

Interagency Task Force on Veterans Small Business Development (IATF)

Wednesday, June 2, 2021 | 1:00 p.m. – 3:30 p.m. ET

Virtual Meeting Minutes

IATF Members: Mathew Blum, Mike Duerr, Bill Metheny, Victoria Mundt, Fran Perez-Wilhite, Mike Phipps, Cordell Smith for Sharon Ridley, Larry Stubblefield, Houston Taylor

Absent Member: Mary Mitchell-Whisnant

Office of Veterans Business Development (OVBD) Participants: Amy Garcia, Stan Kurtz, Taylor Starkman, and Larry Stubblefield

The virtual meeting of the IATF took place on June 2, 2021.

Call to Order – Larry Stubblefield, IATF Designated Federal Officer (DFO), called the meeting to order at 1:05 p.m. ET.

Introduction/Meeting Logistics – Stan Kurtz took roll call and Taylor Starkman provided housekeeping reminders for the virtual meeting

Welcoming and Opening Remarks – Larry Stubblefield

Updates:

Larry Stubblefield, Associate Administrator, OVBD:

Boots to Business Program - Mr. Stubblefield said that the Boots to Business program, OVBD's signature program and part of the Department of Defense's Transition Assistance Program, are beginning to reconvene in-person classes. About 40% of classes are being conducted in person, that we are working with DoD, the military services, and the installations.

Administration Priorities -. Mr. Stubblefield referenced Executive Order 13985, entitled, "Advancing Racial Equity and Support for Underserved Communities through Federal Government Support." He noted that the President signed the E.O. on day one and that federal government agencies are working on their plans to support the priority.

SBA Focus Areas - Mr. Stubblefield said that SBA Administrator Isabella Guzman has three focus areas which are: 1) Equity and inclusion – closing opportunity gaps and gaps in capital and access to capital. 2) Customer -centric approach – meet entrepreneurs and small business owners where they are and 3). Technology - to reach all small business communities. Mr. Stubblefield said that this is being led by OMB. He said there is an equity assessment due to OMB in August and the assessment entails looking at all programs such as Boots-to-Business, VBOC's, and the entrepreneurial training programs, to determine if there were any barriers that would inhibit full participation in OVBD programs. OVBD is focusing on veterans and military spouses in rural areas and inner-city areas, primarily those who lack access to broadband. He said that this a partnership that OVBD has with the American Legion.

Outreach - Mr. Stubblefield said that OVBD wants to increase outreach to affinity groups and others who would more than likely be a good addition to OVBD's stakeholder list.

Access to Capital for Veteran Business Owners - Mr. Stubblefield said that the Advisory Committee on Veteran Business Affairs has a subcommittee that's looking to improve access to capital for veteran business owners. He spoke about how veterans are highlighted throughout all SBA programs such as PPP first draw and PPP second draw. The American Rescue Plan set aside \$28.6 billion in the Restaurant Revitalization Fund (RRF), and the first 21 days of that, the fund was opened to priority groups, which included women, socially and economically disadvantaged, and veterans. Mr. Stubblefield said that recently, there 17,000 veteran small business owners participated in the RRF and others that Covid-19 have impacted in the food and beverage industry.

American Rescue Plan - The American Rescue Plan also includes funding for SBA's Community Navigator Pilot Program. It's a \$100 million grant program that will target non-profit, state, local and tribal governments, CDFIs and SBA's resource partners. Mr. Stubblefield said with the Community Navigator Pilot Program, SBA is looking to establish a nationwide support and assistance program.

Government Contracting - Mr. Stubblefield mentioned the recent SBA appointment of Bibi Hidalgo, Associate Administrator, Office of Government Contracting and Business Development. Ms. Hidalgo returns to government service after serving in the Obama Administration at the White House supporting small business goaling achievement. Ms. Hidalgo is focused on looking at how 10 years ago 176k small businesses participated in federal contracting where today that number has been cut in half.

