

Interagency Task Force on
Veteran Small Business Development
FY 2016 – FY 2019 Consolidated Report

July 2020

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Executive Summary

“Our veterans represent the very best of America. They have bravely answered the call to serve in the finest military force in the world, and they have earned the dignity that comes with wearing the uniform and defending our great flag....I have pledged to provide our service members with the best equipment, resources, and support in the world -- support that must continue after they return to civilian life as veterans.”

- President Donald J. Trump, November 7, 2017

America’s 30 million small businesses are the engine of job creation and economic growth in this country,¹ account for more than 56 million jobs, and create two out of three net new private sector jobs in the U.S. each year. More than half of all Americans either work for or own a small business.²

Upon returning to their communities after serving our country, our nation’s veterans significantly contribute to the vitality of local and regional economies across the U.S. as business owners and employers. Veterans own about 2.5 million businesses, or 9.1% of all of America’s businesses.³

On the home front, there are 20 million veterans⁴ who live and work in our communities every day. In 2019 veteran unemployment reached a 19-year low of 3.1%.⁵ When veterans and their families have access to resources, they feel more confident to pursue self-employment opportunities like starting and growing a small business. It is the duty of all Americans to support the well-being of our veterans and their families.

¹ U.S. Small Business Administration Strategic Plan Fiscal Years 2018 – 2022, *SBA Reimagined, Powering the American Dream*. Retrieved August 15, 2019, from: https://www.sba.gov/sites/default/files/aboutsbaarticle/SBA_FY_2018-2022_Strategic_Plan.pdf

² U.S. Small Business Administration FY 2019 Congressional Budget Justification and FY 2017 Annual Performance Report. Retrieved August 15, 2019, from: https://www.sba.gov/sites/default/files/aboutsbaarticle/SBA_FY_19_508Final5_1.pdf

³ U.S. Census Fact Finder Table Statistics for All U.S. Firms by Industry, Veteran Status, and Gender for the U.S., States, Metro Areas, Counties, and Places: 2012. 2012 Survey of Business Owners, Table: SB1200CSA02. Retrieved August 15, 2019, from: http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=SBO_2012_00CSA02&rodT_ye=table.

⁴ U.S. Department of Veterans Affairs, National Center for Veterans Analysis and Statistics, Veteran Population, Table 2L: VETPOP2016 LIVING VETERANS BY PERIOD OF SERVICE, GENDER, 2015-2045. Retrieved August 15, 2019, from https://www.va.gov/vetdata/Veteran_Population.asp

⁵ U.S. Department of Labor, Veterans’ Employment and Training Service, *Latest Unemployment Numbers* website, retrieved May 15, 2020 from: <https://www.dol.gov/agencies/vets/latest-numbers>

Approximately 200,000 service members leave the military each year.⁶ Providing transitioning service members and their families with the tools to transition back to civilian life – including assistance to start and grow a small business – is a moral responsibility. It must be coordinated and robust.

On September 29, 2017, to ensure his commitment to the support of strengthening veteran-owned small businesses is reflected across government, President Trump signed Executive Order 13811⁷ authorizing the U.S. Small Business Administration (SBA) to continue to chair the Interagency Task Force on Veterans Small Business Development (Task Force). The Task Force is charged with coordinating efforts to improve opportunities and access for small businesses owned by veterans and service-disabled veterans in areas such as capital, federal contracting, counseling, and other business development tools and services.

In sum, America has both an unquestioned responsibility and a compelling incentive to empower veterans through entrepreneurship, enabling them to become successful small business owners. This Task Force strongly believes that serving veterans who are – or who want to become – small business owners is crucial to America’s overall job creation, economic growth, and competitiveness in the world economy.

Established by Public Law 110-186 and effected by Executive Order, the Task Force is chaired by SBA and comprises representatives from: SBA's Office of Veterans Business Development (OVBD), the Department of Defense (DoD), the Department of Labor (DOL), the Department of Treasury (Treasury), the Department of Veterans Affairs (VA), the General Services Administration (GSA), the Office of Management and Budget (OMB), and four representatives from veterans service or military service organizations who focus their recommendations on increasing the number of veteran-owned small businesses as well as increasing the number of Americans those businesses employ.

Each year, the Task Force conducts four public meetings where members report their progress toward recommendations and discuss future opportunities for collaboration on veteran entrepreneurship. In fiscal year 2016, the Task Force revised its initial recommendations to close out proposals that have been accomplished, or are now part of regular program activities, and proposed recommendations to address new challenges. The Task Force will continue to refine its proposals as it evaluates progress

⁶ U.S. Department of Veterans Affairs, *The Military to Civilian Transition 2018, A Review of Historical, Current, and Future Trends*. Retrieved August 15, 2019, from: <https://www.benefits.va.gov/tap/docs/mct-report-2018.pdf>

⁷ Executive Office of the President, E.O. 13811 of September 29, 2017, 82 FR 46363. Retrieved August 15, from: <https://www.federalregister.gov/documents/2017/10/04/2017-21555/continuance-of-certain-federal-advisory-committees>

toward goals, identifies further challenges, and moves forward with its recommendations. As the Task Force enters fiscal year 2020, it will continue engaging with the veteran community and federal partners and continue encouraging progress on its recommended actions.

The Task Force Charter (Appendix A) requires the Task Force to submit regularly a report to the President on its progress and proposals. The focus of this report is to provide updates on the recommendations which are organized around four priority areas for engaging the federal government:

Increase Opportunities for Growth. Increasing the flow of both capital and federal contracting opportunities to veteran-owned small businesses will provide veterans with more opportunities to build a new business, expand an existing business, and hire workers. In many cases, this does not require standing up new programs, but instead involves ensuring that existing programs and resources are more effective in supporting veteran entrepreneurship.

Improve and Expand Counseling and Training Services. Self-employment and small business ownership are increasingly viable options for returning and discharging veterans, Reserve component members and their families. Providing tailored counseling and training services for veteran entrepreneurs and small business owners, and scaling successful programs as needed to meet the increasing number of veterans who are returning, will provide veterans greater prospects for success.

Reduce Barriers to Growth and Improve Coordination and Efficiencies. By improving collaboration, integration, and focus across federal agencies, key programs (e.g., Transition Assistance Program), Veteran Service Organizations (VSOs), states, and academia, the federal government can more effectively serve existing and prospective small business owners who are veterans. Expanding best practices in veterans' small business development is crucial to replicate success in government-wide efforts that will strengthen the success of veteran-owned small businesses.

Other Priority Recommendations: Identify and Address Research and Policy Issues. Maintaining awareness and inventory of veteran entrepreneurship research and keeping current on policy issues is critical to understanding the federal government's role in supporting veterans, servicemembers (active duty, National Guard, Reserve), and military spouses who seek assistance in starting and growing their businesses.

Veteran-Owned Businesses - By the Numbers

Already, veterans own about 2.5 million businesses, or 9.1% of all of America's businesses. These businesses generate about \$1.1 trillion in receipts and employ more than 5 million Americans. Notably, 442,485 of these businesses have paid employees. When including businesses in which veterans are at least half-owners, these numbers rise to 3.1 million businesses (11.2% of U.S. businesses), \$1.4 trillion in receipts, and 6.7 million employees.⁸

Nearly 30 percent of all veteran-owned firms were in two industry groups: construction and the professional, scientific and technical services group.⁹

- The industry with the largest share of veteran-owned firms was finance and insurance (13.2 percent), followed by transportation and warehousing (12.1 percent), and construction (11.4 percent).
- Five industry groups accounted for 71.5 percent of all veteran-owned firm sales: wholesale trade (22.9 percent), retail trade (19.5 percent), manufacturing (12.3 percent), construction (10.1 percent), and professional, scientific, and technical services (7.0 percent).
- Most veteran-owned employer firms are small: 54.5 percent of all veteran-owned employer firms have one to four employees; 71.3 percent have from one to nine employees; 80.6 percent have from one to nineteen; 9.0 percent have twenty or more; and 3.2 percent have more than fifty.
- The majority ownership of veteran-owned firms was overwhelmingly male (84.3 percent), non-Hispanic (92.9 percent), and white (85.1 percent). Women owned 15.2 percent of all veteran-owned businesses, and self-identified minorities owned 20.6 percent.
- By race and ethnicity, majority ownership shares of veteran-owned businesses were: African American (10.7 percent), Hispanic (7.0 percent), Asian-American (2.1 percent), American Indian or Alaska Native (1.3 percent), Native Hawaiian or other Pacific Islander (0.3 percent), and some other race (2.2 percent).

⁸ U.S. Census Fact Finder Table Statistics for All U.S. Firms by Industry, Veteran Status, and Gender for the U.S., States, Metro Areas, Counties, and Places: 2012. 2012 Survey of Business Owners, Table: SB1200CSA02. Retrieved March 1, 2018, from: http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=SBO_2012_00CSA02&prodType=table.

