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U.S. SMALL BUSINESS ADMINISTRATION

INTERAGENCY TASK FORCE ON  
VETERANS SMALL BUSINESS DEVELOPMENT

PUBLIC MEETING

WEDNESDAY, MARCH 6, 2019

1:00 P.M.

Recorded by: Jennifer Metcalf Razzino, CER

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1 P R O C E E D I N G S

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3 (Meeting called to order, 1:04 p.m.)

4 MR. STUBBLEFIELD: We're going to get started.

5 Okay, this is Larry Stubblefield, Associate  
6 Administrator of the Office of Veterans Business  
7 Development, and I'm going to open the meeting with a  
8 roll call. I guess we'll start over here to my left  
9 with Beth.

10 MS. TORRES: Hi, I'm Beth Torres from the  
11 Department of Veterans Affairs OSDBU.

12 MR. GREEN: Tim Green. I'm from the  
13 Department of Labor Veterans Employment and Training  
14 Service.

15 MR. GAVINO: Hi. This is Amando Gavino from  
16 GSA. I'm the Director for IT services.

17 MR. STUBBLEFIELD: Okay, do we have any  
18 members on the line, on the call?

19 MR. PHIPPS: Mike Phipps is on the line. I  
20 know my membership is in process right now, but just --  
21 I'm here.

22 MR. STUBBLEFIELD: Okay, Mike. Thanks for  
23 joining us, as always.

24 MR. SHERWOOD: This is Matt Sherwood from the  
25 Michigan VBOC.

1 MR. STUBBLEFIELD: Okay, anyone else on the --

2 MS. MITCHELL-WHISNANT: This is Mary Ellen  
3 Mitchell-Whisnant from the Department of the Treasury.

4 MS. ARTIS-SAYLES: This is Laurie Sayles. I'm  
5 a committee member with VetForce.

6 MR. STUBBLEFIELD: Okay, do we have anyone  
7 else on the call?

8 (No response.)

9 MR. STUBBLEFIELD: Okay, if not, we will begin  
10 the meeting.

11 You'll have to come up to the table and turn  
12 the mic on.

13 MS. LEWIS: Teresa Lewis representing Joe  
14 Sharpe for the American Legion.

15 MR. STUBBLEFIELD: Okay, I think you all have  
16 copies of the agenda in front of you, and so with that,  
17 we'll get started with the meeting. Thank you all for  
18 being here, and for all of you on the phone, and for  
19 our guests in the room. It's always a pleasure seeing  
20 Barbara Ashe. Thank you for VIP for being here today.

21 So we'll start with OVBD updates. And the  
22 first thing I want to talk about, and at any point if  
23 there's any questions or comments, feel free to chime  
24 in, but I wanted to talk a little bit about some of the  
25 things going on in our office right now. We're heavily

1 engaged in the FY19, the NDAA, the TAP assistance  
2 program. And there's some major changes to TAP, and  
3 it's listed here on the slides. The one -- the big  
4 thing for us in OVBD is that TAP -- or the Boots to  
5 Business, as the slide indicates, is going to be now a  
6 part of the core training, and it's going to be  
7 transitioning service members. It's mandatory now that  
8 they pick between an education, employment, or  
9 entrepreneurial track, whereas before it was optional,  
10 and I'll talk about that a little bit more in the  
11 presentation.

12 Now, on the second bullet there, it talks  
13 about the impact, and for us in OVBD, and particularly  
14 our VBOC director, we're looking at what this -- the  
15 changes in the NDAA, the impact it's going to have on  
16 the VBOCs. In other words, with Boots to Business now  
17 being a core part of the curriculum, we're looking at  
18 an estimated 25 percent increase in classes, number of  
19 classes that we're going to have. And that's going  
20 to -- that's going to really tap into our VBOC members,  
21 if you will, because the VBOC, in addition to teaching  
22 the Boots to Business, they also have a responsibility  
23 to the entrepreneurial community for training and  
24 counseling.

25 So we're anticipating maybe a dip somewhat, if

1 you will, in the amount of training and counseling we  
2 can do, be able to provide, but having said that, we're  
3 still thinking through how we're going to do this, to  
4 include bringing on our resource partners to help more  
5 and so forth.

6 And then that third bullet there just says  
7 that the NDAA changes, they're all -- they go into  
8 effect 1 October. So come 1 October this year, the  
9 FY19 NDAA changes will be in effect.

10 Now, I actually borrowed this slide from our  
11 Department of Labor, you know, Ivan Denton shared it  
12 with me, but this is -- the title of the slide talks  
13 about the primary driver for change. And there's a  
14 really big emphasis now on taking care of service  
15 members and their families when they transition from  
16 the military, and not just transitioning service  
17 members, but veterans, period.

18 I think you may have seen the President put  
19 something out earlier this week talking about the high  
20 rate of suicide within the veteran community, and this  
21 need to help -- you know, help transitioning service  
22 members who ultimately become veterans, you know,  
23 transition better into civilian life. So in that  
24 executive order that the President put out, you know,  
25 there is -- he put together a task force now that's

1 going to look at ways to help service members.