Amy Garcia, Veterans Business Analyst, Policy and Engagement, OVBD

VOSB Access To Surplus Property - Ms. Garcia reported that SBA has updated its website with Program information at www.sba.gov/vetsurplus. The information on website provides program background, eligibility requirements, resources, links to the GSA program site, and a link to VA certification/verification information. OVBD has created outreach materials available for additional distribution by reaching out to OVBD. About 35 states have signed the MOA which is required before a state can participate in the Program. States are not required to sign and if businesses are located in one of those states, they are encouraged to reach out to the State Agency for Surplus Property (SASP) for their state for more information and guidance. GSA tracks quarterly use data for the Program. As the program is relatively new, very little data is available today's meeting.

Cordell Smith, Deputy Director, Acquisition and Policy, Department of Veterans Affairs Office of Small and Disadvantage Business Utilization – Mr. Smith said that as of April 30th, the VA reported \$15 billion in total contract spend with over \$3 billion going to SDVOSBs and VOSBs. Mr. Smith noted that the VA is above the overall small business goal and referenced that the VA small, disadvantaged business goal also was at a slight increase with a goal of 5.0% and their actual is 11.6%.

OSDBU Outreach and Virtual Events - Mr. Smith stated that VA OSBDU continues to provide virtual outreach events which helps save travel costs and keeps participants safe in the COVID-19 environment; also, the virtual format has been well-received and participation numbers are high. OSDBU supported the Native Hawaiian Organization Association.

Restaurant Revitalization Fund - OSDBU co-hosted a webinar with SBA to inform VOSB the availability of resources and the priority application period.

President's Executive Order on Advancing Racial Equity and Support for Underserved Communities -Mr. Smith spoke regarding the President's Executive Order on Advancing Racial Equity and Support for Underserved Communities through the Federal Government. Mr. Smith stated that VA is interested in providing equitable services, focusing on improving performance on women-owned small business goals, and considering the NAICS codes identified by SBA's analysis to find women were either underrepresented or significantly underrepresented in those industries is a good fit in support of the Executive Order.

CVE Verification Transfer - Mr. Smith introduced Ed Bender, who works at the SBA in the Office of General Counsel. Mr. Bender said that he has been working with Mr. Smith, Mr. McGrath, Mr. Stubblefield, and Ms. Garcia to ensure that the transfer goes well for the veteran community. Mr. Smith talked about Public Law 116-283, passed on January 1, 2021, requiring the transfer of SDVOSB and VOSB verification functions from the VA to SBA. The law requires this must be done by January 1, 2023.

Access to Veterans Status Information – Mr. Smith said by law, the VA will retain ownership of the status verification of a person as veteran or service-disabled veteran. The VA has retained this information in the Beneficiary Identification and Records Locator System (BIRLS). The SBA will require on-going access to this information to determine if the owner of a company is veteran or service-disabled veteran. Also, SBA does not require access to other PII contained in BIRLS, just documentation of veteran or SDV status. Mr. Smith said that they will be looking into what type of access SBA will need.

VA's Current Source of Funding - Mr. Smith presented how the VA pays for its VOSB verification process. Mr. Smith said that VA has a standing appropriation called Supply Fund. This fund was established for the operation and maintenance of supply system for the Department. He stated that SDVOSB and VOSB participation in VA contract, verification is considered as an expense necessary for operation and maintenance of VA's supply system. Government-wide verification to support contracts at other agencies are ineligible. VA supply source cannot be the funding for the new certification program but will try to explore other options on how to get SBA to cover necessary cost for their certification program.

Stan Kurtz – Called for committee members updates.

Department of Defense, Vicky Mundt, Associate Director, Office of Small Business Programs - Ms. Mundt states that their priorities are to reinvigorate the Mentor Protégé Program and to get small, disadvantaged businesses in the program, to help them with mentoring

opportunities and to leverage the PTACs for more engagement and outreach as they move their office, DOA to Small Business Programs in DoD later this year.