⁹ SBA Advocacy veterans report <https://www.sba.gov/sites/default/files/advocacy/435-veteran-owned-businesses-report.pdf>

- Most veteran-owned businesses had only one owner (86.1 percent); almost all had four or fewer owners (97.9 percent).
- The states with the most veteran-owned firms, in order, were: California (252,377), Texas (213,590), Florida (185,756), New York (137,532) and Pennsylvania (97,969).
- The states with the highest percentages of veteran-owned firms were: South Carolina (13.0 percent), New Hampshire (12.2 percent), Virginia (11.7 percent), Alaska (11.7 percent), and Mississippi (11.4 percent).
- Almost three-quarters (72.0 percent) of respondent veteran owners had active duty service at some time, and 4.9 percent reported post-9/11 active duty (September 2001 or later). During the 2012 survey year, 3.3 percent of owners reported service in the National Guard or a Reserve component, and 0.8 percent reported active duty service during 2012.
- Veteran business owners are much older than business owners in general. In 2012, 74.0 percent of veteran business owners were age 55 and over (all owners: 41 percent); 26.0 percent were age 55–64 (all owners: 25.4 percent); and 48.0 percent were 65 or older (all owners: 15.6 percent).
- On the younger end of age distribution, 11.7 percent of veteran owners were under age 45 (all owners: 32.5 percent); and only 3.4 percent of veteran owners were under age 35 (all owners: 13.5 percent).
- A larger share of veteran-owned businesses than all U.S. firms reported that they were home-based, 57.0 percent compared with 52.2 percent.
- The percent of veteran-owned businesses operated as franchises was somewhat lower than that for all firms, 2.1 percent versus 2.9 percent. Among veteran-owned employer firms, 4.2 percent were franchises, compared with 5.3 percent for all firms.
- By far the largest source of capital for veteran-owned business startup or acquisition was personal or family savings, 59.4 percent. Business loans from banks or other commercial lenders were used by 7.8 percent of veteran-owned firms, while personal credit cards were reported by 7.5 percent. These were similar to the sources of capital for all firms.
- The most common method for veterans to become business owners was to found or start the businesses themselves.

Recent Highlights

- ❖ **Federal Surplus Personal Property**– The Veterans Small Business Enhancement Act of 2018 names veteran-owned small businesses (VOSBs) as eligible recipients of federal surplus property and provides access to acquire such property via GSA’s [Federal Surplus Personal Property Donation Program](#). VOSBs will have access to surplus property in 2020 after the rulemaking process is complete.
- ❖ **Access to Capital** - SBA made it easier to connect with lenders through Lender Match at <https://www.sba.gov/lendermatch>.
- ❖ **SBA Surety Bond Guarantee Program** – Many public and private contracts require contractors to obtain surety bonds, which are provided by surety companies. Contract surety bonds provide project owners with a guarantee that the contractor’s work will be completed according to the contract’s terms and with no liens. VOSBs and SDVOSBs rely on SBA-guaranteed surety bonds when facing difficulties in obtaining reasonable bond terms. The SBA provides a 90% guarantee on contract surety bonds for VOSBs and SDVOSBs with SBA-partnered surety companies. The guarantee replaces unreasonable terms and conditions otherwise required for these bonds. In FY 2019, VOSBs and SDVOSBs accounted for 56.16% of the total SBA Surety Bond Program’s portfolio, or 5,563 SBA-guaranteed contract surety bonds.
- ❖ **Community Development Financial Institutions Fund (CDFI Fund)** –The [CDFI Fund](#), part of the U.S. Department of Treasury, plays a unique and important role in generating economic growth in America. By fostering the creation and expanding the capacity of community-based financial institutions that specialize in providing affordable credit, capital, and financial services, the CDFI Fund builds businesses, creates jobs, and revitalizes neighborhoods. The CDFI Fund works to spur economic growth and opportunity in many of our nation’s most distressed communities. Through tailored resources and innovative programs that invest federal dollars alongside private capital, the CDFI Fund supports mission-driven financial institutions that are using market-based approaches to empower underserved communities. Treasury briefed Task Force members on the CDFI Fund overall, and how CDFIs serve veterans. Treasury conducts [monthly conference calls](#) intended to serve as a forum for potential CDFI Certification Applicants, certified CDFIs, and CDFI certification stakeholders to ask questions and discuss CDFI certification and the CDFI certification process.
- ❖ **Service-Disabled Veteran-Owned Small Business Contracting**. The Service-Disabled Veteran-Owned Small Business Procurement Program allows federal

agencies to set acquisitions aside for exclusive competition among service-disabled veteran-owned small business (SDVOSB) concerns. Each year since 2011, federal agencies have consistently met SDVOSB goal achievement and surpassed the 3% SDVOSB government-wide procurement goal. In FY 2018, the government wide SDVOSB goal achieved 4.27% overall with \$20.6 billion in contract dollars.¹⁰

- ❖ **VA Reduces Certification Times.** In FY 2017, the VA made significant progress toward reducing the average time to verify a business as a VOSB or SDVOSB. While the processing time for initial applications became shorter and shorter from FY 2014 to FY 2015, the rate of initial approvals surged upward. In FY 2012 the VA Center for Verification and Evaluation (CVE) reported approximately 53% of initial applications were approved. In FY 2016, CVE revised its process to add a greater depth of customer service. By FY 2017, approximately 98% of initial applications were approved.
- ❖ **New Procurement Tools for Veterans and for Contracting Officers.** Government Contracting Classroom (SBA),¹¹ Market Research Center of Excellence¹² (MRCOE) platform (DoD), and Market Research Platform¹³ (VA) are working to connect veteran entrepreneurs and federal contracting officers with market research, training, and government contracting opportunities.
- ❖ **Veterans Business Outreach Centers.** [Veterans Business Outreach Centers](#) (VBOCs) are designed to provide entrepreneurial development services such as business training, counseling and mentoring, and referrals for eligible veterans (including active duty, Reservist and National Guard members, and military spouses) owning or considering starting a small business. SBA grew the number of VBOCs from 15 to 22 locations between 2016 and 2019.
- ❖ **Boots to Business Program** – Transitioning service members and military spouses have access to [entrepreneurship training at military installations worldwide](#). Since its launch in 2013 Boot to Business (B2B) has trained tens of thousands of participants, reaching a milestone in FY 2019 of training 100,000 transitioning service members, veterans and military spouses and is continuing to grow.

¹⁰ SBA Press Release 19-36. Retrieved August 15, 2019, <https://www.sba.gov/about-sba/sba-newsroom/press-releases-media-advisories/federal-government-achieves-small-business-contracting-goal-sixth-consecutive-year-record-breaking>

¹¹ U.S. Small Business Administration Learning Center, Retrieved August 15, 2019, <https://www.sba.gov/learning-center>

¹² U.S. Department of Defense market Research Center of Excellence Initiative, Retrieved August 15, 2019, <https://business.defense.gov/Portals/57/MRCOE%20SBTW18.pdf?ver=2018-05-01-183258-313>

¹³ U.S. Department of Veterans Affairs, VA Market Research Guide for Acquisition Teams, Retrieved August 15, 2019, <https://www.va.gov/oal/docs/business/pps/guideVAMarketResearchForAcquisitionTeams.pdf>

- ❖ **Transition Assistance Program Curriculum Refresh.** In FY 2017 the [Transition Assistance Program \(TAP\)](#) was updated by the TAP interagency committee. Subsequently, the 2019 National Defense Authorization Act (NDAA) instituted major revisions to the entire program and its delivery. The TAP Interagency Executive Council and its member federal agencies are incorporating those changes for implementation in FY 2020.
- ❖ **Federal Government Online Resources at USA.gov.** The Trump Administration has launched an online search tool that allows users to browse hundreds of articles from popular government programs and services. USA.gov [searches only federal, state, and local government websites for the public](#). Its search box works like other search engines but returns results from government web pages, most ending in .gov or .mil. USA.gov/business is the portal to small business programs, including those for veteran-owned businesses.
- ❖ **SBA Entrepreneurship Training Programs Veterans.** The **Service-Disabled Veteran Entrepreneurship Training Program (SDVETP)** provides service-disabled veterans, military spouses, and caregivers, with entrepreneurial training, business development assistance, counseling, and management assistance. There are currently four grantees fulfilling the SDVETP grant. The **Veteran Federal Procurement Entrepreneurship Training Program (VFPETP)** is a vital component of the Agency’s efforts to assist veteran and service-disabled veteran small business owners and entrepreneurs in getting “contract ready” and securing federal government contracts. One grantee provides federal procurement entrepreneurship training to veterans. The **Women Veteran Entrepreneurship Training Program (WVETP)** offers entrepreneurship training to women veterans, women service members, as well as women spouses of service members and veterans interested in starting, growing, and diversifying new and established small businesses. There are currently two WVETP grantees filling a niche to develop veteran women-owned small businesses.

