

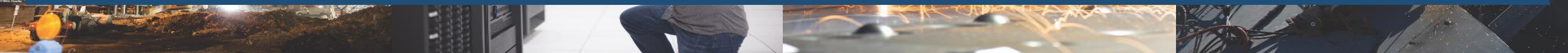


A Procurement Technical
Assistance Center (PTAC)

The background of the slide is a photograph of the Wisconsin State Capitol building in Madison, Wisconsin, taken at dusk. The building's iconic green copper dome is illuminated from below, and the white neoclassical facade with its columns and pediment is also lit. The sky is a clear, deep blue. Large trees with green and some autumn-colored leaves are visible on either side of the building.

ACQUISITION HOUR: FEDERAL CERTIFICATIONS FOR VETERAN AND SERVICE DISABLED VETERAN OWNED BUSINESSES

Acquisition Hour Webinar
May 17, 2017

A horizontal strip of four small images is located at the bottom of the slide. From left to right: a construction worker in a yellow hard hat, a person's legs in jeans and a grey shirt, a close-up of a mechanical part, and a close-up of a person's hands working on a device.

Webinar Etiquette



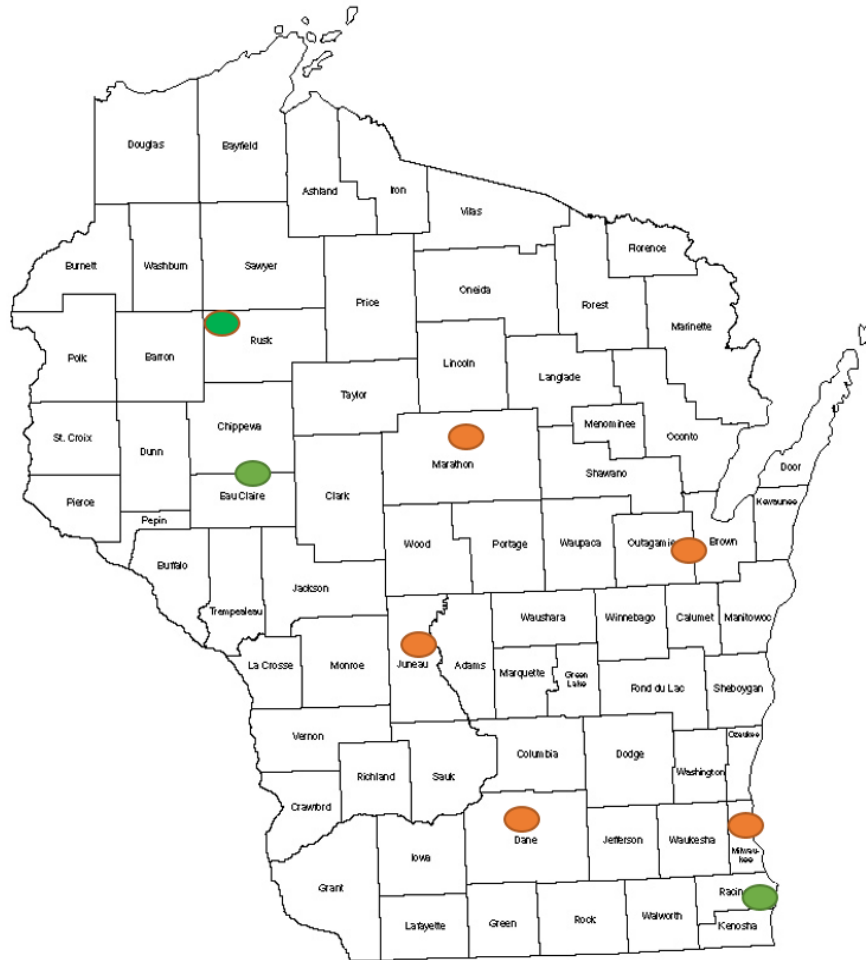
- Please
 - When logging into go-to-meeting, enter the name that you have registered with
 - Put your phone or computer on mute
 - Use the Chat option to ask your question(s): We will read them and our guest speaker will provide an answer to the group
- Thank you!