2           And so what we're doing with the Transition  
3 Assistance Program is definitely a way to help service  
4 members as they transition from the military. But if  
5 you look at the slide, you know, it talks about the  
6 medium annual wages for these various groups. So if  
7 you look at high school degree or high school diploma,  
8 rather, self-employed, bachelor's, all the way up to  
9 apprenticeship, you know, the need to get service  
10 members focused and into some type of track that's  
11 going to lead to career-readiness status is what we're  
12 focused on.

13           On the next slide, this just talks about the  
14 current TAP sequence of events, and if you notice that  
15 under the mandatory core curriculum, there's five days  
16 in the week. The Department of Defense had one day.  
17 The slide talks about what occurred in that -- in DOD's  
18 one day, you know, talking about the transition  
19 overview, talking about being resilient. There is  
20 military occupational crosswalk, and then the personal  
21 finance planning, and so forth.

22           And then the Department of Labor actually had  
23 three days. And so you can see the -- what they  
24 offered for those three days. And then VA had one day  
25 to talk about benefits. And as I mentioned earlier,

1 the optional tracks, you know, were from Department of  
2 Labor, SBA, and Education -- or, I'm sorry, VA. And  
3 then the Capstone event, which was 90 days out.

4 The next slide just talks about the  
5 legislative proposals or the changes. If you'll  
6 notice, just if you look across the slide, everything  
7 that's in parentheses is actually now in legislation.  
8 So the counseling pathways, that's each service  
9 secretary is responsible for developing those pathways.  
10 That's 365 days out. That's when separation counseling  
11 will begin.

12 Each transitioning service member is now  
13 required to meet with a counselor, in person or by  
14 video. And then here's a big one. The service  
15 secretaries, this thing about establishing three  
16 pathways, it's the service secretaries in conjunction  
17 with Department of Labor and VA, will develop three  
18 pathways for transitioning service members.

19 And the bottom line is we're talking about,  
20 you know, high, medium, and low risk, you know, low  
21 risk being maybe the colonel who's transitioning out  
22 who, you know, has a master's degree, he knows where he  
23 or she is going to work. Low risk being maybe -- and  
24 low risk could run the whole spectrum, but I'm just  
25 going to simplify. It could be the young person that



1 came in, only stayed, you know, three years, they're  
2 going out, they don't have much of an education and  
3 they're not really look -- not really sure what they're  
4 going to do after they transition out.

5 So the service secretaries are working on  
6 establishing those three pathways, and then that next  
7 point there, the service members will be required to  
8 take a self-assessment. And that self-assessment,  
9 again, is still being developed, but it's going to be  
10 the determining factor to -- for commanders to be able  
11 to figure out what pathway that person should be in.  
12 So now we're talking about what is your grade, what is  
13 your MOS, you know, what is your education level, do  
14 you know what you're going to do when you leave the  
15 service and so forth.

16 So five-day mandatory core curriculum, like I  
17 mentioned. Our Boots to Business, entrepreneurship, is  
18 now part of the core, if you look on the slide. The  
19 big difference is Department of Labor had three days  
20 before; now it's one day. And then under the mandatory  
21 curriculum -- or, I'm sorry, the electives -- former  
22 electives that are now mandatory as part of the core  
23 curriculum, you can see there DOL has employment.  
24 There's also vocational training and the higher  
25 education track, and then we're there, as I indicated

1 earlier, with our Boots to Business.

2 And then VA will have one day to talk through  
3 benefits and then the Capstone event, where the  
4 commanders are going to say whether or not the  
5 transitioning service member is career-readiness --  
6 have met career-readiness standards or not. And then  
7 this is also going to be continued over, that warm  
8 handoff to the American job centers, and I think those  
9 are under the Department of Labor for folks who need  
10 that additional help in terms of transitioning.

11 So are there any questions so far or any  
12 comments on any of this?

13 MR. GREEN: Yeah, this is Tim Green from  
14 Department of Labor. Larry laid it out perfectly, but  
15 at Department of Labor, really what we're focusing on  
16 is encouraging starting earlier.

17 And then that self-assessment really is going  
18 to be key because according to the Chamber of Commerce,  
19 over 61 percent of veterans -- or service members  
20 transitioning don't know what they want to do when they  
21 get out, me including one of them after a 28-year  
22 career, so that self -- because it's really hard to  
23 pick a track unless you know what track you want to  
24 pick. So that's going to be critical, I think, to  
25 making this work effectively and getting them in the

1 right -- guiding down the thing.

2 And one of the concerns we have, if you have a  
3 high-school-only degree, even if you're not inclined to  
4 go to school, you know, get in an apprenticeship  
5 program, get extra credentials to boost up to family-  
6 sustaining wages and -- but everything Larry said was  
7 spot-on with the way the program's going from a  
8 Department of Labor perspective.

9 The one benefit Department of Labor has is we  
10 did get some extra funding to execute our portion of  
11 this, and I don't -- I'm not sure if Small Business did  
12 or not, but it's going to be a challenge for them, and  
13 they're going to be needing help for that. So thank  
14 you.