Revising the Initial Task Force Recommendations

In FY 2016, the Task Force completed a comprehensive analysis of progress made toward its initial 18 recommendations.¹⁴ While much has been accomplished, there is more work to be done. Where recommendations have been addressed through statutory or regulatory changes, implemented through agency policy, and/or incorporated into the regular work of program offices, the Task Force moved to refresh the recommendations to address new challenges faced by veteran-owned small businesses (Attachment B).

FY 2016 – FY 2019 IATF Recommendations Summary

Increase Growth Opportunities

Recommendation 1.1: Increase awareness, access, and utilization of microloans in the veteran-owned small business community.

Recommendation 1.2: Facilitate agency alignment and/or awareness in the use of already developed Government-wide tools and information to support buying activities based on market research sources, industry statistics, supplier base requirements, and success stories.

Recommendation 1.3: Review the policies of all federal departments and agencies to investigate/identify the types or classes of contracts et al that are currently excluded from the base against which the 3% required goal for awarding contracts to SDVO SBCs is computed.

Recommendation 1.4: Conduct an analysis of the benefits and drawbacks of creating a business development program for economically disadvantaged SDVO SBCs modeled on the SBA's 8(a) program.

Improve, Expand Assistance

Recommendation 2.1: Facilitate outreach and training when identifying new opportunities for mapping the landscape of state and federal programs.

¹⁴ SBA Task Force report, Report to the President: Empowering Veterans Through Entrepreneurship, November 2011. Retrieved August 15, 2019, <https://www.sba.gov/offices/headquarters/ovbd/resources/14372>.

Recommendation 2.2: Add to the curricula used in B2B, Reboot, and other veteran entrepreneurship training programs such as available through Procurement Technical Assistance Centers, and other SBA partners, including Small Business Development Centers, that teaches and encourages participants to familiarize themselves with the public workforce system (American Job Centers et al) to use them as their HR support for staffing.

Reduce Barriers to Growth, Improve Coordination

Recommendation 3.1: Find and reduce barriers that impede service-disabled veteran-owned small businesses from contracting with the U.S. Government. (Refer to 1.4)

Recommendation 3.2: Promote use of innovative practices that reduce burden for veteran-owned and service-disabled veteran-owned small businesses and increase access to new technologies produced by these entities. (Link to 1.4)

Recommendation 3.3: Coordinate and centralize information on veteran and service-disabled veteran-owned small business contracting opportunities across the federal government.

Recommendation 3.4: Produce an agency-led assessment of veteran-owned small business achievements and contracting goals to increase veteran-owned small business utilization in prime contracting.

Recommendation 3.5: Increase collaboration on federal contracting opportunities between national veterans' advocacy groups and SBA's Office of Veterans Business Development.

Recommendation 3.6: Conduct an analysis of the benefits and drawbacks relating to having a single Government-wide program to certify SDVO SBC status, and recommendations on how such could be established.

Recommendation 3.7: Provide information to veteran-owned and service-disabled veteran-owned small businesses that will help them understand and meet existing and emerging requirements for cyber security protections in federal acquisitions.

Other Priority Recommendations: Identify and Address Research and Policy Issues

Recommendation 4.1: Vest the GI Bill benefits as a property right, allowing veterans to use funds both for education and small business creation activities such as counseling and business financing.

Recommendation 4.2: Identify and provide potential data sources that support research to evaluate the effectiveness of veteran entrepreneurship programs and potential areas for policy or programmatic changes to meet current and emerging veteran entrepreneur needs.

Recommendation 4.3: Develop Unemployment Insurance outreach collateral that addresses existing support at the state level.

Recommendation 4.4: Analyze existing evaluation criteria in federal procurements that include veterans' employment and certification of firms who submit offers and examine the feasibility of broadening veterans' employment evaluation criteria across federal agencies' procurement policies.

Task Force Progress in FY 2016-FY 2019

Increase Growth Opportunities

Recommendation 1.1: Increase awareness, access, and utilization of microloans in the veteran-owned small business community.

Rationale – VOSBs who are starting their businesses may need small amounts of financial assistance. Under SBA's Microloan Program, SBA makes direct loans to intermediaries that, in turn, use the proceeds to make small loans to eligible microborrowers. The mission of SBA's Microloan Program is to integrate micro-level financing with training and technical assistance for start-up, newly established, existing, and growing small businesses.

Lead Member: SBA

Status:

- Microloan Program leadership briefed extensively to IATF during public meetings
- Community Advantage pilot –VOSB participation notable
- Lender Match in place in FY 2017
- Spanish version of Lender Match in place in FY 2020

Recommendation 1.2: Facilitate agency alignment and/or awareness in the use of already developed Government-wide tools and information to support buying activities based on market research sources, industry statistics, supplier base requirements, and success stories.

Rationale – The Federal Acquisition Regulations (FAR) requires contracting activities consider small business participation in federal procurements, and by conducting market research on who and what is available in the market will broaden opportunities not only for existing firms, but also for young, procurement-ready firms who are struggling to get a foothold in the federal market.

Lead Members: DoD, GSA, VA, OMB

Status:

The Department of Defense facilitates agency alignment and awareness using Market Research Center of Excellence Tool or “MRCOE”. MRCOE, a collection of market research tools, enables leadership, program managers, contracting officers, and small business professionals to be more effective in market research execution, analysis, goal management, future needs forecasting, and industry engagement. MRCOE aims to streamline and automate small business performance monitoring and the overall market research process, which will in turn increase small business participation.

Activity:

- In December 2016, DoD demonstrated the MRCOE tool during a quarterly Task Force meeting.
- MRCOE was granted access to FPDS-NG (Federal Procurement Data System - Next Generation) real time data, eliminating the standard 90-day delay. This update improves the accuracy of data provided to the government workforce, allowing them to better capture meaningful metrics to drive important decisions.
- MRCOE prepared for deployment with eBusiness, operating on a cloud-based and cyber-secure platform.
- MRCOE 1.4 prepared to release to several small business offices, improving the accessibility and operation of the tool and gaining user feedback for improvement.
- MRCOE¹⁵ demo April 2018, Orlando FL
- MRCOE 2.0 deployment
- MRCOE deployment across DoD training
- MRCOE training and users guide
- DoD's Small Business Training Week (SBTW18), April 23-27, 2018, New Orleans, LA¹⁶

¹⁵ U.S. Department of Defense training materials, MRCOE, <https://www.acq.osd.mil/dpap/pdi/docs/2018%20p2p%20training%20presentations/P2P%20Symposium%20MRCOE.pdf>

¹⁶ SBTW18 agenda <https://business.defense.gov/Events/SBTW18/>

The GSA through its Office of Small and Disadvantaged Business Utilization (OSDBU) has created a new resource to educate VOSBs and SDVOSBs about the necessary steps involved in doing business with GSA. The Veterans Virtual Coach Discussion Board, created in May 2016, focuses on providing a forum where veterans can collaborate and share information about common concerns, such as competing for GSA Schedule contracts. Veterans who desire to use the site as a resource are encouraged to first post any questions they may have to the site, and then staff will work promptly to respond to the question. Staff then post both the question and response to the site for other veterans to review. This increases collaboration among VOSBs and SDVOSBs while also arming these groups with additional knowledge they need to grow their small businesses.

GSA OSDBU developed a web-based Forecast Contracting Opportunity search tool that makes it easier to find out about small business contracting opportunities. One can easily filter the data by agency, award status, location, and the North American Industry Classification System (NAICS) Code. As a partner to the tool, GSA has also developed a Forecasting Map that gives businesses quick high-level view of where GSA opportunities are in their geographical area.

Also worth noting, GSA through OSDBU has developed the Small Business Goal Achievement Dashboard. The tool is an interactive visualization of small business/non-small business awards at the national, service, and regional levels. Using the tool, the acquisition workforce can gather insights on trends in GSA's small business spend across multiple fiscal years; understand drivers of achieving veteran owned business goals; and identify opportunities to influence acquisition strategies for non-small business awards to be considered for veteran awards.

Activity:

- GSA presented information to the Task Force on Category Management (June 2017)

At the Department of Veterans Affairs, market research and acquisition planning are collaborative processes between contracting offices and requiring activities/program/project offices. Each member of the acquisition team has key responsibilities to ensure appropriate issues are considered when conducting market research that will flow directly into acquisition planning and developing the acquisition strategy. Acquisition teams and program/project offices who conduct comprehensive market research help ensure that VA selects the most suitable approach to acquiring supplies, services and construction and facilities in support of our critical mission and to

facilitate the identification of capable small businesses, and particularly Veteran-Owned Small Businesses.