ABOUT WPI

Supporting the Mission

Assist businesses in creating, development and growing their sales, revenue and jobs through Federal, state and local government contracts.



LOCATIONS:

- **Primary office – Milwaukee** - Technology Innovation Center
- **Staffed Satellite offices**
 - Madison** (FEED – Food Enterprise & Economic Development / MEC – Madison Enterprise Center)
 - Camp Douglas** (Juneau County Economic Development Corporation)
 - Wausau** (Wausau Region Chamber of Commerce)
 - Appleton** (Fox Valley Technical College)
- **Active Partnerships**
 - Racine** – LaunchBox
 - Eau Claire** - Western Dairyland
 - Ladysmith** – Indianhead Community Action

MY ACCOUNT

Hello benjaminb (not benjaminb? [Sign out](#)).

[FROM OUR EXECUTIVE DIRECTOR](#)

[EVENT PRESENTATIONS](#)

[NEWSLETTER ARCHIVE](#)

[CURRENT OPPORTUNITIES](#)

Current Opportunities [View All](#)

1. [SBA Seeks Funding Proposals from Non-Profits and Local Institutions to Provide Entrepreneurship Training for Service Members, Military Spouses and Veterans - January 18, 2017](#)
WASHINGTON – The U.S. Small Business Administration (SBA) is inviting funding proposals from non-profit organizations, state, local and tribal government agencies, and institutions of higher learning to provide “Boots to Business” entrepreneurship training to service members, military spouses, and veterans.

2. [Chicago Secures \\$1 Billion in Federal Grant Funding for Rail Upgrades - January 10, 2017](#)
Chicago’s Transit Authority will receive nearly \$1.1 billion in federal grant funding to help pay for upgrades meant to expand rail capacity on the north side of the city, officials said Monday.

The money will go toward roughly \$2.1 billion of planned work on the city’s Red and Purple “L” lines. This will include improvements to track, stations, power and signal systems, and the purchase of 32 new railcars, according to the Federal Transit Administration.

3. [Secure That Smart Toaster and Win \\$3,000- January 4, 2017](#) The Federal Trade Commission is offering up to \$25,000 in prize money for applications or tools that help people protect their smart home devices from hackers, according to a Federal Register notice.

The competition, which will announce winners in July, comes as the internet is creeping into more and more household devices ranging from baby monitors to toasters.

These internet-of-things devices are often less secure than traditional internet-connected devices such as laptops and smartphones. It’s also often more difficult to update the software in these devices to patch vulnerabilities, making

Certifications Available for Veteran & Service Disabled Veteran Owned Businesses

- Today's Agenda – a broad overview of certifications available to Veteran Owned Small Businesses (VOSBs) & Service Disabled Veteran Owned Small Businesses (SDVOSBs) in Wisconsin
 - Federal Government
 - SDVOSB Self Representation
 - The Department of Veterans Affairs (VA's) Veteran's First Contracting Program & the Center for Verification and Evaluation's (CVE's) VOSB & SDVOSB Verification Program
 - State Government
 - Disabled Veteran Business Enterprise (DVB) Program
 - Local Governments
 - Milwaukee Metropolitan Sewerage District (MMSD) – Small, Woman and Disadvantaged Business Enterprises (SWMBE)
 - Milwaukee Public Schools (MPS) Historically Underutilized Businesses (HUB)

Federal Government – Self Representation

- The VA as well as the FAA require SDVOSBS as well as VOSBS to go through the Formal CVE verification process in order to participate in the Veterans First Contracting Program with the VA or to participate in SDVOSB set asides with the FAA
- All other Federal agencies accept **Self Representation** in the System for Award Management (SAM)
- **NOTE:** There is no set aside program for VOSBS Government-wide - ONLY with the VA