15 MR. STUBBLEFIELD: You know, I was wondering,  
16 too, can you comment on the job center, American Job  
17 Center piece?

18 MR. GREEN: Yeah, for warm handovers, it's  
19 always been the intent that if they don't meet career-  
20 readiness standards then they would connect them with  
21 the American Job Center for employment services after  
22 they get out because you can't really stop a service  
23 member from separating, but you can make them -- you  
24 can connect them to the resources that are available in  
25 the community. So we're going to try to do a better

1 job of not only connecting but tracking. We haven't  
2 done a good job of -- we connect them, we give them the  
3 contact information, but we haven't been really  
4 following up on are they actually utilizing those  
5 services and what are the outcomes.

6 So we're really digging hard into -- as part  
7 of this whole effort is making sure we're tracking not  
8 only outcomes but wage data and, you know, where  
9 they're -- how those MOSs are doing when they separate  
10 so we can help steer them better. But we're going to  
11 use the state workforce agencies to help us with that.

12 MR. STUBBLEFIELD: All right, thank you very  
13 much. On the next slide, we just talk about SBA  
14 follow-on assistance after TAPS. So say, for example,  
15 you'd like to go to Boots to Business, and the question  
16 I'm always asked, whether it's from, you know, members  
17 on the Hill, staffers and so forth, is, well, what's  
18 next after Boots to Business. So this slide just talks  
19 in terms of what follow-on resources that we have.

20 So here we're talking about follow-on  
21 training. We have two online courses -- one with  
22 Mississippi State University; the other with the  
23 Institute for Veterans and Military Families. Those  
24 courses are online and are generally a step, if you  
25 will, above the basics that you would get in Boots to

1 Business. Mississippi State University, that online  
2 course, at the end of it, it results in the participant  
3 having his or her business plan, which -- to go into  
4 business, you know, every successful businessperson has  
5 a business plan.

6 So the slide here just talks about some of the  
7 other resource partners, whether it's Small Business  
8 Development Center, SCORE, women business centers, or  
9 our 22 VBOCs located around the country, Veteran  
10 Business Outreach Centers. These are other areas where  
11 service members who have taken Boots to Business  
12 transitioning out of the military we will refer them to  
13 for that additional support.

14 And then the client services, like I had  
15 mentioned, the business plan, there's funding programs,  
16 federal contracting, and so forth. And then some of  
17 our veteran entrepreneurship training programs, to  
18 include the Veteran Institute for Procurement. Like I  
19 said earlier, we have Barbara Ashe here, and she runs  
20 that very well, nationally known program.

21 All right, the next slide just talks about  
22 some of the engagements that's on the calendar,  
23 upcoming if you will. The IGNITE conference, that's  
24 IVMF. The VETS-19 conference will be down in San  
25 Antonio in May. And that's the National Veteran

1 Business -- Small Business Coalition Group that will be  
2 running that. V-WISE, that's also IVMF, will be in  
3 Atlanta in May. And then those are Hiring Our Hero  
4 events that are on the -- upcoming as well.

5 Any questions on any of the outreach events?

6 (No response.)

7 MR. STUBBLEFIELD: Okay, if you go to the next  
8 slide, it's just a contact piece. I will tell you that  
9 yesterday Stan Kurtz and I got a chance to go over to  
10 the White House and meet with the Second Lady, Mrs.  
11 Pence's staff, to talk about what we do in OVBD. It  
12 was a very productive meeting. The bottom line is the  
13 Second Lady wants to be involved. She wants to meet,  
14 get out into the public sector, if you will, and meet  
15 military spouses who own -- who are business owners.

16 And she also wants to publicize what we do  
17 because, like in SBA, I mean, we have a wealth of  
18 resources, and in a lot of cases, like I'll give you an  
19 example, I had someone call me here recently and they  
20 are a business owner, and they wanted to know if SBA  
21 could fund a participant in their program to help them  
22 with procurement. So our thing was, well, why would --  
23 first of all, we don't have a program to do that, but  
24 why would we -- if we did, why would we spend \$3,000 to  
25 get this person there when we could have them go to

1 VIP?

2 So people don't know, you know, everything  
3 that we have in SBA, and the Second Lady graciously has  
4 agreed to get out and kind of talk about what it is we  
5 do. So when she travels around the country, she'll  
6 probably stop at our Veteran Business Outreach Centers  
7 or district offices. And she wants -- again, like I  
8 said, she wants to meet military spouses that are  
9 entrepreneurs. She's very big on the military, and  
10 that's a good thing.

11 All right. Are there any questions about  
12 anything that I've brought up or discussed at this  
13 point?

14 (No response.)

15 MR. STUBBLEFIELD: If not, I believe we're --

16 MS. LEWIS: Larry? Teresa. A quick question.  
17 You said that the Second Lady wants to meet the  
18 spouses. Is she interested in meeting the veterans as  
19 well?

20 MR. STUBBLEFIELD: Veteran -- we talked about  
21 all of our programs. Our programs are for veterans and  
22 military spouses. Yes, she's interested in the  
23 veterans but also the military spouses as well, yeah.

