



U.S. Small Business  
Administration

## Advisory Committee on Veterans Business Affairs (ACVBA) Meeting Minutes December 8, 2022

**Location of Meeting: Virtual** – Microsoft Teams

**Members present:**

- Larry Stubblefield, Associate Administrator, Office of Veterans Business Development (OVBD), U.S. Small Business Administration (SBA)
  - Rob Bailey, Chairman, ACVBA, and President, Bailey Information Tech Cons, LLC
  - Bill Jenkins represented committee member Joe Sharpe, Director, National Veterans Employment & Education Division, The American Legion
  - Glenett Hannah, CEO/President, Hannah Innovative Solutions
  - Fran Perez-Wilhite, Program Manager, North Carolina Military Business Center
  - Jorge Rodriguez, CEO, Steri-Tech Medical Innovations, LLC.
  - Isaac Belden, CEO/Co-Founder, Veteran Entrepreneur Alliance
  - Scott Jensen, Executive Director, National Veteran Small Business Coalition
  - Gregory Hill, Owner, G.B. Hill Medical Supply
1. **Call To Order** – The regular meeting of the ACVBA was called to order at 9:00 AM ET on December 8, 2022, by Larry Stubblefield.
  2. **Welcoming Remarks** – Larry Stubblefield
  3. **Opening Comments by ACVBA Chairman – Rob Bailey:** Thanked committee members and veterans who have joined us for the meeting. He stated that that (ACVBA) committee gets a lot from these meetings so he invited the public to ask questions, quiz members and offer suggestions via the chat feature on topics important to veteran business owners such as ways to navigate the federal market space in a more constructive ways. The subcommittees' have focused on a better understanding of the procurement strategy, access to capital, the Rule of 2, and subcontracting plans, key elements that we have heard from our constituents. He thanked Larry for the support the committee receives.
  4. **Presentation #1 OVBD Updates, Larry Stubblefield, Veteran Small Business Certification Program**
    - a. **The National Defense Authorization Act of 2021** officially requires CVE's responsibilities to be transferred to the SBA as of January 1, 2023 and for the SBA to establish a government-wide certification program. The final rule was published in the

federal register on November 29, 2022. The SBA program name for verifying VOSBs and SDVOSBs is the Veteran Small Business Certification Program.

- b. What Does This Mean for VOSBs and SDVOSBs?** If you are a VOSB or SDVOSB that is VA CVE certified as of the January 1, 2023 transfer date: The SBA intends to grant a one-time, one-year certification extension. Once your certification expires, you can apply for re-certification through the SBA's new certification program. If you are a VOSB or SDVOSB with an expired certification (or will expire before Jan 1, 2023): The recommended next step is to self-certify so that you have federal contracting opportunities through all federal agencies, aside from the VA, until 2024. Once the SBA begins accepting applications in January 2023, you will be able to submit a new application through the program. If you are a self-certified SDVOSB: The 2021 National Defense Authorization Act (NDAA) of 2021 grants a one-year grace period for self-certified SDVOSBs until January 1, 2024. During the grace period, businesses have one year to file an application for SDVOSB certification and may continue to rely on their self-certification to compete for non-VA contracts. Self-certified SDVOSBs that apply before the expiration of the one-year grace period will maintain eligibility until the SBA makes a final eligibility decision.
- c. Policy Highlights – Key Changes** After January 1, 2023, SDVOSBs will need to be certified by SBA to receive sole-source or set aside contracts from any federal agency. SDVOSB government-wide goal is still 3%. Agencies can still rely on self-certification for goaling purposes. VOSBs continue to need to be certified for sole-source and set aside contracts from the VA under its Vets First Authority. Other federal agencies do not have a mandate or authority to award contracts to VOSBs. SBA has both the certification system (for small businesses to apply/reapply) and the search tool (for the public & acquisition professionals). SAM.gov will not accurately reflect SDVOSB/VOSB certification status. WOSB and 8(a) firms will have their certifications recognized if the qualifying individual(s) are the same across programs.
- d. One Year Extension** - Companies that were verified by the VA Center for Verification and Evaluation (VA CVE) prior to January 1, 2023 will automatically receive a 1 year extension to their program term (4 years instead of 3 years). Companies do not need to take any further action to receive this extension; the date will automatically be updated in the SBA Search Tool for SD/VOSBs. VA is working to process all applications/recertifications submitted prior to its closure of its system in October.
- e. One Year Grace Period** - Companies may self-certify through 2023 but must also submit an application to SBA for a final determination. Self-certification will still take place in SAM.gov. Certification will not be for a specific NAICS code; as long as a business is small in one NAICS it has listed in its SAM.gov registration, it will meet the definition for “currently operates” and be certified. It also must be small & currently operate in the NAICS of any contract for which it is claiming SDVOSB status. The Final Rule takes steps to harmonize & simplify definitions of ownership, control, day to day operations, and standard hours across certification programs. SBA's Office of Hearings and Appeals (OHA) handles appeals & protests. GSA's Surplus Property Program is available to certified VOSB & SDVOSB businesses.