Federal Government – Self Representation

- **Who Qualifies as a SDVOSB?**

- The Service Disabled Veteran (SDV) must have a service-connected disability that has been determined by the Department of Veterans Affairs or Department of Defense (*no minimum disability requirement*)
- The SDVOSBC must be small under the North American Industry Classification System (NAICS) code assigned to the procurement
- The SDV must unconditionally own 51% of the SDVOSBC
- The SDVO must control the management and daily operations of the SDVOSBC
- The SDV must hold the highest officer position in the SDVOSBC

- **Where and how do I get Certified?**

- There is no formal certification by the SBA. Rather, businesses must meet the eligibility requirements and self represent their status in SAM (www.sam.gov)

Federal Government – Self Representation

- **Certification length** – You must update your SAM registration once a year and verify that you still qualify as a SDVOSB
- **Certification Cost** – No cost
- **Certification Benefits**
 - Government-wide goal of not less than 3% to be set aside for SDVOSBs
 - Sole Source Authority
 - If the requirement is not exempted from SDVO contracting and cannot be set-aside.
 - The CO does not have a reasonable expectation that at least two responsible SDVO SBCs will submit offers.
 - The anticipated award price of the contract, including options, will not exceed:
 - \$6.5M for manufacturing requirements
 - \$4.0M for all other requirements
 - Award can be made at a fair market price.
 - Subcontract Opportunities with Large Businesses

Federal Government – CVE Verification

- **Who Qualifies as a SDVOSB?**

- The business must be small by the SBA's Size Standards
- The Owner must meet the Government's definition of a Veteran
 - A Veteran is a person who served on active duty with the Army, Air Force, Navy, Marine Corps, or Coast Guard for any length of time, and was discharged or released under conditions other than dishonorable. A reservist or member of the National Guard called to federal active duty, or disabled from a disease or injury incurred or aggravated in the line of duty or while in training also qualifies as a Veteran. A Service-disabled Veteran is a Veteran who possesses either a disability rating letter issued by the Department of Veterans Affairs (VA) establishing a service-connected rating between 0 and 100 percent, or a disability determination from the Department of Defense (DoD)
- **Ownership**
 - One or more Veterans must unconditionally and directly own at least 51% of the businesses
 - Wisconsin Marital Property Law
- **Control**
 - One or more Veterans must demonstrate full control over the business operations
 - Day-to-day management
 - Decision-making authority and strategic policy setting
 - Managerial experience and the ability to exercise independent business judgement
 - Full-time devotion
 - Highest officer position & highest compensated employee

Federal Government – CVE Verification – Note on Ownership

- Vet owners must have **Direct and Unconditional Ownership of at least 51% of the business**
- **A note on community property:** VOSBs and SDVOSBs that reside in Community Property states may have to take special measures in meeting the 51% ownership stipulation. However, it can be an **EASILY CORRECTIBLE ISSUE** that may be resolved before applying.
- In a Community Property jurisdiction, most property acquired during the marriage (except for gifts or inheritances) – is owned jointly by both spouses and is divided upon divorce, annulment, or death. Joint ownership is automatically presumed by law in the absence of specific evidence that would point to the contrary.
- In the instance of a business located in a Community Property state, unless otherwise indicated, the business would be automatically be **ONLY 50%** owned by the Veteran – **NOT MEETING THE ELIGIBILITY REQUIREMENTS**

Federal Government – CVE Verification

- **Where and how do I get Certified?**
 - Veterans must register on the Vendor Information Pages (VIP) at www.vip.gov
 - Documents are uploaded via VIP for review by CVE
 - **Meet with a VA Verified Counselor prior to collecting & submitting documentation!**
- **Certification length**
 - Verification has recently been increased from 2 to 3 years
- **Certification Cost**
 - No Cost other than your time for verification