Activities:

- FedMine demonstration presented to Task Force June 2017
- VA Market Research Guide for Acquisition Teams¹⁷ was published in August 2019

As stated in an OMB memo¹⁸ released 2018, the Administration is transforming how agencies buy and manage goods and services throughout the entire Government from common, routine procurements to complex, major acquisitions. Almost two-thirds of federal contracting dollars (over \$300 billion each year) support common goods and services that every agency needs to meet its mission goals. Instead of buying these on separate, uncoordinated contracts, agencies are using category management to leverage the Government's buying power and reduce the number of costly and duplicative contracts, which are expensive and time-consuming for both Government and industry. This shift allows the Federal acquisition workforce to focus its time and attention on higher-value work. That said, the goal of category management is not to put more money into the hands of fewer contractors, but rather to promote and grow the resiliency of the contracting base through a balanced use of government-wide, agency-wide, and local contracts informed by business intelligence to help agencies determine the best way to reach businesses, small and large. OMB's guidance expressly acknowledges that local decentralized spending on a small or medium-sized IDIQ contract serving one or a small number of agency customers would be considered to be aligned with category management principles if it is designed to achieve small business goals and is conducted pursuant to a comprehensive organized agency level strategy. The guidance further makes clear that "best-in-class" and other government-wide solutions are not "one size fits all solutions" and may not be suitable where use could cause significant harm to the small business industrial base. The guidance directs that agency internal guidance explain the process for contracting officers to request and/or exercise exceptions in any case where the agency is using BIC, government-wide or agency-wide solutions to meet some of its requirements.

For more complex acquisitions, the Administration is promoting innovative acquisition strategies that allow agencies to get what they need faster, using new and less bureaucratic methods of working with industry partners to procure the best solutions for citizen taxpayers.

¹⁷ Department of Veterans Affairs resource guide, <https://www.va.gov/oal/docs/business/pps/guideVAMarketResearchForAcquisitionTeams.pdf>

¹⁸ Office of Management and Budget, M-18-23, retrieved August 15, 2019, <https://www.whitehouse.gov/wp-content/uploads/2018/08/M-18-23.pdf>

To improve how the Government buys goods and services, OMB is identifying areas where valuable resources are expended performing highly repetitive administrative tasks that require little to no decision-making. These administrative tasks and processes lend themselves to automation, where transactions are numerous and frequent, and processes have significant peaks in workload. Using data and process standards that will be completed in 2018, OMB intends to modernize operations through automation technologies like Robotic Process Automation (RPA) software, artificial intelligence, and other tools that will execute repetitive administrative tasks and significantly reduce the burden on Federal employees. Not only will automation shift resources to the pursuit of mission outcomes, but it will also reduce human error and improve compliance with contracting protocols and financial analysis and reporting. OMB is committed to working with agencies to explore the use of these technologies to reduce the cost of routine processes, eliminate duplication, and consolidate and centralize procurement-related interactions.

OMB is also reducing the burden of data collection and reporting. OMB and GSA have collaborated to create a central capability for contractors to report post-award data required under the FAR. This centralized service allows contractors to report data to one central location rather than thousands. The tool is currently available for a few focused areas and will be expanded as it is further incorporated into the broader centralized capabilities that support federal procurement.

Recommendation 1.3: Review the policies of all Federal Departments and Agencies to investigate/identify the types or classes of contracts et al that are currently excluded from the base against which the 3% required goal for awarding contracts to SDVO SBCs is computed.

Rationale: Not all contracts are included in SBA's goaling calculations when tabulating small business participation, including SDVOSB participation.¹⁹ SDVOSB stakeholders have tasked SBA's OVBD and the task force with providing the total federal SDVOSB participation percentage vs the percentage of SDVOSB participation when exclusions are applied.

Lead Member: SBA

Status:

- Certain contracting actions are excluded from the small business goaling base. Actions excluded from the goaling base include those excluded by statute,

¹⁹ SBA FY 2019 Goaling Guidelines, https://www.sba.gov/sites/default/files/2019-06/FY19%20Small%20Business%20Goaling%20Guidelines_Draft_2018-08_Final%20%281%29.pdf

contracts funded predominately with agency generated sources (i.e., non-appropriated funds), acquisitions with a statutorily mandated source, such as Federal Prison Industries or Ability One, and acquisitions on behalf of foreign governments. SBA briefed the Task Force June 2017 on small business goaling exclusions.

- SBA published guidelines for statutory federal small business goals

Recommendation 1.4: Conduct an analysis of the benefits and drawbacks of creating a business development program for economically disadvantaged SDVO SBCs modeled on the SBA's 8(a) Business Development (8(a) BD) program.

Rationale: SDVOSB stakeholders have expressed a need for including more SDVOSB firms in the federal market.

Lead Member: SBA

Status:

- SBA's OVBD provides business development training through its ongoing programs: Boots to Business: Introduction to Entrepreneurship (B2B), the Veterans Federal Procurement Entrepreneurship Training Program (VFPETP) grantee Veteran Institute for Procurement (VIP), the Women Veteran Entrepreneurship Training Program (WVETP), the Service Disabled Veteran Entrepreneurship Training Program (SDVETP), and assists clients through the Veterans Business Outreach Center (VBOC) Program, and referrals to SBA's Resource Partners (Small Business Development Centers (SBDCs) Womens Business Centers (WBCs), SCORE), and SBA's Online Learning Center at: <https://www.sba.gov/learning-center>.
- SBA and VA collaborated to issue regulations to unify the ownership and control requirements to more closely align the two government service-disabled, veteran-owned contracting programs. SBA and VA are also coordinating the potential transfer of these programs to SBA.

Improve, Expand Assistance

Recommendation 2.1: Facilitate outreach and training when identifying new opportunities for mapping the landscape of state and federal programs.

Rationale: Agencies can do a better job of sharing information on SDVOSB programs and initiatives that support veteran entrepreneurship and employment.

Lead Members: SBA, DOD, DOL, VA

Status:

- SBA leadership maintains constant engagement with interagency partners, internal and external stakeholders, and has implemented outreach requirements through three grant programs, SDVETP, WVFETP, and VFPETP, of which all began grant cycles in fiscal year 2017. OVBD works extensively with TAP to promote B2B training across all services including social media campaigns. Twenty-two (22) VBOCs assist clients in learning about new opportunities at the local level and engage with SBA District Offices and Resource Partners regularly to deliver SBA programs and services.
- DOL created a website www.veterans.gov that provides comprehensive resources for those seeking employment opportunities, and links multiple agencies together by way of a singular point of entry. This includes a tab on the homepage labeled “Start Your Own Business” which links to SBA’s OVBD homepage.
- VA engages annually with VOSBs during the National Veterans Small Business Engagement (NVSBE). The event brings together nearly 2,000 VOSBs and federal agencies for learning sessions and networking.
- SBA’s annual [National Veterans Small Business Week](#) (NVSBW) highlights VOSBs and SDVOSB successes, including all SBA veteran demographics (i.e., veterans, transitioning and active duty service members, National Guard and Reserve members, military spouses), and showcases SBA programs and resources that shape the veteran small business community, specifically the role of SBA, grantees, resource partners, and other stakeholders.
- In an effort to meet the needs of small businesses, DoD provided marketing, outreach and training to all socioeconomic categories during FY 2017. DoD utilized the Business.Defense.gov website to publish resources for businesses seeking information about the DoD SDVOSB program, as well as, all documents informing veteran entrepreneurs of ways to identify emerging opportunities. Additionally, the website provides DoD SDVOSB “Frequently Asked Questions”, blogs, and links to additional resources and programs provided by other agencies. Small businesses equipped with this collection of knowledge, will be better informed of opportunities available to them.
- Overall, DoD leadership maintains engagement in events supporting SDVOSB programs and initiatives and including topics important to the sustainability of veteran entrepreneurs working with the Department.
- DoD Office of Small Business Programs (OSBP) will continue strategic outreach and marketing to all socioeconomic small business categories by providing educational materials on the business.defense.gov site.

- DoD OSBP assembled a series of educational workshops, providing small businesses training and educational resources regarding ways to locate small business opportunities, updates to policy and legislation and other concerns that affects small business.
- OSBP will honor Veteran Appreciation Month by sharing weekly achievement stories of SDVOSB's who have successfully won contracts with the federal government and provided innovation to DoD.
- Finally, DoD will continue its engagement in events that support SDVOSB initiatives.

Recommendation 2.2: Add to the curricula used in B2B, Reboot, and other veteran entrepreneurship training programs such as available through Procurement Technical Assistance Centers (PTACs), and other SBA Resource Partners (SBDCs, WBCs, SCORE, VBOCs), that teaches and encourages participants to familiarize themselves with the public workforce system (American Job Centers et al) to use them as their human resources support for staffing.