- 5. Presentation #2 US Department of Veterans Affairs, Cordell Smith, OSDBU Fiscal Year (FY) 2023 Goals and Performance** - FY 2023 (through October 31, 2022) - VA reported \$2.4B in total procurement to the Federal Procurement Data System, compared to \$2.3B for the same period in FY 2022. Comparing the same period year over year (October FY 22 vs October FY 23) VA has exceeded the percentage of small business goal dollars credited to SDVOSBs by 1.6% and to VOSBs by 2.9%. SBA and VA are expected to finalize FY 23 goal negotiations. VA is expecting the SDB goal to increase in accordance with the Office of Management and Budget's memorandum to increase the government wide goal to 12% as part of the president's initiative to increase dollars to small, disadvantaged businesses. VA will continue to be mindful of its Veterans First mandate.
- a. Strategic Outreach and Communications Update** – In FY 22, 87 events were held with 35,800 registrants including a “Business Fitness” webinar to provide recommendations for mental health as it relates to entrepreneurial success and partnering with the VA Transition Assistance Program (TAP). Participants are extremely satisfied with the quality and customer service they received.
  - b. Direct Access Program (DAP) Events** - Recurring Business Opportunity Sessions with Regional Procurement Offices and Program Managers. CFM 1-on-1 Meetings: December 13, NCO 20: January 10, CFM 1-on-1 Meetings: February 10, NCO 21: March 7, Continued collaboration with Large Businesses, IBM: mid-January, To view the entire list of upcoming events, visit <https://www.vetbiz.va.gov/events/>
  - c. Stay Connected With OSDBU**, [OSDBU Help Desk](mailto:OSDBU.Help.Desk@va.gov): Phone: 866-584-2344, Email: [vip@va.gov](mailto:vip@va.gov) , [OSDBU Website: https://www.va.gov/osdbu](https://www.va.gov/osdbu) [Direct Access Program Events: https://www.vetbiz.va.gov/events](https://www.vetbiz.va.gov/events)
- 6. Presentation #3 – SBA, Office of Capital Access, Ross W. Maxwell, Financial and Loan Specialist, Office of Financial Assistance, Office of Capital Access**
- a. Data Challenges:** Collecting data on loans to veterans comes with challenges; the collection of demographic information including status as a veteran is voluntary; not all veterans who seek financial assistance identify as having veteran status.
  - b. Veterans Benefit from SBA’s 7(a) Express Loan Program:** One program where you actually get a cost benefit for reporting that you're a veteran is through the SBA 7A Express Loan Program. In FY 2022, veterans saved \$1.1M in fees using the SBA 7A Express Loan Program. The CARES Act provided permanent fee relief for veterans using the SBA Express Loan program. Non-veterans pay anywhere from \$2,550 to \$11,250 in fees versus the zero-dollar fee relief provided to veterans. Now whenever a veteran uses the Express Loan Program the upfront cost as far as SBA fees are zero.
  - c. SBA Lender Match Screens for Veteran Status:** SBA’s lending platform called Lender Match is easy to use and takes the user through a series of questions and asks if you're a veteran and will not allow you to continue through the portal if you don't declare. This is an import tool being using to match borrowers with lenders located in their geographical area and have the capabilities to assist.
  - d. 7(a) YTD Activity – Veteran and Agency:** Veteran lending activity mirrors SBA’s regular 7(a) activity and looking at the past three years SBA has experienced an uptick in reported veteran activity with a positive average over the past three fiscal years. During the pandemic, an increase in guaranteed percentages and the fee relief is seen

in a sharp uptick in 2021 and then a return to normal in 2022, reflecting the normal lending averages. In FY 22, 2,248 loan approvals to veterans resulted in \$908,700 with an average veteran loan of \$404,000.