Federal Government – CVE Verification

- **Certification Benefits**

- VOSB and SDVOSB firms wishing to take part in the Veterans First Contracting Program must be verified by CVE
 - The Veterans First Contracting Program requires the VA to seek out SDVOSBs and VOSBs prior to other types of small businesses
 - 12% VOSBs
 - 10% SDVOSBs
 - Subcontracting Goals
 - 5% VOSBS
 - 3% SDVOSBs
 - Sole Source Authority
 - Under \$5 Million
 - Fair and reasonable price
 - Joint Venture & Teaming Opportunities

Federal Government – CVE Verification – Process

1. Obtain DUNS number and register in SAM (both free!)
2. Create an account in VIP
3. Meet with a VA verified counselor to discuss the verification process, if verification is right for you and what documents are required
4. Collect required documentation
5. Review documentation with verified counselor
6. Write Detailed Letters of Explanation (DLOEs) for missing documentation
7. Log into VIP and sign VA Form 0877 (must be signed by all owners) and required documentation. Only documentation designated as being required for pre verification is needed at first
8. Respond to any requests for additional information from CVE

Federal Government – CVE Verification – Pre-Application

- VA Form 0877 is cross-referenced with the applicant's VetBiz VIP profile to ensure all information matches
- The VA Beneficiary Identification and Records Locator Subsystem (BIRLS) database is used to validate the date of birth, Social Security Number, and Veteran status of each Veteran owner
- The Excluded Parties List System (EPLS) is used to verify all owners are in good standing with the federal government
- The Case Analyst ensures only six-digit NAICS Codes are listed on the Veteran's VIP profile
- The firm's Doing Business As (DBA) filing is reviewed to ensure that it has been properly registered
- Pre-Application Review documents are evaluated for accuracy and viability for examination. If any issues are identified, the applicant is provided an opportunity to address the issues
- If no eligibility issues are identified, CVE requests the remaining required documents
- Once all required documents are received, the application is ready for full Assessment

Federal Government – CVE Verification

- Current processing time is 90 days from the date of when CVE receives the documents
- Required documentation available at:
<https://www.vip.vetbiz.gov/Public/Register/DocumentList.aspx>

Federal Government – CVE Verification – Required Documentation

Type	Pre-Application	
Section: General Information		
1.1 License	No	Business license, professional license, contractor license, or other license required to do business in the state.
1.2 Resume	Yes	Resumes of all owners, partners, and key management personnel.
Section: Financial Information		
2.1 Tax 1040	No	Individual Federal Income Tax Return for all owners, partners, and key management personnel.
2.3 K-1	No	Partnership Schedule K-1 for all owners, partners, and key management personnel.
2.5 Payroll	No	Payroll records for all owners, partners, and key management personnel.
2.6 Signature cards	No	Signature cards for all owners, partners, and key management personnel.
Section: Management Information		
3.1 Management Agreements	No	Management support agreements, established and general lease agreements, and tenant agreements (commercial lease agreements).
3.2 Operating Agreement	Yes	Operating agreement, membership financial statements, and operating percentages. Operating percentages will be held by the holding company, provided membership is disabled.
Section: Legal Structure		
4.1 Voting trust agreement	No	Voting trust agreement.
4.3 Shareholder Agreement	No	Shareholder agreement.
4.4 Formation	Yes	Formation documents.
4.5 Minutes	No	Minutes.
4.7 Articles of Organization	No	Articles of Organization.
Section: Other Documents		
4.9 Stock	No	Stock certificates.
4.10 Franchise Agreement	No	Franchise agreement.
10.1 Joint Venture Agreement	Yes	Joint Venture Agreement.
10.2 Mentor Protégé Agreement	No	Mentor Protégé Agreement.
10.8 Additional Documents	No	Additional documents.