Rationale: Agencies can do a better job of supporting SDVOSBs and VOSBs who want to hire veterans and engaging with veterans who are seeking employment by standardizing training tools and curricula to include guidance on human resource assistant from the public workforce system. Guidance should be the same for all and reach beyond one agency.

Lead Members: DOL, SBA

Status:

- TAP curriculum underwent comprehensive review in 2017-2018 and includes information on SBA programs and resources, and DOL's AJCs where appropriate. The 2019 NDAA brought sweeping changes to the entire transition assistance program. Federal agencies are incorporating the changes in FY 2020.
- DOL implemented the Honoring Investments in Recruiting and Employing American Military Veterans Act of 2017 (HIRE Vets Act), which establishes a program that recognizes employer efforts to recruit, employ, and retain veterans. DOL's HIRE Vets Medallion Program²⁰ recognizes employers for their investments in recruiting, employing, and retaining our nation's heroes.
- The B2B "Introduction to Entrepreneurship" curriculum includes interagency resource guidance.

²⁰ U.S. Department of Labor, HIRE Vets Medallion Program website: <https://www.hirevets.gov/>

Reduce Barriers to Growth, Improve Coordination

Recommendation 3.1: Find and reduce barriers that impede service-disabled veteran-owned small businesses from contracting with the U.S. Government. (Refer to 1.4)

Rationale: SDVOSB stakeholders have identified barriers that impede entry/participation in the federal market: contract bundling, entrenchment, CVE vs SBA certification, lack of business development program. *(Reference to 1.4 - Conduct an analysis of the benefits and drawbacks of creating a business development program for economically disadvantaged SDVO SBCs modelled on the SBA's 8(a) program.)*

Lead Members: GSA, OMB, SBA, VA

Status:

- OMB posts updates to the Administration's efforts to reduce regulatory burden at: <https://www.whitehouse.gov/omb/information-regulatory-affairs/regulatory-matters/>. EO 13777 Enforcing the Regulatory Reform Agenda was designed to lower regulatory burdens on the American people by implementing and enforcing regulatory reform.
- VA and SBA collaborated to publish a final rule to 38 CFR Part 74, 13 CFR Part 125, and 13 CFR Part 134 that implements the new provisions of the 2017 NDAA.
- SBA All Small Mentor Protégé Program was implemented; SDVOSBs utilize the program more than the other socioeconomic categories.
- SBA continued providing access to its Veteran Entrepreneurship Training Programs through three grant opportunities: SDVETP, VFPETP and WVETP. Each grantee provides various levels of business development training; and of these, VFPETP is a vital component of the Agency's efforts to assist veteran and service-disabled veteran small business owners and entrepreneurs in getting "procurement ready" and securing federal government contracts. Participants realize significant increases and successes in federal market participation.
- GSA has awarded the Veterans Technology Services 2 (VETS 2) GWAC. The Award Notice was announced on FedBizOpps on October 26, 2017. The VETS 2 GWAC offers a unique contribution to the federal acquisition community as it is the only GWAC set-aside exclusively for Service-Disabled, Veteran-Owned Small Businesses (SDVOSB). VETS 2 is designed to meet a variety of diverse agency IT requirements, including new and emerging technologies. VETS 2 enables GSA to continue its support of the SDVOSB Procurement Program, while helping

federal agencies achieve their socio-economic goals and objectives. For more information, please visit www.gsa.gov/VETS2

- The [GSA GWAC Dashboard](#) is open to all and requires no password or special permission to access the data. So, whether you're a buying agency doing market research on the VETS GWAC and its awardees, or a VETS GWAC Prime contract holder gathering data for business intelligence, you will find what you need here: www.gsa.gov/gwacdashboards. By going to the "Data Feed" tab, you can even set up and run reports based on the data most important to you. Make sure to narrow the search down by selecting the VETS GWAC, then select the data you need. The reports can be downloaded to Excel for ease of use. Data is updated nightly and the tool is available. The VETS 2 GWAC is the only GWAC set aside exclusively for Service-Disabled, Veteran-Owned Small Businesses (SDVOSB). It's designed to meet diverse agency IT services requirements, including new and emerging technologies.

Recommendation 3.2: Promote use of innovative practices that reduce burden for veteran-owned and service-disabled veteran -owned small businesses and increase access to new technologies produced by these entities. (Link to 1.4)

Rationale:

OMB is taking on a number of initiatives to promote more innovative practices that are streamlined and simplified and geared in many ways to be helpful to companies that are providing digital services, products and services to help fight cyber security. Many of these companies are small businesses, and OMB has found in some of their efforts, for example, in breaking work into more manageable pieces, such as unbundling or agile in terms of software development, using prototypes to demonstrate capabilities, greater use of oral proposals, and others. OMB is working to create a new innovation set aside for new and emerging small businesses to get their feet wet in the federal marketplace, that having some greater focus on these activities and making sure that acquisition advocates, innovation advocates and small business advocates are working together.

Lead Member: OMB

Status:

- OMB posts updates to the Administration's efforts to reduce regulatory burden at: <https://www.whitehouse.gov/omb/information-regulatory-affairs/regulatory-matters/>. EO 13777 Enforcing the Regulatory Reform Agenda was designed to lower regulatory burdens on the American people by implementing and enforcing regulatory reform.

- Agencies increase the number of acquisition labs and safe spaces to test, share, and scale innovative business practices and technologies. The Veterans Affairs Technology Acquisition Center (VA TAC) and the DHS Procurement Innovation Lab (<https://www.dhs.gov/pil>) exemplify established examples while the USDA Procurement Innovation Effort and the IRS Procurement Innovation Branch exemplify pilots. All four labs have successfully acquired digital services applying techniques that increased access to new entrants.
- The VA TAC improves how it designs, buys, and deploys technology and digital services. The VA team consolidated Vets.gov to the improved VA.gov and the agency received the 2018 Service to America Medal for Management Excellence (SAMME) award for creating easily accessible online tools for veteran benefits and services.
- Agencies increase their representation in interagency communities of practice and forums, such as the Acquisition Innovation Advocates Council, RPA Community of Practice, and Challenge community to exchange ideas, practices, and learned opportunities to use techniques that reduce barriers to entry.
- Agencies increase their contributions of examples of tested techniques and supporting artifacts to hubs, such as the TechFAR Hub (<https://techfarhub.cio.gov/>), Acquisition Innovation Hub (<https://hallways.cap.gsa.gov/app/#/gateway/acquisition-innovation>) and the Periodic Table of Acquisition Innovations (<https://www.fai.gov/periodic-table/>) to help users of different backgrounds and functional responsibilities find the knowledge they need on a common platform so they can interact more effectively with each other and with prospective small business and other contractors.
- The platforms include examples of techniques that reduce barriers to entry such as alternative acquisition authorities that help with the prototype and production of promising capabilities. Examples include (i) challenge and prize competitions that can rapidly stimulate cross-sector collaboration to help agencies as they ideate to come up with solutions, which allows for the possibility for follow-on prototype, production agreement, or deployment procurement for promising solutions, (ii) commercial solutions opening pilot authority to conduct rapid testing of capabilities statements that are unknown or unproven to enable rapid engagement and product testing with entities whose ideas look promising to determine if there is merit is investing in their development and deployment, and (iii) innovative virtual activities, to solicit new work and enable continued contract awards, such as online industry conferences, facilitated requirements development to co-create with industry, video proposals, and virtual oral presentations and consensus evaluations.

- VA TAC use cases²¹, podcasts²², and sample documentation²³ are available in all three platforms to include innovative acquisition techniques to conduct remote technical demonstrations and virtual post-award orientation that reduce administrative and costly burden and down-select procedures that allow quicker feedback to offerors to help them make timely decisions with their bid and proposal costs.
- The VA TAC successes -- to reduce barriers to entry and increase access to new entrants with reduced burden -- are partly attributable to the agency's Digital Information Technology Acquisition Program (DITAP)²⁴ graduates and acquisition innovation advocate²⁵ who apply their digital IT acquisition professional training, experiential learning, coaching, active interagency collaborations, and flexible communication strategies with industry.

Recommendation 3.3: Coordinate and centralize information on VOSB and SDVOSB contracting opportunities across the federal government.

Rationale: This recommendation continues from the original set of recommendations. Since then, CVE has created Vendor Information Pages and companion portals, specifically for VA verification and other opportunities, but the Task Force received feedback that continued coordination of information is needed.