24 MR. KURTZ: I'm Stan Kurtz. I'm now the  
25 Director of Policy Engagement. So as Larry said, we

1 both went over there, and to answer your question, we  
2 talked a lot about employment, and so the Department of  
3 Labor vets, we talked about them and our collaboration.  
4 And we talked a lot about these committees and our  
5 collaboration with just you and the House and how we  
6 collaborate on services to veterans, military spouses,  
7 and National Guardsmen and Reserves.

8 So there's a lot of interest going back and  
9 forth about not just military spouses but what are we  
10 doing in the community, working together to get out to  
11 the events, to know about the events and get it -- and  
12 really marketing the services for veterans and military  
13 spouses and National Guard.

14 MR. STUBBLEFIELD: All right. Thanks, Stan.

15 Okay, right now, we're scheduled to have Cap  
16 Access here, but we're waiting for them to come. And  
17 in the meantime, we're going to just fast forward on  
18 the agenda and go over to GSA.

19 MR. GAVINO: Okay, good afternoon again,  
20 everyone. This is Amando Gavino, and I'm -- I work in  
21 GSA and I'm the Director for IT Services. What I do is  
22 basically I manage the contracts that's pretty big in  
23 IT for GSA such as the big business ones called  
24 Alliance, Alliant II, small business, the Alliant II  
25 small business, VETS 2, 8(a) STARS, smalls, under my



1 purview. So it is my shameless plug for a contract --  
2 follow-on contract for the original VETS contract, so  
3 this is a really quick update on VETS 2 that we have  
4 going. So next slide, please.

5 Okay, VETS 2 contract's successes. The  
6 initial VETS 2 contract went live in February 2018. As  
7 of today, right now, there's roughly about \$200 million  
8 as of today. We have several active RFQs, about half a  
9 dozen. The initial VETS contract was about 2.1  
10 billion. It is a five-year with five-year -- with five  
11 one-year options. Initially, VETS was -- VA was the  
12 largest user until they started the OMAC (phonetic), a  
13 T4 contract. So now it's pretty much everyone.

14 In VETS 2, there are roughly about 70 vendors  
15 currently. It does have an on-ramp option, and the  
16 average for an opportunity for VETS 2 is about 3.5.  
17 Next slide, please.

18 Briefly show the top ten -- the top agencies  
19 that include -- uses our VETS contract, and our -- what  
20 we call our targeted customers. So I have people from  
21 Kansas, San Diego that targets those -- those agencies  
22 to encourage them to use our VETS 2 contract. Next  
23 slide.

24 Very, very, real quick, stating the obvious  
25 here, SDVOSB set-aside, it is an IDIQ. As I said

1 before, 70 contracts, single-scope, very IT focused,  
2 and the ceiling's about \$5 million. The whole spectrum  
3 of this contract is IT, once again. Next slide.

4 The base period was -- it started in February  
5 of 2018. As I said before, it is five years. The  
6 option period will end in February of 2028. And this  
7 is the only types that exist for VETS 2, the one below  
8 -- fixed price, cost reimbursement, labor hour, and  
9 time and material contract.

10 Pretty much everything that we manage in my  
11 office are best-in-class. This is no different. VETS  
12 2 is a best-in-class contract. You get SDVOSB credit.  
13 It has standardized IT labor categories. Currently,  
14 there are 31 labor categories in VETS 2, and what I  
15 mean by that is, for example, software developing, IT  
16 security. If it's IT-focused, we can do it in VETS 2.

17 Again, the fact that it is a small business  
18 set-aside is something that we like to say over and  
19 over again. And it is full of highly qualified  
20 contractors. Overall, worldwide geographic coverage.  
21 We -- if, for example, you have the State Department,  
22 you would like to use some local contractors in that  
23 particular region or that country, we can -- VETS 2  
24 contract primes can support that request as well.  
25 Obviously, they have to go through some security

1 clearance that needs to be accomplished, but it can be  
2 done, it has been done, in VETS. So VETS 2 can do the  
3 same thing.

4 This slide here just talks about the security  
5 clearance that we have currently in the contract. The  
6 majority of the facilities at least are secret-  
7 clearance-cleared. Most do have top secret facilities,  
8 though it's not necessarily a requirement to keep  
9 secret as part of the award, and I know that might be  
10 contradictory, but the bottom line here is the majority  
11 of the contractors do have the capability to do a top  
12 secret facility type of clearance.

13 Just briefly talks about the scope of the  
14 contract. As I said before, there's 31 categories, and  
15 this is some of the categories that I just briefly  
16 mentioned earlier.

17 MR. STUBBLEFIELD: So, you know, like Amando  
18 said, this is a complete set-aside, right?

19 MR. GAVINO: Yes.

20 MR. STUBBLEFIELD: For just veteran-owned  
21 businesses.

22 MR. GAVINO: Yes.

23 MR. STUBBLEFIELD: Okay. All right.

24 MR. GAVINO: Yes, and we're proud of it.

25 VETS 2 resources, that's the website. That's

1 the bottom line there. It has all those items as I  
2 listed above, the pricing, the subcontractors, a copy  
3 of contracts, examples, what -- and also ordering  
4 guide.