Federal Government – CVE Verification – Required Documentation

Application Processing Statistics

Updated 04/27/2017

**Note: Application Time and Processing Time are synonymous*

	2nd QTR	FY17	FY16
Total Applications	3302	6369	9202
-- Total Initial Applications	2507	4463	3930
Initial Application Approvals	1133	2158	3802
Total Denied	12	24	128
Average Processing Time	90 Days	60 Days	34 Days
Approval Percentage	98.5%	98.50%	97%
-- Total Reverification Applications	341	608	1060
Total Reverification Approvals	240	240	1049
Total Denied	0	0	11

Application Processing Statistics

Federal Government – CVE Verification

- Common reasons for delays
 - Missing required documentation – **meet with a verified counselor first!**
 - Applicant is not prepared
 - Discrepancies in ownership information – VIP information must match what is on your from DD214
 - Delays in responding to additional documentation requests
 - Not updating your contact information

Federal Government – CVE Verification

Denials

Updated 04/28/2017

Rank	Reason	Percentage
1	Undue influence [38 CFR § 74.4(i)(4)]	16.90%
2	Outside employment impact [38 CFR § 74.4(c)(1)]	11.27%
3	Full-time devotion [38 CFR § 74.4(c)(3)]	9.15%
4	Day-to-day management and administration of operations [38 CFR § 74.4(b)]	8.45%
5	51% majority ownership [38 CFR § 74.3]	5.63%
6	Legal organization/licensing [38 CFR § 74.21(c)(9)]	5.63%
7	Control of decision-making and serve as management member (LLC) [38 CFR § 74.4(e)]	4.23%
8	Control of board of directors: quorum (Corporation) [38 CFR § 74.4(f)(2)(i)]	4.23%
9	Control of board of directors: weighted voting (Corporation) [38 CFR § 74.4(f)(2)]	4.23%
10	Profits and distributions [38 CFR § 74.3(d)]	4.23%
11	Highest paid [38 CFR § 74.4(g)(3)]	3.52%
12	Managerial experience/critical license [38 CFR § 74.4(b)]	2.82%
13	Negative shareholders control [38 CFR § 74.1; 74.4(a); 74.4(g)(1)]	2.82%
14	Size [38 CFR § 74.13(d)]	2.82%
15	Joint Venture eligibility [13 CFR § 125.15(b)]	2.11%

16	Control of decision-making and serve as general partner (Partnership) [38 CFR § 74.4(d)]	2.11%
17	Highest officer [38 CFR § 74.4(c)(2)]	2.11%
18	Pattern of failure to submit required docs [38 CFR § 74.21(c)(6)]	1.41%
19	Community property [38 CFR § 74.3(f)]	1.41%
20	Direct ownership [38 CFR § 74.3(a)]	1.41%
21	Small Business Concern definition [38 CFR § 74.1]	1.41%
22	Unconditional ownership [38 CFR § 74.3(b)]	0.70%
23	Federal financial obligations [38 CFR § 74.2(d)]	0.70%
24	Good character [38 CFR § 74.2(b)]	0.70%

Federal Government – CVE Verification – CVE Logo

- VA-verified firms may display the trademark-protected SDVOSB or VOSB logo (sample images shown below). Use of the logo communicates the firm has undergone a comprehensive review to validate its status as an eligible Veteran-owned and controlled firm.
- **Do not use the logos until you are verified!**
 - When VA discovers that a firm is using the logo fraudulently; they are sent a cease and desist letter. The letter requests the firm cease all use of the mark consisting of a wreath, stars, and any other misrepresentation of the firm being a verified SDVOSB or VOSB. VA must make this request to preserve the value of our certification mark. Firms are given 30 days to remove the logo.