Department of Labor, Bill Metheny, Director, Veterans Employment & Training Service

Mr. Metheny provided an update on how veterans are doing in the workplace and recent unemployment numbers. Veteran unemployment in April was 5.3%, up from 4.6% in March, although still slightly lower than non-veteran counterparts at 6.0%. Mr. Metheny directed the audience to visit www.veterans.gov to see the press release with the latest numbers. Metheny said that one of the other groups that they looked at was women veterans and how they are doing in the workplace over the last 12 months. For the same time period (April 2020 – April 2021) women veterans are on par with their male veteran counterparts, and women veterans are doing better than their nonveteran women counterparts.

Homeless Veteran Reintegration Program Grant Release - Mr. Metheny stated that DoL recently announced their Homeless Veteran Reintegration Program grant release. Mr. Metheny said that \$52 million is going out to grantees around the country to help homeless veterans as they integrate into the workforce; 119 grants were re-awarded to continued grantees, 36 new grants were awarded for \$12 million and the new grantees will be on board in July 2021.

Transition Assistance Program – Mr. Metheny mentioned that Larry Stubblefield spoke about Boots-to-Business and the year of providing transition-related training and courses virtually and that institutions are opening and moving to in-person instruction and the same is true for employment-related transition classes. Mr. Metheny said that they have been busy trying to incorporate and provide transition assistance to a wide variety population including military spouses. The program is named Transition Employment Assistance for Military Spouses (TEAMS) is tailored to meet the specific needs of military spouses and the challenges they face in the employment space. Mr. Metheny said the program, providing virtual workshops with scheduling flexibility so spouses can sign-up online and choose which modules they want. The courses include how to write resumes, interviewing skills, salary negotiation, and the importance of credentials, and federal hiring, and working with social media platforms to do job hunting.

Employment Navigator Partnership Pilot - Mr. Metheny provided information on a new effort to provide ongoing work with service members called the Employment Navigator Partnership pilot involving 13 military installations DOL has a permanent presence with contractors who are there to help transitioning service members all the way through the process, not just the few days of coursework. He said the 13 navigators will work with transitioning service members to identify their goals, work on their resume, and connect them with a number of partners, both government and non-government. According to Mr. Metheny, the program started some months ago and will go on for the next year. He said that service members who are wounded and ill may have different needs, so DoL is tailoring the workshops to them in modules that will fit their schedule and needs.

TAP Training - In January, DoL will provide TAP training off-base. They are in the process of developing a pilot program that provides services to service members and transitioning service members who are not near a big military installation where they could take traditional TAP classes. There may be virtual classes. Also, they are looking at providing TAP services at

locations that are far from military installations such as National Guard and Reserve bases around the country.

Hire Vets Medallion Program – Mr. Metheny mentioned that the application to the Hire Vets Medallion Program, a DOL program that recognizes employers who hire, train, and retain veterans, closed in April. Last November, DOL awarded 675 of the Hire Vets Medallion Programs awards and this year, they are on track to award over 850 awards. The announcement for this will be around Veterans Day in November.

General Services Administration, Houston Taylor, Regional Commissioner:

Mr. Taylor started off by providing an update on GSA's small business achievement. GSA's 30 percent goal has already been exceeded with an ear-to-date achievement of 43.9 percent. He also reported on socioeconomic achievement to date: SDB 5 percent goal, GSA is at 17.3 percent; WOSB, 5 percent, GSA is at 7.84 percent; service-disabled vets, 3 percent, GSA is at 8.39 percent; and finally, HUBZone, 3 percent, GSA is at 3.69 percent. Mr. Taylor stated, "that while the nation recovers from the pandemic, that GSA continues to work with all commercial civilian agencies as well as the DoD, reestablish caches and making sure that they have supplies in place." Mr. Taylor said that GSA has awarded \$486 million contracts to service-disabled veterans. Mr. Taylor spoke about what GSA is doing as far as diversity, equity, inclusion, and accessibility (DEIA), which he said it is a priority for many federal government agencies, but specifically for General Services Administration (GSA), Small Business Administration (SBA), and Office of Management and Budget (OMB) as work continues towards executing those executive orders. Mr. Taylor said that one key element from the GSA perspective is Buy American and how can we better utilize small business in underserved communities in that space as well as when we talk about federal contracting opportunities, operationally, how do we take what the President has asked us to do and increase those opportunities across the board. He said that is a collaborative effort and he is looking forward to hearing from SBA and OMB as we go forward.

