DOL's home page at <http://www.dol.gov>, click on DOL agencies, click on Veterans' Employment and Training Services, at the bottom of the page, click on Federal Contractor Veterans' Employment Inquiries. Both these paths take you to a screen that reads FEDERAL CONTRACTOR VETERANS' EMPLOYMENT REPORT. You must enter the Validation Code, which is **vets**. Then proceed with filling out the screen as prompted. The database is updated monthly.

WHAT TO DO IF THE REPORT CANNOT BE LOCATED:

If the company indicates that it has recently filed a VETS-100 report but it does not appear on the screen, this information can be verified by contacting the DOL Office of Veterans Employment and Training at (703) 261-2460.☎

Congressional Small Business Committees

By Gail Wegner

Both houses of Congress have determined that the interests and vitality of the small business community are vital to our national economy. The members of both

committees are ardent supporters of removing barriers to small businesses and to enhancing opportunities to expand the small business sector. Please review the membership rosters that are attached to this newsletter. If your facility, VISN, or contracting activity is in an area represented by the membership, you may want to review your partnering plans and your accomplishment figures to ensure they reflect VA's quality, professionalism and commitment to our mission.

You can follow the proceedings of both committees on line at: <http://www.house.gov/smbiz/> and <http://www.senate.gov/~sbc/>.

In this session of Congress, the Senate committee has focused on reducing paperwork burdens, improving financing support from SBA, Federal small business procurement rules, ecommerce, emerging markets, expanding opportunities for women, enhancing small business education and studying ways to strengthen the agricultural community. Currently, this committee is spearheading legislation to expand Women's Business Centers, bill S 791. By the year 2003, estimates are that women will own 50% of America's small businesses.

Working cooperatively with the



Senate, the House committee acted on most of the same issues. Further, this committee initiated the Veterans Entrepreneurship legislation which was enacted into law in August. The House committee has three subcommittees focusing on Empowerment Zones (know your HUB Zones. They are one aspect of the Empowerment program); Government Programs and Oversight; and Regulatory Reform and Paperwork Reduction. This committee publishes a free on-line newsletter. ✪

Committee Activities on Anti-Bundling Rule

The interim rule on contract bundling was published on October 25. Public comments must be submitted not later December 27. On November 4, the House Small Business Committee held the second hearing on this topic in three months. The subject of this hearing was the Defense Department's plans to bundle base operations. Chairman Talent stated "The contract bundles within the Department of Defense are so enormous in scope and size that they raise serious questions as to whether even a company the size of General Motors could successfully compete - let alone a small business. It is incumbent upon this Committee to foster economic growth and enhance

opportunities to create jobs in small business. The DoD's contract bundling practices have done little, if anything, to convince me or the Committee that contract bundling is in any way, shape or form a way to accomplish these goals." Ranking committee member Nydia Velazquez said "We need significant, meaningful action if we are to move forward. This is about keeping small businesses in business, and in business with our Government." This hearing was the first time that bundling practices within a specific Federal agency have been the primary subject of the Committee's interest. The hearing concluded with a joint agreement that DoD shall initiate a comprehensive study on the effects of contract bundling on small firms. The report is due in six months.

The Chairman of the Senate Small Business Committee addressed the National Association of Small Disadvantaged Businesses in Alexandria, VA. Accompanying him were the Chief Counsel of the Committee, Mr. Paul Cooksey, and the Ranking Member's legislative assistant, Mr. Damon Dozier. Together they provided a united front in opposing bundling practices by the agencies. Mr. Cooksey told the conference guests "The biggest threat to SDBs and women-owned businesses is bundling. Especially when these companies are trying to get started and use the government

to build their businesses and there are fewer opportunities and those that are out there are too large for them to handle." Mr. Dozier stated that "Agencies and OSDBUs must not accept bundling as a fact of life. They must work to include small businesses." When asked if emphasizing subcontracting instead of prime contracting will offset bundling's negative impact on small businesses, Mr. Dozier replied "The development of small businesses happens on the prime level, not the sub level. I cannot imagine an environment where that would be acceptable." Senator Bond informed the group that bundling will be a key item on his agenda in the upcoming months and will likely be addressed by the full Senate Small Business Committee. (note: source material and quotations for this article are used with permission of [Set-Aside Alert, jmiller@setasidealert.com](mailto:jmiller@setasidealert.com)) ✪

Small Business Program Training *By Gail Wegner*

Looking for a formal classroom-based training program to better understand the small business programs and recent changes? Here are some offerings for you to consider:

Continued on Page 7 (Training)



(Training) Continued from Page 6

National Contract Management Association

Cost: \$695 for NCMA members

Title: Small Business

Contracting Programs

Locations and Dates:

Orlando, FL - December 2-3, 1999

Los Angeles, CA - February 17-18, 2000

Washington, DC - April 3-4, 2000

More info:

<http://www.ncmahq.org>

(703) 448-9321 or 800/344-8096

FAX ON DEMAND for course info:

1-888-592-6262 (#131)

Management Concepts

Cost: \$450

Title: Contracting With Small

Business Concerns

Locations and Dates:

Denver, CO - Jan 18-20, 2000

Vienna, VA - Jan 31-Feb 2, 2000

San Francisco, CA - April 10-12, 2000

Vienna, VA May 31-June 2, 2000

Chicago, IL - July 17-19, 2000

Vienna, VA - August 28-30, 2000

More info:

<http://www.mgmtconcepts.com>

In Development: The Interagency OSDBU Directors' Council and the Procurement Executives' Council agree that a Federal course needs to be developed which covers small business programs. This material is being piloted in Washington, DC on December 7-8. After revisions are made to the pilot offering, the course will be made available to agencies for use free of charge. VA is participating in the pilot class.

VA Small Business Specialist Orientation: OSDBU offers a 2 day orientation program for new small business specialists. It's held in Washington DC on an as-needed basis. The course is team-taught by OSDBU specialists. There is no tuition fee, but we do ask that facilities pay their travel.

Custom Seminars:
VA Small Business Programs: This seminar is structured to support the needs of the requesting activity.

OSDBU faculty travel to your location at our expense. We provide the training materials. In the past year, we have provided half-day sessions to the following VISNS and to the NAC: 4, 5, 7, 10, 12, 16, 17, 21, 22. VISNs 8 and 10 are scheduled for December. The Acquisition Operations and Analysis Service is scheduled for January 2000. Dates are pending for VISNS 13 and 18. If you would like us to come to your city (or come back to see you again), please call (202) 565-8124.

Federal Procurement Data System

Training: We also offer a one-day course held at your location. OSDBU pays instructor travel expenses and provides student materials. Please arrange this training with Ms. Lisa Russell, FPDS Program Manager, (202) 565-8124. ☎

Coming Next Month

- Facilities Maintenance in VA
- Women's Business Centers
- SDB Program Toolkit

Attachments to this Newsletter

- P.L. 106-50 Presentation
- SB Committee Membership
- Vets-100 Form

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