Federal Government – CVE Verification – Request for Reconsideration

- After all options are exhausted and CVE issues a denial, the Veteran may appeal through the R4R process
- **Key Points to Remember:**
 - **Follow instructions** outlined in initial denial letter to prevent processing delays
 - Every R4R will receive a **complete examination and evaluation** of all documents, including the original documents and those submitted in support of the R4R
 - **Site visits may occur** to gain further clarification
 - A **final denial** requires the participant to **wait for six months** before a new application will be processed (38 CFR § 74.14)

State of Wisconsin - DVB

- Disabled Veteran Business Enterprise (DVB)
 - **Eligibility Criteria**
 - At least 51% majority owner(s) must possess U.S. Department of Defense Form DD214 (Certificate of Release or Discharge from Active Duty) to prove service in the Armed Forces.
 - Disabled Veteran document from the Department of Veteran Affairs or discharge paper from the branch of armed service, stating service connected disability rating under 38 USC 1114 or 1134 of at least 20%.
 - At least 51% owned, controlled, and actively managed by disabled veteran group members.
 - At least 51% majority owner(s) must be a resident of Wisconsin and the business has its principal place of business in Wisconsin.
 - Serves a "useful business function" and have customers other than the State of Wisconsin.
 - Must be at least one (1) year old under current ownership.
 - Provide a \$150.00 application fee made payable to the Department of Administration.
 - **Where and How do I get certified?** <https://wisdp.wi.gov/Register.aspx>
 - Certification is online through the State's Supplier Diversity website – MUST submit certification application and required documentation online
 - Instructions for new certifications:
<https://wisdp.wi.gov/Images/Instructions%20for%20Completing%20New%20App.pdf>

State of Wisconsin - DVB

- **Certification length – 3 years with Annual Update**
- **Annual Update:**
 - The annual update of a certification takes place within the first two years of the three year certification. The update is done to confirm that a certified business is still in compliance with the Administrative Codes and to meet statutory data collection requirements.
 - Applicants will be notified by email when it is time for the annual update of their certification, therefore, it is extremely important that the Department has your most current e-mail address.
 - The applicants will be asked for the following information at the time of renewal:
 - The previous year's gross receipts and number of employees
 - Confirmation that the contact information is still current
 - Notarized affidavit
 - Out-of-state businesses must provide proof of current revenue in the State of Wisconsin and current home state certification

State of Wisconsin - DVB

- **Certification length – 3 years with Annual Update**
- **3 year recertification**
 - **Recertification Process**
 - The recertification of the certification takes place prior to the expiration of the three year certification. The recertification is done to confirm that a certified business is still in compliance with the Administrative Codes.
 - Applicants will be notified by email when it is time for the recertification of their certification.
 - The applicants will be asked for the following information at the time of recertification:
 - The previous three year's business tax returns
 - Most current business financials (Profit & Loss Statement and Balance Sheet)
 - Changes to NIGP or NAICS codes
 - Changes to ownership of the business
 - Notarized affidavit
 - \$150 recertification fee made payable to the Department of Administration (**WBE & DVB only**) *Out-of-state businesses* must provide proof of current revenue in the State of Wisconsin (**WBE only**) and current home state certification (**WBE & MBE only**)
 - This process can be completed online through the application website: <https://wisdp.wi.gov/>
 - If the review of the recertification is satisfactory, the business will be issued a new certificate that is valid for three more years.
 - **Cost for Certification**
 - \$150

State of Wisconsin – DVB Continued

- **Certification Benefits**

- 1% procurement goal with State of Wisconsin agencies
- price preference which may be awarded to any DVB bid that is no more than 5% of the apparent low bid or competitive proposal that is no more than 5% higher than the most advantageous offer. This permissive 5% low-bid preference is applicable to all state purchases except printing and stationery
- Listed in the State of Wisconsin's Supplier Diversity Portal

Local Governments

- **Metropolitan Milwaukee Sewerage District (MMSD) – Small, Veteran, Women, Minority (SWMBE) Businesses**
 - **NOTE:** MMSD does not certify MBE businesses, but does recognize the State of Wisconsin's DVB certification and CVEs VOSB and SDVOSB Verification (note this list is not exhaustive. Visit <http://www.mmsd.com/procurement/SWMBE> for additional information
- **Where and How do I get Certified?**
 - Since MMSD is not certifying you as a DVB, VOSB or SDVOSB, you must register in MMSD's Vendor Registration database here: <https://mmsd.diversitycompliance.com/frontend/startvendor.asp> and provide proof of certification mentioned above.
- **Benefits**
 - MMSD has a 5% contracting goal for Veteran Owned Businesses
 - Subcontract opportunities