Lead Members: GSA, VA

Status:

- GSA maintains the official U.S. government website for people who make, receive, and manage federal awards; <https://beta.sam.gov/> consolidates 10 legacy federal procurement and awards processes into one point of entry, including FBO, a primary source of government-wide solicitation and opportunity

²¹ **VA TAC use cases on the TechFAR Hub:** acquisition of digital services
<https://techfarhub.cio.gov/learning-center/case-studies/>

²² **VA TAC podcast on the Acquisition Innovation Hub:** micro consulting services
<https://soundcloud.com/publicimpactpodcast/modernizing-govtech-through-microconsulting-services/?latest>

²³ **VA TAC samples on the Periodic Table of Acquisition Innovations:** (i) virtual technical demonstration https://www.fai.gov/periodic-table/pdfs/Solicitation_and_Case_Study_Virtual_Tech_Demo_Coding_Exercise.pdf (ii) virtual post-award orientation https://www.fai.gov/periodic-table/pdfs/VA_TAC_solicitation_36C10B20Q0035_VFS_CMS_optional_virtual_award_kick_off.pdf; (iii) down select procedures https://www.fai.gov/periodic-table/pdfs/VA_Services_Platform_RFQ.pdf

²⁴ DITAP: <https://techfarhub.cio.gov/initiatives/ditap/>

²⁵ Acquisition Innovation Advocate Directory: <https://hallways.cap.gsa.gov/app#/gateway/acquisition-innovation/7822/acquisition-innovation-advocates-aii-directory>

announcements. FBO.gov and FPDS.gov remain the authoritative sources for contract information.

- VA's portal at <https://www.va.gov/osdbu/acquisition/> lists comprehensive information on VOSB contracting opportunities. The VA OSDBU has enhanced the Vendor Information Pages to support the Vets First Verification Program. The new Vendor Information Pages enables OSDBU to more effectively manage all aspects of the Vets First Verification Program while improving the online experience of veterans as well as the broader user community. The portal is found at: <https://www.vip.vetbiz.va.gov/>

Recommendation 3.4: Produce an agency-led assessment of veteran-owned small business achievements and contracting goals to increase veteran-owned small business utilization in prime contracting.

Rationale: VOSB stakeholders have tasked SBA/OVBD and the Task Force to increase the number of firms participating in the federal market. In order to understand more fully where opportunities exist, analysis of current trends is desired.

Lead Member: SBA

Status:

- In April 2014, SBA's Office of Advocacy (Advocacy) published a report²⁶ evaluating small business procurement goals as required in the National Defense Authorization Act of 2013 (NDAA 13). NDAA 13 contained modifications to the Small Business Act and called for an independent assessment of small business procurement goals. The assessment reports on: the industry, size, and socioeconomic makeup of federal prime contractors, subcontractors, and all domestic business concerns; the process of establishing specific procurement goals; the quality and availability of data on prime contracting and subcontracting; and barriers within procurement practices that inhibit the maximum practicable utilization of small businesses and small business sub-classes in federal procurement. Additionally, NDAA 13 called for, to the extent practicable, coordination with the DoD. While Advocacy did coordinate with DoD as required by the legislation, it did not clear the report with DOD, the SBA or any other agency, consistent with Advocacy's independence.

²⁶ Henry B. R. Beale, Microeconomic Applications, Inc., Washington, D.C., 20016. Under contract SBA HQ-13-M-0102. 277 pages. *Evaluation of the Small Business Procurement Goals Established in Section 15(g) of the Small Business Act: A Report Pursuant to Section 1631(d) of the National Defense Authorization Act of 2013*. Retrieved August 15, 2019, <https://www.sba.gov/content/evaluation-small-business-procurement-goals-established-section-15g-small-business-act>

- SBA OVBD recommends using Advocacy's assessment report as the baseline for future analysis.

Recommendation 3.5: Increase collaboration on federal contracting opportunities between national veterans' advocacy groups and SBA's OVBD.

Lead Member: SBA

Status:

- SBA/OVBD's VFPETP grantee, VIP, conducts a highly successful program that provides training to existing SDVOSBs who wish to take their business to the next level.
- SBA's NVSBW engages veterans' groups nationwide to promote veteran entrepreneurship opportunities including federal contracting. In FY 2019, approximately 9,000 firms participated in NVSBW.
- OVBD maintains an extensive engagement and editorial calendar which reflects collaborative efforts with federal partners, veteran service and military organizations, and veterans' advocacy groups on capital, counseling, contracting, and recovery.

Recommendation 3.6: Conduct an analysis of the benefits and drawbacks relating to having a single government-wide program to certify SDVOSB status, and recommendations on how such could be established.

Rationale: In FY 2016, Max V. Kidalov, J.D., LL.M., and Jennifer L. Lee, M.S.C.M. presented findings²⁷ on whether Congress intended to create a veteran's small business development program for SBA and concluded affirmatively that SBA should have such program. Combined VOSB and SDVOSB certification program, taking into consideration the existence of 3rd party certifiers and their role.

Lead Members: SBA, VA

Status:

- VA and SBA formed a working group to complete a full analysis of what would be needed to implement a Government-wide SDVOSB certification program. The working group analysis concluded that legislation is needed to authorize SBA to perform SDVOSB eligibility determinations as well as obligate funding to expand

²⁷ Max V. Kidalov, J.D., LL.M., and Jennifer L. Lee, M.S.C.M., Naval Postgraduate School Report, NPS-GSBPP-15-004, Retrieved August 15, 2019, <https://apps.dtic.mil/docs/citations/AD1060156>

the program to the entire government. The VA and SBA working group provides status updates to OMB on a quarterly basis.

Recommendation 3.7: Provide information to veteran-owned and service-disabled veteran-owned small businesses that will help them understand and meet existing and emerging requirements for cyber security protections in federal acquisitions.

Rationale: Awareness of cyber security protection in federal acquisitions is critical and timely. DoD outreach materials exist and can be used as guidance for other agencies.

Lead Member: DoD

Status:

- Small business awareness of cyber security protection in federal acquisitions is critical to the lethality and sustainability of the DoD and other agencies. DoD's OSBP provides the public ample cyber security educational resources, including training videos, compliancy requirements and frequently asked questions.²⁸ These valuable resources serve as guidance internally, for other agencies and for small business concerns including VOSBs and SDVOSBs.
- Additionally, DoD regularly supports training events for all socioeconomic categories, including SDVOSB and VOSBs.
- In February 2018, DoD OSBP assembled a series of educational workshops for small businesses seeking training and educational resources regarding ways to locate small business opportunities, updates to policy and legislation that affects small business, and updated information on how to satisfy small business requirements including cybersecurity requirements.
- DoD will continue to identify cyber-security educational resources through business.defense.gov and continue to respond to questions and inquiries concerning compliancy requirements.

Other Priority Recommendations: Identify and Address Research and Policy Issues

Recommendation 4.1: Vest the GI Bill benefits as a property right, allowing veterans to use funds both for education and small business creation activities such as counseling and business financing.

²⁸ <https://business.defense.gov/Small-Business/Cybersecurity/>

Rationale: The Post-9/11 Veterans Educational Assistance Act of 2008 (GI Bill), Public Law 110-252, provides financial support for education and housing to individuals with at least 90 days of service on or after September 11, 2001, and individuals discharged with a service-connected disability after 30 days or more of service. In 1944, the Serviceman’s Readjustment Act afforded returning GIs a suite of transition benefits including home loans, business loans, and opportunities to go to college.²⁹

Lead Member: Student Veterans of America

Many of these programs in the “Original GI Bill” were institutionalized over time as the outcomes were found to be economically positive for veterans and the country—examples include the home loan, now available as a stand-alone program, and the Post-9/11 GI Bill, today referred to as the “Forever GI Bill.”^{30,31} These long-term government commitments have enabled 96,270 veterans to attain degrees in Business, Management, Marketing, and Related Support Services since 2008, the largest category of majors of all student veterans.

Recent data shows the rate of veteran owned businesses have fallen over the past decade.³² However, following the implementation of PL 110-252, veterans in education have increased drastically. Presently, veteran business owners have comparable education levels compared to all other owners. To enable success in self-employment, education is necessary, as there is a positive and significant correlation between attainment of higher education levels and success in entrepreneurship. Therefore, a properly directed veterans education best enables pursuit of self-employment and could provide multiple economic benefits.

- Post 9/11 GI Bill veterans attained 96,270 degrees in Business, Management, Marketing, and Related Support Services majors since 2008 (NVEST), largest category of major
- Veteran owned business rates have fallen while education attainment has risen. Veterans in education have drastically increased following the implementation of Post 9/11.
- There is a positive and significant correlation between the attainment of higher education levels and success in entrepreneurship (SBA 2009/Van der Sluis)
- Veterans with higher level degrees that go on to pursue self-employment opportunities could provide multiple economic benefits

²⁹ The American Legion, “GI Bill History,” <https://www.legion.org/education/history>.

³⁰ U.S. Department of Veterans Affairs, “VA Home Loans,” <https://www.benefits.va.gov/homeloans/>.

³¹ U.S. Department of Veterans Affairs, “Forever GI Bill,” <https://www.benefits.va.gov/gibill/forevergibill.asp>.