5 What we can do, the office can do a scope  
6 review assistance with the agencies. We can also  
7 assist in some level of market research, and we also do  
8 virtual training, DBA training for agencies and DOD.

9 Summary. It is basically -- it is a best-in-  
10 class contract. It's available. Once again, if it's  
11 IT-based requirement, VETS 2 contract can provide it.  
12 If there's any question, the next page is the best  
13 place to get answers from.

14 Any questions? I know it was pretty quick.

15 MS. LEWIS: I have a couple of questions.

16 MS. GAVINO: Yes, ma'am.

17 MR. STUBBLEFIELD: You have to --

18 MS. LEWIS: Okay, got it. Amando, Teresa  
19 Lewis. I'm with the American Legion, but I'm a former  
20 OSDBU director at a couple of federal agencies. And  
21 you have some of the agencies listed as target  
22 customers on Slide 3. Do you have -- what's your  
23 strategy for reaching out to these agencies?

24 MR. GAVINO: This is Amando again. So, for  
25 example, for the top agencies included, we are -- in my

1 office, we are organized in a regional format. We have  
2 11 regions, and what I try to do is basically I speak  
3 to our reps, GSA-wide. If there's a new IT requirement  
4 out there based on business development that we get  
5 intel from, from our GSA, that's how we target it. We  
6 go right after any RFIs, RFQs out there that we think  
7 when we do our initial review could be small business,  
8 we home into it and we talk to the regional business  
9 developer of that particular area.

10 MS. LEWIS: Okay. I was the OSDBU director,  
11 both at Treasury and HHS. Your reps that were  
12 responsible for the agencies, where I was assigned,  
13 they actually came in and gave a full presentation that  
14 was specific to my agency, respective agency. And it  
15 actually drove -- drilled down to the awards that were  
16 made and where they saw potential opportunities for  
17 these targeted customers.

18 Do you think that's something that you guys  
19 could do and that would be helpful?

20 MR. GAVINO: Absolutely. Yes, absolutely.  
21 That's no problem. And we would love to do that.

22 Any other questions out there?

23 MR. STUBBLEFIELD: Are there any questions on  
24 the phone or comments?

25 MR. PHIPPS: Amando, this is Mike Phipps. I

1 just had a quick question about the 70 awardees. Are  
2 you guys going to have an on-ramping on VETS 2 to  
3 allow --

4 MR. GAVINO: Yes.

5 MR. PHIPPS: -- additionally qualified -- you  
6 are?

7 MR. GAVINO: Yeah.

8 MR. PHIPPS: All right.

9 MR. GAVINO: Actually, that's a great  
10 question. I asked my folks that when can we start  
11 doing that. I don't have an answer yet, but, yes,  
12 we -- it does have an on-ramp clause, but we would like  
13 to basically see what kind of activities we get before  
14 we make an official statement of when that might be and  
15 what are the grounds for on-ramping future vendors.  
16 But, yes, the answer is yes. There is a capability to  
17 do that.

18 MR. PHIPPS: Excellent.

19 MR. GAVINO: Any other questions?

20 (No response.)

21 MR. GAVINO: Thank you very much.

22 MR. STUBBLEFIELD: Okay. We are still waiting  
23 on Capital Access to come down, and so what we're going  
24 to do if everyone here is in agreement, normally we go  
25 around the room and we just have the agency updates.

1 And so I guess I could start with Beth Torres and the  
2 VA.

3 MS. TORRES: Hi, I'm Beth Torres from VA. I'm  
4 representing our brand new OSDBU Director, Ruby Harvey.  
5 Tom Leney has transitioned to become the Associate  
6 Executive Director of the Strategic Acquisition Center  
7 in Fredericksburg, Virginia. So Ruby was formerly the  
8 Chancellor of the VA Acquisition Academy, so she's very  
9 well qualified, very bright, and she sends her regrets  
10 that she wasn't able to be here today.

11 We have just a few things to update. One of  
12 the things that our communications group has been  
13 working on is we've updated our website as far as  
14 training goes for veteran-owned small businesses.  
15 We've consolidated it all into one page with very nice  
16 links where you can click on one thing and it takes you  
17 to all the VA-produced trainings and click on another  
18 link and it takes you to where we've consolidated all  
19 the GSA training, the SBA training, and anything else  
20 that we've received from other -- that we've found from  
21 other agencies. And that's all the how to do business  
22 with VA and how to do business with the Government and  
23 how to make yourself procurement-ready and starting  
24 businesses and all the wonderful training that already  
25 exists.

1           Now, we're getting ready to launch something  
2 else that's really pretty exciting. We're very excited  
3 about it. We're creating several modules on basically,  
4 okay, now you've won a contract, now what's next? So  
5 these are going to be interactive training modules.  
6 We're -- they're in support of the Small Business Act  
7 Section 15(k)19, basically as a requirement for OSDBU  
8 to help small businesses that get contracts learn what  
9 to do to stay compliant and to be good with the  
10 contract and be successful.