North Carolina Military Business Center, Fran Perez-Wilhite, Veteran Business Developer:

Defense Contractor Academy Event - Ms. Perez-Wilhite reports that the NC Military Business Center held a Defense Contractor Academy (DCA) in March, with over 250 attendees. Ms. Perez-Wilhite explained that most attendees were veteran owned small businesses and the DCA provides the tools needed to grow the federal portion of their business portfolios. She also said that it was their first time doing it virtually and that it seemed to have gone well.

Future Events - The Defense Trade Show- Is a free event in Fayetteville, NC and it will be held on August 4, 2021. She said beside the trade booths, there will be extensive networking opportunities and government workshops.

2021 Medical, Bio-Medical, and Bio-Defense Support to the Warfighter Symposium- Due to the pandemic, the 2021 Medical, Bio-Medical, and Bio-Defense Support to the Warfighter Symposium has been pushed back to September 29 -30, 2021 in Chapel Hill, NC. She said that the attendees will get to meet federal decision makers and contractors and that some veteran owned small businesses will be invited to have a private one-on-one meeting. In addition, Ms.

Perez-Wilhite said that they will more than likely limit attendees this year to 500-600 to ensure proper networking.

The Southeastern Construction Summit- Will be held in late October in Wilmington, NC. There will be federal agencies and prime contractors there and would probably limit attendees to 1000 to ensure good networking. She said to sign up soon before it sells out.

First Health Hospital Project in Pinehurst, NC - Ms. Perez-Wilhite spoke regarding her relationship with the First Health Hospital Project in Pinehurst, NC. Ms. Perez-Wilhite said that her business analysis concluded that it would be very “advantageous” to have veteran-owned small businesses win private-sector contracts with First Health. Ms. Perez-Wilhite noted that First Health has an extensive working relationship with Womack Army Medical Center at Fort Bragg. She said that many medical professionals who retire are from Fort Bragg live in Pinehurst and work at First Health and still maintain their contacts with Fort Bragg and other DoD facilities. She says that winning a contract would be impressive on veteran-owned small businesses capability statement and could be a gateway for DoD or Fort Bragg contracts. Ms. Perez-Wilhite said that she has already built relationships with the Foundation at First Health, Moore County Economic Development, and a head clinician at First Health. Ms. Perez-Wilhite said that they are planning to co-sponsor an event in October 2021 so that veteran-owned businesses can meet key decision makers at First Health. If you want to be a part of the events, call anytime (704) 806-6858.

The American Legion, Mike Phipps -Mr. Phipps states that the American Legion is working with DLA Troop Support that now has a relationship with VA Medical Health programs. One of American Legion’s goals of this work is to expand the relationship by bringing in VA’s Veterans First program to address contract bundling, the first rollout happened in 2020 out west and they’re going strategically by VISN and it’s the DLA Troop Medical Supply Chain working with the VA facilities from a logistics and supply chain and prime vendor perspective. Mr. Phipps suggest that this is something the committee should address, and DoD could bring in DLA Troop Support that addresses these issues.

Student Veterans of America, Mike Duerr, Vice President of Development:

Mr. Duerr announced that he and his colleague, Justin Monk, would provide the SVA update as Will Hubbard has left SVA. SVA has been following closely the Biden Administration’s priorities, the House legislation bill that have been recently passed, as well as the infrastructure bill and how the proposal may be affecting our student veterans as they pursue their education.