³² The Atlantic, “We Need More Veteran Entrepreneurs,” <https://www.theatlantic.com/sponsored/grow-google-2019/veteran-entrepreneurs/3238/>.

- 50.8% of veteran owned firms financed less than \$25,000 for startup capital
- Veteran business owners have comparable education levels to all other owners (45.2 percent of veteran owners compared with 47.1 of all owners). But veteran owners were slightly more likely to have post-graduate degrees (21.4 percent compared with 19.8 percent for all owners)

Agencies such as the Small Business Administration offer programs and services designed to help veterans access capital, and work in great compliment with education earned through the current GI Bill program.

Recommendation 4.2: Identify and provide potential data sources that support research to evaluate the effectiveness of veteran entrepreneurship programs and potential areas for policy or programmatic changes to meet current and emerging veteran entrepreneur needs.

Rationale: As new market opportunities become available to help VOSBs and SDVOSBs, OVBD's responsibility to service and/or support entrepreneurship programs is ongoing. OVBD should identify areas of mission alignment and work to promote, through policy and programs, veteran entrepreneurship programs.

Lead Member: SBA

Status:

- OVBD programs have been included in SBA program evaluation activities: B2B Performance & Goal Setting evaluation, B2B Reboot Program evaluation, and B2B Program impact.
- DOD Transition to Veterans Program Office (TVPO) convenes monthly presentations on research products specific to transitioning service members, including employer and self-employment topics. TVPO provides transition assistance policy and program oversight to promote, advance and instill a culture of career ready Service members. This includes the redesign, implementation and evaluation of the DoD TAP and Transition GPS (Goals, Planning, Success) curriculum. The Military-to-Civilian Transition Research Forum is sponsored by TVPO. TVPO's mission is to help foster a military culture that returns to America a career-ready veteran which strengthens the all-volunteer force. Its strategic goals are to: revitalize TAP to meet the needs of the nation, strengthen partner collaboration to improve service member career readiness, and institutionalize transition preparation into the military culture.

- In FY 2019, President Trump signed into law the Foundations for Evidence-Based Policymaking Act of 2018³³ requiring agency data to be accessible and requires agencies to plan to develop statistical evidence to support policymaking.
- In FY 2018 SBA and Federal Reserve Bank of New York published a report³⁴ providing a comprehensive look at the state of entrepreneurship for military veterans and how they finance their businesses, which is closely tied to firms' performance and growth. This report puts forth the most substantial data comparing veteran and non-veteran business credit borrowers to date. The report outlines current literature on veteran entrepreneurship, and then presents new small business credit data from the Federal Reserve Banks' Small Business Credit Survey. Together, these sections examine the entrepreneurial activity, performance, credit access levels, and financing challenges of veteran-owned businesses.

Recommendation 4.3: Develop Unemployment Insurance outreach collateral that addresses existing support at the state level.

Rationale: Self-Employment Assistance (SEA) programs³⁵, authorized by federal law, in seven states offers dislocated workers the opportunity for early re-employment. Individuals who are determined most likely to exhaust benefits and in need of services may participate in the SEA program, including any individuals who are receiving unemployment compensation for ex-service members (UCX). The SEA program is designed to encourage and enable unemployed workers to create their own jobs by starting their own small businesses. Under these programs, states can pay a SEA allowance, instead of regular unemployment insurance benefits, to help unemployed workers while they are establishing businesses and becoming self-employed. Participants receive weekly allowances while they are getting their businesses off the ground. This is a voluntary program for states, which could be used in tandem with a national veteran entrepreneur program in states where SEA is available.

Lead Member: DOL

³³ Public Law 115-435, Retrieved August 15, 2019, <https://www.congress.gov/bill/115th-congress/house-bill/4174>

³⁴ Sankaran, Sid, Battisto, Jessica, Financing Their Future: Veteran Entrepreneurs and Capital Access, November 2018. Retrieved August 15, 2019, <https://www.newyorkfed.org/medialibrary/media/smallbusiness/2017/Report-on-Veteran-Entrepreneurs-and-Capital-Access.pdf>

³⁵ U.S. Department of Labor, Self-Employment Assistance, Retrieved August 15, 2019, <https://oui.doleta.gov/unemploy/self.asp>

Status: DOL's Employment and Training Administration maintains a website that includes a fact sheet for Self-Employment Assistance Programs (<https://oui.doleta.gov/unemploy/self.asp>).

Recommendation 4.4: Analyze existing evaluation criteria in federal procurements that include veterans' employment and certification of firms who submit offers and examine the feasibility of broadening veterans' employment evaluation criteria across federal agencies' procurement policies.

Rationale: Veteran entrepreneurs give back to their community by hiring other veterans. Recognizing the contribution SDVOSBs and VOSBs make who participate in the federal market and who hire veterans should be considered in the federal procurement evaluation process.

Lead Member: VA

Status:

- In FY 2019, VA published a final rule³⁶ that added regulatory guidance for SDVOSB and VOSB evaluation factors. VA Acquisition Regulation (VAAR) subpart 815.3 requires VA contracting officers to give preference to offers received from VOSBs and additional preference to offers received from SDVOSBs, use past performance in meeting SDVOSB subcontracting goals as a nonprice evaluation factor in making award determination, and use proposed inclusion of SDVOSBs or VOSBs as subcontractors as an evaluation factor when competitively negotiating the award of contracts or task or delivery orders.

³⁶ <https://www.federalregister.gov/documents/2019/09/04/2019-17824/va-acquisition-regulation-contracting-by-negotiation-service-contracting#sectno-citation-852.215-70>

Appendix A – Task Force Charter

CHARTER OF THE U.S. SMALL BUSINESS ADMINISTRATION INTERAGENCY TASK FORCE ON VETERANS SMALL BUSINESS DEVELOPMENT

1. Committee's Official Designation (Title). Interagency Task Force on Veterans Small Business Development

2. Authority. The Interagency Task Force on Veterans Small Business Development (Task Force) was created by Section 102 of Title I of the "Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008," Public Law 110-186 (the "Act"), which directs the President to establish the Task Force. The President, in Executive Order 13540 of April 26, 2010, Interagency Task Force on Veterans Small Business Development ("E.O. 13540"), delegates the authority for establishment to the Administrator of the Small Business Administration (SBA). In addition, E.O. 13540 delegates the President's appointment authority to the Administrator. The Task Force is being established in accordance with the provisions of the Federal Advisory Committee Act ("FACA"), as amended, 5 U.S.C. App.

3. Objectives and Scope of Activities. Pursuant to the Act, the Task Force is charged with coordinating the efforts of Federal agencies to improve capital, business development opportunities and pre-established Federal contracting goals for small business concerns owned and controlled by veterans and service-disabled veterans.

4. Description of Duties. The duties of the Task Force include the following:

1. Consult regularly with veterans service and military organizations in performing the duties of the Task Force; and
2. Coordinate administrative and regulatory activities and develop proposals relating to:
 - a. Improving capital access and capacity of small business concerns owned and controlled by veterans and service-disabled veterans through loans, surety bonding and franchising;
 - b. Ensure achievement of the pre-established Federal contracting goals for small business concerns owned and controlled by veterans and service-disabled veterans through expanded mentor-protégé assistance and matching such small business concerns with contracting opportunities;
 - c. Increasing the integrity of certifications of status as a small business concern owned and controlled by a veteran or service-disabled veteran;
 - d. Reducing paperwork and administrative burdens on veterans in accessing business development and entrepreneurship opportunities;

- e. Increasing and improving training and counseling services provided to small business concerns owned and controlled by veterans; and
- f. Making other improvements relating to the support for veterans business development by the Federal Government.

5. Agency or Official to Whom the Committee Reports. The Task Force will report to the President on the performance of its functions, including any proposals developed pursuant to section 4(2), not later than 30 days following the end of the fiscal year.

6. Support. All necessary administrative staff services, support, facilities, and expenses will, to the extent permitted by law and within existing appropriations, be furnished by the SBA, through its Office of Veterans Business Development.

7. Estimated Annual Operating Costs and Staff Years. SBA estimates the annual operating costs associated with supporting the Task Force's functions is \$75,000 per year, which includes the Government allowance for travel and per diem for Task Force members as well as Federal staff. An estimated one-half (.5) of a full time equivalent is necessary to support the Task Force.

8. Designated Federal Officer. The Designated Federal Officer for the Task Force is the Deputy Associate Administrator, Office of Veterans Business Development. The DFO is a full- time employee who may call Task Force meetings on behalf of the SBA Administrator, prepare and approve meeting agendas, attend all Task Force and subcommittee meetings as appropriate and adjourn any meeting when the DFO determines adjournment to be in the public interest.

9. Estimated Number and Frequency of Meetings. The Task Force will meet at least 4 times per year at the call of the SBA Administrator (the Chairperson) or her designee. Each meeting of the full Task Force may be held in-person or via conference call, at the discretion of the SBA Administrator.