11           So those are going to be piloted at the end of  
12 the month and hopefully launch site-wide very soon  
13 after that. Those are the big things that we have from  
14 VA. Does anyone have any questions?

15           MR. ZACCHEA: Beth, this is Mike Zacchea from  
16 the Advisory Committee on Veterans Business Affairs  
17 from the UCONN EVB. What is the status of the  
18 strategic platform for CVE?

19           MS. TORRES: Right now, our VEMs platform is  
20 working as expected. We did have one short outage on  
21 Monday that was due to a VA nationwide problem that we  
22 had, but everything is back up and running beautifully  
23 right now. I've been interacting with it myself doing  
24 some cases myself, so I know it is working.

25           MR. ZACCHEA: Okay, so I got to tell you, I've



1 been contacted by several veteran-owned businesses in  
2 the last two weeks that have contradicted what you  
3 said, that it's not working. One will be at the  
4 meeting tomorrow morning, too, to talk about his case  
5 on the record.

6 MS. TORRES: Okay.

7 MS. ASHE: Hi, Beth. I have a question. It's  
8 Barbara Ashe. I was just wondering, have you decided  
9 on when the -- if you're going to and if you are when  
10 you might have the veteran engagement conference this  
11 year? Do you have any update on that?

12 MS. TORRES: I have some preliminary  
13 information on that. I believe that we're doing two  
14 events for this year, and I'm trying to think of the  
15 cities that tentatively we're looking at. Nashville is  
16 one of them. And I can't remember. There's another --  
17 I can't remember the other one actually. We're working  
18 on -- and those are going to be industry-specific, so  
19 we're splitting it into two --

20 MS. ASHE: So that decision's been made. No  
21 sense of a date yet, though?

22 MS. TORRES: I don't know the details.

23 MS. ASHE: Do you have a sense of when? And  
24 the only reason why I am pressing, obviously, is that  
25 we don't want to conflict, you know, our training --

1 MS. TORRES: Oh, sure, sure.

2 MS. ASHE: -- you know, and we work about 8 to  
3 9 to 10 to 12 months out. So, you know, it's --

4 MS. TORRES: All I can -- I can get back to  
5 you on that.

6 MS. ASHE: That would be -- yeah.

7 MS. TORRES: I can ask our folks to see if  
8 they -- what they have to release.

9 MS. ASHE: Okay, thank you.

10 MS. TORRES: Yes.

11 MR. WYNN: Good afternoon. My name is Joe  
12 Wynn with the Veterans Entrepreneurship Task Force.  
13 Beth, I was just wondering if you had an update on the  
14 numbers of verified veterans in the database now and  
15 how many have active contracts.

16 MS. TORRES: We have just shy of 15,000 in the  
17 database. As far as those that have active contracts  
18 right now, I can't give you an exact number, but it is  
19 right around 3,000, though it's -- you know, a lot of  
20 people are getting verified that don't hold VA  
21 contracts. I think there are probably closer to about  
22 6,000 government-wide.

23 MR. WYNN: Yeah, I saw a report just recently  
24 where those that do have contracts, 65 percent of them  
25 are doing quite well. So, I mean, that's a good thing

1 for those 65 percent.

2 I was going to ask something similar, too, to  
3 what Barbara Ashe asked about with regard to the  
4 conferences because there was so much, you know,  
5 emphasis put on last year about splitting the national  
6 conference into maybe three. And, again, we haven't  
7 heard anything either about when the IT one or medical  
8 supplies or -- I mean, is that in -- is it in the  
9 planning process at all?

10 MS. TORRES: It is most definitely in the  
11 planning process. As far as exact dates or even -- I'm  
12 thinking it's more towards fourth quarter that it will  
13 happen, but I don't know exactly when and exactly how  
14 they're going to be split out at this time. I know  
15 it's going to be two separate events.

16 MR. WYNN: Yeah, let me -- and just one other  
17 thing. Who actually is managing that -- you know,  
18 organizing that now? Would that come under the new  
19 OSDBU, or is that under acquisitions or --

20 MS. TORRES: It does. No, no, it's under Ruby  
21 Harvey.

22 MR. WYNN: Oh, okay. Thanks.

23 MS. PEREZ-WILHITE: This is Fran Perez-WilHITE  
24 with the ACVBA. The two industry-specific events that  
25 are coming up with the National Veteran Small Business

1 Engagement, are they definitely going to be IT and  
2 medical supplies?

3 MS. TORRES: Those are at least two of the  
4 industries. It'll also encompass facility management,  
5 building, you know, architectural things, you know,  
6 that we've managed. And those -- that one will be held  
7 again with SAME.

8 MS. PEREZ-WILHITE: And are you or anyone from  
9 VA OSDBU going to be at our ACVBA meeting tomorrow?

10 MS. TORRES: That one I'm not sure. I know  
11 that I am not available, but I'm not sure whether Ruby  
12 or her deputy, Sharon Ridley, may be available.