Student Veterans of America, Justin Monk, Government Affairs,

Infrastructure Bill – Mr. Monk said, he and his team think what is promising to student veterans in the infrastructure bill is what it does for community colleges access. Mr. Monk said, it includes about \$12 billion to modernize and expand access to community colleges, especially in areas where education opportunities are lacking. He said that this is in addition to free two years of community college for first time students and workers whom many will be veterans.

Student Support Services - Mr. Monk talked about student support services. He said they realize that students face challenges such as financial hardship, childcare, and transferring

between schools. Mr. Monk said the infrastructure bill makes substantial investments in student support services to help students stay in school and graduate. He said that the funding will help schools adopt innovative proven solutions for student success.

Office of Management and Budget, Mathew Blum, Office of Federal Procurement Policy Executive Order 13985 - Mr. Blum reminded everyone that this order, on the equity side, requires agency assessments on potential barriers that underserved communities and individuals may face when taking advantage of agency procurement and contracting opportunities. It requires that plans be developed to promote equitable opportunities to address any barriers to full and equal participation in contracting opportunities for underserved communities. Mr. Blum said that OMB has taken steps in support of these efforts and supports the agencies as they conduct these individual self-assessments due in August, and work toward their plans, which are due in January. Mr. Blum said that OMB will be informed by agency assessment plans including some interim assessment that they shared. Mr. Blum referenced an equity procurement working group stood up by OMB in partnership with the Domestic Policy Council and the National Economic Council who all co-chair this working group, and that their members include DoD, GSA, NASA, DHS, SBA, and BDA. Mr. Blum said that there is an OMB request form that may have been published in the federal register and that comments are due back in July 2021. They are looking for a variety of issues such as procurement, tools, and training to determine and overcome equity information or ideas on relevant data and outreach strategies. OMB has held roundtables to understand the needs of the workforce.

Underserved Communities and Small Businesses – Mr. Blum said OMB has taken a very broad approach to underserved communities and small businesses. He said that looking at small disadvantage businesses, includes areas of all demographic categories from black- and brown-owned businesses, to Hispanic-owned businesses, Asian-Pacific-owned businesses, Native American, Native Hawaiian-owned businesses, as well as HUBZones, SDVOSBs, WOSBs, HBCUs, tribal colleges and universities, and other minority-serving institutions. Mr. Blum said four of the barriers that have been identified are: 1) Insufficient information for the workforce to understand and implement behavior on diversity; 2) Lack of awareness and/or inability to navigate the federal marketplace by members of the underserved community; 3) Inadequate tools for our workforce to have an effective impact on diversity, and he said in some cases; 4) Unclear management expectations as to what are we specifically measuring and expecting our senior leadership and our managers that can influence change within the workforce, what they would be expected to do. Mr. Blum stated that he was pleased to hear the need for improved baselining and measurement. He said for small-disadvantaged businesses to better understand demographic diversity or to look at information on geographic diversity for SDVOSBs and all their socioeconomic small businesses, that a very significant portion of dollars currently go to a very small portion of very well populated zip codes. He said that the data shows that the rural areas really aren't receiving dollars even though there may be entities available. Also, the challenge would be how can OMB create dashboards and other tools that shows this information on who's available so that more dollars can go to those areas. In addition, he said that one other idea that OMB thinks that's important is making sure that they compare trends and segments of the federal marketplace to similar segments in the U.S. economy. He said that OMB knows that there has been some data showing contraction of small businesses and they need to pay attention to participation by new entrants and to make sure that OMB understand where these actions were

driven, influenced, or affected by behavior in the federal marketplace and where there are larger structural challenges in the economy at large that may be contributing to some of these circumstances to make sure as a Government and the whole of Government effort, they can use all the levers available to address these challenges.