Local Governments

- **Milwaukee Public Schools (MPS)** – Historical Underutilized Businesses Program
 - **Note:** similar to MMSD, MPS does not certify you as a HUB. However, if you are certified as an DVB by the State of Wisconsin you may participate in this program.
- **Where and How do I get certified?** Submit recognized certification to Contact Contract Compliance Services - <http://mps.milwaukee.k12.wi.us/en/District/About-MPS/School-Board/Contract-Compliance-Services.htm>
- **Cost** – There is no cost for this certification (but there is a cost for DVB certification)

Local Governments

- **Milwaukee Public Schools (Continued)**

- 35% goal for HUB certified firms
- Ability to participate in MPS subcontracts that require a HUB utilization plan
- Joint Venture & Mentor Protégé agreements are encouraged
- HUB Requirements are for contracts over \$50,000

Helpful Links

- System for Award Management: www.sam.gov
- DUNS Number: <https://fedgov.dnb.com/webform>
- SBA's Page on Self-Representation as SDVOSB: <https://www.sba.gov/contracting/government-contracting-programs/service-disabled-veteran-owned-businesses>
- Vendor Information Pages: <https://www.vip.vetbiz.gov/>
- Verification Assistance Briefs (CVE): <https://www.va.gov/osdbu/verification/assistance/briefs.asp>
- State of Wisconsin Supplier Diversity Portal: <https://wisdp.wi.gov/>
- MMSD's SWMBE Program: <https://www.mmsd.com/procurement/swmbe-diversity>
- MPS' HUB Program: <http://mps.milwaukee.k12.wi.us/en/District/About-MPS/School-Board/Contract-Compliance-Services.htm>

Federal Acquisition Regulations (FAR)

- A series of webinars on Wednesdays from 6.00pm to 7.00pm.
 - This introductory session of the FAR REVIEW series is geared towards those interested in becoming CFCM certified. Sessions of this FAR REVIEW series will cover all parts of the FAR and will be beneficial to current Federal contractors and subcontractors even if not intending to participate in the NCMA certification exam.
- Schedule listed below:
 - <https://www.wispro.org/wp-content/uploads/2017/02/FAR-Training-Webinar-Schedule.pdf>

Acquisition Hour Webinars

- May 30, 2017 – [4 Issues Affecting Federal Construction Projects](#) – Presented by WPI
- June 13, 2017 – [Acquisition Hour: Maximizing FBO in your Market Strategies](#) – Presented by WPI
- June 14, 2017 – [Acquisition Hour: Understanding the Differences Between Federal Solicitation Types](#) – Presented by WPI

Upcoming WPI Events

- DOING BUSINESS WITH THE NATIONAL PARK SERVICE – June 14, 2017 – Ashland, WI
- 11TH ANNUAL VOLK FIELD SMALL BUSINESS CONFERENCE – June 27 – 28, 2017 – Camp Douglas, WI



QUESTIONS?

SURVEY



Continuing Professional Education



CPE Certificate available, please contact:

Benjamin Blanc

benjaminb@wispro.org

Today's Presentation was done by Joe Smetak

Manager, Business Outreach / Government Contract
Specialist

Wisconsin Procurement Institute

For additional assistance, please contact Joe at

414-270-3600

Josephs@wispro.org

For Assistance or Additional Information contact

Wisconsin Procurement Institute (WPI)
Benjamin Blanc

10437 Innovation Drive, Suite 320
Milwaukee, WI 53226
414-270-3600 or
benjaminb@wispro.org