13 MR. STUBBLEFIELD: All right. Any other  
14 questions for VA?

15 MR. PHIPPS: This is Mike Phipps, just because  
16 I know Tom Leney has transitioned, we just don't want  
17 to lose that open invitation to the VA. We really  
18 think it's one of the most important agencies to show  
19 up at our ACVBA meeting tomorrow. So, Beth, if you  
20 could just get back with us and maybe even coordinate  
21 with Larry on who's going to attend and making sure  
22 that they understand that there's an open invitation to  
23 our committee, it'd be great.

24 MS. TORRES: Absolutely. Thank you for the  
25 invitation.

1           MR. STUBBLEFIELD: All right. We will move  
2 over to the Department of Labor.

3           MR. GREEN: Okay, again, Tim Green, Department  
4 of Labor. I've got a couple updates. Next -- the 21st  
5 of March, the Bureau of Labor Statistics puts out a  
6 employment situation of veterans report. It's released  
7 at 10:00 on the 21st of March this year. And that's --  
8 that includes all of the 2018 data we have, plus a  
9 supplemental survey that gets a little deeper into  
10 disabled veterans, Guard and Reserve questions, so that  
11 will be released.

12           The next day, I'm hosting a VSO meeting where  
13 we'll let BLS brief that to that audience on the 22nd  
14 at 9:30. If anybody's interested in attending, I'm  
15 sure we can find room for that.

16           So a couple of the statistics out of that,  
17 2018, another great year for veterans as far as if  
18 you're looking at just unemployment information or  
19 employment information. The unemployment rate in 2018  
20 was 3.5 percent. It's the lowest since 2000. For  
21 women veterans, it was 3.0 percent, and that's the  
22 lowest since 1994 when we started capturing the data.

23           So really since the height of the recession  
24 back in around 2010, the unemployment rate has dropped  
25 from almost 9 percent down to 3.5 percent. And the

1 unemployment -- those actually unemployed at any one  
2 time are about 320,000, which dropped from a rate that  
3 was near a million not too long ago, so it's all great  
4 numbers in the report. You know, we also have more  
5 work to do. In numbers, you have to take that with a  
6 grain of salt because there's still underemployment  
7 issues out there.

8           There's military spouse obviously has issues  
9 that everybody's interested in now, but generally if  
10 you're looking at trend data, it's at the lowest point  
11 it's been in a long time, so whatever work this whole  
12 group is doing, you know, continue to do that because  
13 it is making an impact. Overall unemployment, you  
14 know, the economy obviously has a lot to do with it, it  
15 was at 3.8 percent. So good news across the front on  
16 that.

17           As far as the Department of Labor, the  
18 Secretary's priorities, the top one for across all of  
19 DOL is to increase the number of apprenticeship  
20 programs. So we're -- at the Department of Labor  
21 itself, we have an Office of Apprenticeship that's  
22 working really hard on increasing the number of  
23 apprenticeships. The Secretary is looking for a  
24 million new apprenticeships. He just announced that at  
25 the National Association of County Officials on Monday,

1 so he has a big push for increasing the number of  
2 apprenticeships, and that includes apprenticeships for  
3 veterans.

4 The priorities for the Department of Labor  
5 Veterans Employment Training Service, he really has  
6 three priorities this year for us. One is the TAP,  
7 Transition Assistance Program, getting that right for  
8 the NDAA and supporting the veterans and transitioning  
9 service members to the best of our ability. So we're  
10 doing a lot of work with that and he's putting some of  
11 the resources towards that to make effective training,  
12 and when we redo the curriculum, that'll be all lined  
13 up.

14 He also is very heavily focused on the Hire  
15 Vets Medallion Program, which is an awards program for  
16 employers that hire and retain veterans. So with the  
17 application period for this year as open and it stays  
18 open until the end of April, where employers can go on  
19 to HireVets.Gov and apply for that DOL recognition, and  
20 that again until April 30th of this year. And the  
21 criteria are very well laid out on the website for  
22 that.

23 The other area is military spouse employment.  
24 We have talked about that. He's got really three  
25 focuses within military spouses. One area is to hire

1 more. So the Department of Labor is going to be taking  
2 lead in trying to track the amount of military spouses  
3 we're hiring, and the -- we're really trying hard to  
4 encourage military spouses to apply at the Department  
5 of Labor and identify those jobs under the executive  
6 order back in 2018 to enhance noncompetitive Civil  
7 Service appointments of military spouses. So the  
8 authority there is there to hire military spouses and  
9 now we're tracking, along -- across all Federal  
10 Government where we're tracking and trying to encourage  
11 more military spouses.

12 One thing we're doing, we're going to all the  
13 military spouse hiring fairs, specifically that the  
14 Chamber of Commerce is sponsoring, and we're going to  
15 be advertising federal jobs at those opportunities to  
16 get in front of the military spouses.