- e. **504 YTD Activity – Veteran and Agency:** Activity has been positive for the past four fiscal years; increasing both dollars and in number. There wasn't a correction like the 7a program where there was a big increase in 2021 and then a return to normal in 2022; now these 504 numbers have increased and there may be two reasons why this happened: 1) is due to the expansion of the debt refinance capabilities within the program and 2) one of the key features of a 504 loan is that it's a fixed rate loan and in the current environment we have increased rates. The banks (banks?) took advantage of fixed rates and locked their rates in while still reasonably low and while the average 504 loan is \$1M, the average veteran loan is around \$828,000.
  - f. **Microloan YTD Activity – Veteran and Agency:** Microloan activity is an important part of what we do at SBA. Microloans can be used for a variety of purposes that can be used to rebuild, reopen, repair, enhance, or improve small business. Microloans provide up to \$50,000 in funding; the average loan amount in the program is \$13,000 but the average veteran loan we see here is a little above average around \$20,000 per veteran.
  - g. **YTD Activity – Loans to Veterans:** Activity comparison broken out as a percentage of agency totals per year and per program show that, in FY 22 7(a) funding was at 4.7% of the total number of loans and 3.5% of the total approved dollars with \$908 million to veterans. Approved loans in 504 veteran loans accounted for 2.7% of the tire of the entire 504 portfolio in number of loans and 2.3% of the total dollars which was 210 million.
- 7. Presentation #4 USAID OSDBU: U.S. Agency for International Development: “Doing Business with USAID” Jamala Peyton, Deputy Director of Operations Office of Small & Disadvantaged Business Utilization, USAID**
- a. **USAID Business Forecast:** The Agency’s Business forecast is a look at USAID’s planning for future funding opportunities. Specific funding opportunities, as well as details related to funding opportunities, are likely to change as USAID moves along the planning process. You should check the Forecast on a regular basis to ensure you have the most up to date information. <https://www.usaid.gov/business-forecast>. The Agency hosts a quarterly webinar to allow partners the opportunity to hear their questions answered by experts. FY2023 First Quarter Business Forecast and Partner Update Webinar - When: Wednesday, December 7 at 8:30am ET - Where: Virtual (Registration: <https://www.usaid.gov/business-forecast>) - Questions on the Business Forecast can be sent to [Businessforecast@usaid.gov](mailto:Businessforecast@usaid.gov).
  - b. The **Bureau of Global Health**, *Next Generation Global Health Supply Chain Suite of Programs (NextGen)*. The estimated value is in the range of \$2B - \$2.49B and is advertised as a partial set-aside. OSDBU Point of Contact (POC) is Frances Bond ([fbond@usaid.gov](mailto:fbond@usaid.gov)).
  - c. The **Bureau for Humanitarian Assistance**, *Syria Humanitarian Monitoring Project*. The requirement may be issued via a GSA Schedule, OASIS Pool 1 Small Business. The

estimated value is in the range of \$10M-\$24.99M and is advertised as total set-aside. OSDBU POC is Charles Aycock (caycock@usaid.gov).

- d. The **Bureau for Conflict Prevention and Stabilization**, *Support Which Implements Fast Transitions (SWIFT)* 6 supports USAID's Office of Transition Initiatives. The estimated value is in the range of \$2.5B-\$2.79B and is advertised as a partial set-aside. OSDBU POC is Kimberly Mace (kmace@usaid.gov).
  - e. **Tips for Submitting an Application or Proposal:** Read the entire solicitation carefully. Ask questions by sending them during the "open question period" to the listed point of contact. Follow the instructions outlined in the solicitation. Create a strong proposal. Demonstrate your technical expertise, past performance, and ability to accomplish the work. Be specific--do not let USAID make assumptions. Focus on your past performance and technical expertise. Consider partnering with an organization that has experience working with USAID.
8. **Presentation #5 Madison Group: Legislative Updates by the Madison Services Group, Elizabeth and Ann Sullivan, Madison Services Group, Inc. & Women Veterans Business Coalition**
- a. **What's Happening in Washington:** The 118<sup>th</sup> Congress begins their work in January 2023; Republicans take the House, Democrats keep the Senate. The new Congress will re-introduce bills, and committee assignments and priorities will shift.
  - b. **Congressional Actions for Remainder of 2022:** FY2023 Government Funding, FY2023 National Defense Authorization Act (NDAA).
  - c. **Recent Congressional Actions - Bills Impacting Veterans Signed Into Law - Congressional Actions Impacting Veterans:** Recently introduced - H.R. 9091, VA Supply Chain Management System Authorization Act, S. 4890, Protections for Student Veterans Act of 2022.
  - d. **Small Business Legislation:** Signed into law - S. 4900, Reauthorizing the SBA's SBIR and STTR programs through FY2025, and H.R. 4877, One Stop Shop for Small Business Compliance Act of 2021.
  - e. **Agency Actions - Small Business Contracting Updates:** These changes were implemented by SBA in previous years; WOSB Certification - EDWOSB/WOSB set-asides and sole-source awards; HUBZone Program - annual certification, COs may award HUBZone set-aside and sole-source contracts at or below the SAT; Joint Ventures - size and socioeconomic qualifications, past performance
9. **Next meeting:** The next meeting will be held March 2, at 9:00 a.m. ET. Platform to be determined.
10. **Adjournment:** The meeting was adjourned at 11:48 a.m. EST by Laura Wages

*All SBA programs and services are extended to the public on a nondiscriminatory basis*