Outreach and Assistance – Mr. Blum emphasizes the importance of our mentor protégé programs, the PTACs, and the small business development centers. He believes that it will be critical to build skill sets and resiliency of businesses and help in the “Made in America” initiative that focuses on how to ensure that underutilized manufacturing capabilities are fully utilized and to address fractured/fragile supply chains and create incentives that will bring work back to America. Mr. Blum believes it is an organized effort of the federal government to act as an organized entity in creating demand signaling that will be helpful to all businesses, that they understand and recognized products that aren’t manufactured in America, and if they’re not being manufactured at the level they need to be. Mr. Blum goes on to say that he thinks that the PTACs and the mentor-protégé programs will be important in helping to ensure that those businesses have the skill sets that they need to be able to be part of those efforts.

Engagement -Regarding strategic conversations and listening sessions, there is more that can be done with the Chamber of Commerce and with partners on the IATF in helping OMB think through ideas and how they can better reach SDVOSB’s that are being overlooked in rural areas. Mr. Blum said that OMB have been talking about crowd sourcing and that OMB has kicked off the “Engaging Procurement Ideas to Consider (EPIC)” campaign. Mr. Blum explained that it’s a crowdsourcing campaign built on an idea scale platform that is available on challenge.gov, and it’s designed to elicit ideas, both from within and outside of the government, on ways to help shape plans that support the present management agenda and other initiatives moving forward. OMB wants to make sure the right management direction in the PMA and are emphasizing ideas that will work for this project. He said that OMB has a knowledge-management portal also known as the Periodic Table of Acquisition Innovation that doesn’t specifically focus on small business but is focused on tools and ways on which OMB can use innovative practices to get more work to businesses easily.

Public Comment Period: Stan Kurtz opened the public comment portion of the meeting.

Public Questions/Comments: Paul Wright – Mr. Wright asked about the PPP loan and the grants that came out of SBA, that he is having problems getting them closed out and he mentions that the servicing banks are not helping. He wants to know who at SBA can he talk to? Mr. Wright mentions that he is a veteran owned small business and that he had a PPP loan that was supposed to turn into a grant. He said, if he doesn’t get it resolved, his other SBA loans will default.

Response/Comment: Larry Stubblefield – said that he will have Ms. Taylor Starkman to put his contact information in the chat box so that Mr. Wright can contact him. Mr. Stubblefield said that he needs to get Mr. Wright connected to the Office of Capital Access. He noted that the Office of Capital Access got involved in a similar problem.

Public Questions/Comments: Charles Huang – Mr. Huang who stated he was from Senator Amy Klobuchar’s office, wanted to know if there are any congressional or legislative action that

can help remedy any present limitations to veteran small business development or if there are any problems that we're really seeing right now?

Response: Larry Stubblefield – Referred Mr. Huang to the chat box to get Mr. Stubblefield's contact information.

Chat Box Questions/Requests:

1). Someone asked to provide the link to the definition of disadvantaged business.

2). **Ms. Iryna Demko** - Is there a similar list to women- owned small businesses with NAICS, underrepresented in veteran's businesses?

Response: Cordell Smith - question was is there a similar list for -- a list comparable to women-owned small business program list about underrepresented NAICS, is there something comparable in the veteran program. This was a unique feature of the women-owned small business program as it was passed by Congress. That was not so much an issue in terms of the veteran program because veteran set-asides are authorized in all NAICS, not just simply the ones where they were found to be underrepresented, but that could be some useful information, and I think I would be interested in talking with some of our agency partners on whether we might be able to develop some insight in that area, but at the moment, no, there is no such requirement because the veteran program is open in all NAICS.

3). **Mr. Joe Wynn** – The transfer of a veteran-owned business certification from VA to SBA has been going on for years. Now that the transfer is written in law, are you saying that SBA still does not have any idea of how the program will be funded?

Response: Ed Bender - Congress directed VA to pay for only VOSBs that cannot certify as SDVOSBs. SBA is working with VA and the Hill to explore additional funding options. It's our priority to ensure adequate funding for the program as soon as possible, and that certify.SBA.gov is exploring funding options with the agency. So essentially Congress directed VA to pay for verification costs of VOSBs only. SBA must fund the cost of SDVOSB verification.

Adjourned – 3:02 p.m. ET