10. Duration. The need for this advisory function is continual; however, the Council Charter is subject to renewal every two years.

11. Termination. The Task Force will be terminated upon rescission of 15 U.S.C. 657b(c).

12. Membership and Designation. All members are Federal employees or representatives of a service or military organization. The Task Force is chaired by the SBA Administrator or designee and will consist of:

- a. a senior level representative, designated by the head of the respective department or agency, from each of the following:

- 1) Department of Veterans Affairs;
- 2) Department of Defense;
- 3) Small Business Administration (in addition to the Administrator);
- 4) Department of Labor;
- 5) Department of Treasury;
- 6) General Services Administration; and
- 7) Office of Management and Budget

b. four (4) representatives from veterans' service or military organization or associations as appointed by the SBA Administrator pursuant to E.O. 13540. These representatives will serve two-year terms and may be re-appointed by the SBA Administrator.

13. Subcommittees. The Chair (who is the Administrator of the SBA or designee) of the Task Force is authorized to establish temporary, ad-hoc working groups in order to carry out its duties. These working groups may meet as necessary and must report back to the Task Force. Working groups will not provide advice or work product directly to SBA or any other Federal agency.

14. Recordkeeping. The records of the Task Force shall be handled in accordance with General Records Schedule 6.2 or other approved SBA records disposition schedule. These records shall be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. 552

15. Filing Date. January 29, 2018

Appendix B – Task Force Recommendations

Task Force members meet quarterly at SBA headquarters to provide updates on progress made toward recommendations. In accordance with Federal Advisory Committee Act guidance, and SBA SOP 90 54 5, the Task Force maintains records available to the public that can be accessed by visiting the *FACA Database, Federal Advisory Committee Act*, online at: <https://facadatabase.gov/>, and on SBA's website at: www.sba.gov/ovbd under "Federal Advisory Committees."

The following is a list of the original Task Force recommendations and the decision to close, keep open or pivot to a revised recommendation.³⁷

INCREASE GROWTH OPPORTUNITIES

CLOSED - Recommendation 1: Leverage new and existing lending commitments as vehicles to increase access to capital for veteran and service-disabled veteran-owned small businesses.

CLOSED - Recommendation 2: Increase contracting opportunities for veteran-owned small businesses through the SBA's Office of Surety Guarantees.

ONGOING (New 1.1) - Recommendation 3: Increase awareness, access, and utilization of microloans in the veteran-owned small business community.

CLOSED/PIVOT (New 1.2) - Recommendation 4: Develop government-wide tools and information to support buying activities based on market research sources, industry statistics, supplier base requirements, and success stories.

CLOSED - Recommendation 5: Maximize the impact of recent funding to increase small business lending by strengthening coordination between the Department of the Treasury and SBA District Offices.

IMPROVE AND EXPAND COUNSELING AND TRAINING

CLOSED - Recommendation 6: Increase and augment entrepreneurship and technical assistance programs offered to veterans.

³⁷ Interagency Task Force on Veterans Small Business Development members performed a comprehensive revision of their recommendations during FY 2016. Work achieved toward the initial recommendations can be found on SBA's website at www.sba.gov/ovbd.

REDUCE BARRIERS TO GROWTH, IMPROVING COORDINATION AND EFFICIENCIES

ONGOING - Recommendation 9 (New 3.1): Find and reduce barriers that impede service-disabled veteran-owned small businesses from contracting with the U.S. Government.

CLOSED/PIVOT Recommendation 10 (New 3.2): Reduce regulatory burdens by offering comment to agencies as they conduct their regulatory look back analysis under E.O. 13563, "Improving Regulation and Regulatory Review."

ONGOING - Recommendation 13 (New 3.5): Increase collaboration on federal contracting opportunities between national veterans' advocacy groups and SBA's Office of Veterans Business Development.

CLOSED/PIVOT - Recommendation 14 (New 3.7): Develop a streamlined, efficient, and clear certification process to be used by veterans and service-disabled veteran-owned businesses in federal procurement.

OTHER PRIORITY RECOMMENDATIONS

ONGOING - Recommendation 15 (New 4.1): Vest the GI Bill benefits as a property right, allowing veterans to use funds both for education and for small business creation activities such as counseling and business financing.

ONGOING/PIVOT - Recommendation 16 (New 4.2): Research and direct policy efforts around current veteran macroeconomic issues by conducting a more in-depth analysis of veteran unemployment, employment, and self-employment.

ONGOING - Recommendation 17 (New 4.3): Explore revisions to unemployment compensation for ex-service members (UCX) to support small business creation.

CLOSE/PIVOT Recommendation 18 (New 4.4): Examine the establishment of a new small business procurement initiative for firms whose total workforce is comprised of at least 35% or more veterans.

Appendix C - BLS Products with Characteristics of Veterans

1. The Employment Situation of Veterans news release <http://www.bls.gov/news.release/pdf/vet.pdf> provides analysis, highlights and data tables using annual average data. There are annual average data available about employment, unemployment, and people not in the labor force by gender, by race, by Hispanic ethnicity, by age, by educational attainment, by occupation, by industry, and by class of worker (private sector, public sector, self-employed). Data are from the Current Population Survey (CPS). Click on the hyperlinks below to see the contents of each table.
 - [Table 1. Employment status of persons 18 years and over by veteran status, period of service, sex, race, and Hispanic or Latino ethnicity, 2018 annual averages](#)
 - [Table 2A. Employment status of persons 18 years and over by veteran status, age, and period of service, 2018 annual averages](#)
 - [Table 2B. Employment status of men 18 years and over by veteran status, age, and period of service, 2018 annual averages](#)
 - [Table 2C. Employment status of women 18 years and over by veteran status, age, and period of service, 2018 annual averages](#)
 - [Table 3. Employment status of persons 25 years and over by veteran status, period of service, and educational attainment, 2014 annual averages](#)
 - [Table 4. Employed persons 18 years and over by occupation, sex, veteran status, and period of service, 2018 annual averages](#)
 - [Table 5. Employed persons 18 years and over by industry, class of worker, sex, veteran status, and period of service, 2018 annual averages](#)
 - [Table 6A. Employment status of veterans 18 years and over by state, 2018 annual averages](#)
 - [Table 6B. Employment status of nonveterans 18 years and over by state, 2018 annual averages](#)

Also, the Employment Situation of Veterans news release provides additional information about veterans with a service-connected disability, veterans who are current or past members of the Reserve or National Guard, and location of service (Iraq, Afghanistan). These data are collected as part of a supplemental survey to the CPS, and are typically collected in the month of August. Click on the hyperlinks below to see the contents of each table:

- [Table 7. Employment status of veterans 18 years and over by presence of service-connected disability, reported disability rating, period of service, and sex, August 2018, not seasonally adjusted](#)
- [Table 8. Employed persons 18 years and over by veteran status, presence of service-connected disability, period of service, and class of worker, August 2018, not seasonally adjusted](#)
- [Table 9. Employment status of Gulf War-era veterans by Reserve or National Guard status, August 2018, not seasonally adjusted](#)
- [Table 10. Employment status of Gulf War-era II veterans 18 years and over by location of service, August 2018, not seasonally adjusted](#)

2. Each month the Employment Situation news release <http://www.bls.gov/news.release/pdf/empsit.pdf> provides the national unemployment rate and other labor force statistics. In table A-5 of this news release, BLS publishes veteran employment and unemployment statistics by sex and period of service. <http://www.bls.gov/news.release/empsit.t05.htm>
3. Database: Retrieve historical data series
 - Seasonally adjusted unemployment rates: [Veterans and nonveterans](#)
 - [Veteran status by age and sex](#), including detail for Gulf War-era II veterans
 - [Veteran status by period of service and sex](#)
4. Latest veteran monthly, quarterly, and annual average data:
 - Annual table: <http://www.bls.gov/cps/cpsaat48.pdf>
 - Quarterly table: http://www.bls.gov/web/empsit/cpsee_e19.pdf
 - Monthly table: <http://www.bls.gov/web/empsit/cpseea40.pdf>
5. BLS has a subject page on the website that have links to veteran data available in news releases, tables, charts, articles and other related items:

<http://www.bls.gov/cps/demographics.htm#vets>

6. There are several unpublished tables that provide veteran data, at a more detailed level than is published. These unpublished BLS tables do not meet BLS publication criteria but are made available upon request. Data users should understand that some of the statistics may be based on a very small number of veterans in the survey sample and thus the resulting statistics may or may not be representative of the group. (The data have not been reviewed to ensure that there is sufficient sample size to make the statistics meaningful.) However, unpublished tables are available by duration of unemployment, by employment and unemployment in states, by veterans with detailed periods of service, by full or part-time employment, by school enrollment status, and by voluntary and involuntary part time.