17 The other thing, we're working with the  
18 Women's Bureau from the Department of Labor, DOD, other  
19 agencies across the board. We'll be working with all  
20 the agencies in the TAPS space to develop a TAP  
21 curriculum specific for military spouses, so something  
22 that's a little more -- we're looking both at the  
23 curriculum and the delivery of that because we're  
24 finding out that military spouses can't attend the  
25 five-day, nine-to-five-type workshop that's developed



1 just for veterans. So we're looking at doing a unique  
2 curriculum for military spouses that is more flexible  
3 to their needs, probably a lot of online flavor to it  
4 as well.

5 The other thing we're doing is we have a -- we  
6 stood up a website on licensing and credentialing  
7 issues. So it's -- basically it provides information  
8 on how to transfer military spouse credentials,  
9 licensures from one state to another. It includes a  
10 point of contact. It has information on the laws of  
11 each state that govern those certifications and  
12 licenses, and it also has a -- you know, what's going  
13 on with compacts and that information. It has a state  
14 map you click on, like if you're going from California  
15 to New Mexico, you can click on New Mexico and you can  
16 find out what it takes to transfer your license, and  
17 the best thing, it has a person you can call and get  
18 information on how to do that.

19 So those are a lot of the priorities. We just  
20 -- a couple other things. We also -- our advisory  
21 committee on veterans employment and training is --  
22 we've got new membership. We just got approved, so  
23 we're now seeing the members for that, and they're  
24 going to have their first meeting sometime in April,  
25 and they'll be talking about veterans employment

1 training and employer outreach issues. Eric Ebersole  
2 is the chairman of our committee. And then we'll be  
3 announcing it through the Federal Registry Notice, all  
4 the meeting announcements.

5 And that's about it for our update. Thanks,  
6 Larry.

7 MR. STUBBLEFIELD: All right. Thank you. Any  
8 questions for Department of Labor?

9 MR. ZACCHEA: Yeah. Mike Zacchea again. On  
10 the list for the -- that you're doing, I think you said  
11 it would be released March 24th and the event was March  
12 25th. Is that right?

13 MR. GREEN: So the release is the 21st at  
14 10:00.

15 MR. ZACCHEA: Okay.

16 MR. GREEN: You can go on BLS.gov to  
17 download the document. It'll be -- don't download it  
18 at 9:59. It has to be at 10:01. So at 10:01, they'll  
19 release it, and you'll be able to download the report  
20 itself. The next day, on the 22nd, is a Friday, at  
21 9:30, we will have -- be having a VSO meeting. If  
22 you'd like to get invited, you can reach out to me, Tim  
23 Green. I can give you my email if that helps. It's  
24 Green.Timothy.A@dol.gov, and I'll get you an invite to  
25 hear -- BLS will go into more detail and answer any

1 questions you have.

2 MR. ZACCHEA: And how do you spell your last  
3 name, Green? Is that with two Es or three Es or --

4 MR. GREEN: There's only two in the middle, no  
5 E on the end.

6 MR. ZACCHEA: Okay, so it's Green.Timothy.A,  
7 as in alpha, @dol.gov?

8 MR. GREEN: Correct.

9 MR. ZACCHEA: Okay, thanks.

10 MR. GREEN: And that goes for anybody that  
11 might want to be invited. We can certainly open to a  
12 larger audience. Thank you.

13 MR. STUBBLEFIELD: Okay, if there's no further  
14 questions for Department of Labor, we will go to  
15 Department of Treasury. I believe you're on the phone.

16 MR. MITCHELL-WHISNANT: Yes, hi. This is Mary  
17 Ellen Mitchell-Whisnant. I am the Acting Director of  
18 the Office of Small Business, Community Development and  
19 Housing Policy. I think in the past at these task  
20 force meetings you may have had Jodie Harris, who has  
21 since moved on to be the Director of the Community  
22 Development Financial Institutions Fund here at  
23 Treasury. I think Jeff Stout has participated in the  
24 past, who is the Director of the State Small Business  
25 Trade Initiative, which is a program that has since

1 sunsetting here at Treasury. But happy to be a part of  
2 the task force. I don't have any updates for today,  
3 but please just let me know what you need from us.  
4 Thank you.

5 MR. STUBBLEFIELD: Okay. Any questions or  
6 comments for Treasury?

7 (No response.)

8 MR. STUBBLEFIELD: I'll just say we appreciate  
9 -- I guess we're going to have a Treasury  
10 representative here tomorrow for the ACVBA, so we  
11 appreciate that support.

12 MS. MITCHELL-WHISNANT: Is that Jeff  
13 Merkowitz?

14 MR. STUBBLEFIELD: Yes.

15 MS. MITCHELL-WHISNANT: Yes, so he's with the  
16 Community Development Financial Institutions Fund, so  
17 under Jodie Harris. He's great, so I'm glad he'll be  
18 able to be over there tomorrow to talk about the CDFI  
19 Fund with you all.

20 MR. STUBBLEFIELD: All right. Thank you very  
21 much.

22 I guess, Amando, as GSA, do you have any  
23 further updates?

24 MR. GAVINO: I have nothing further to add.

25 MR. STUBBLEFIELD: Okay, thank you.

1 Do we have anyone from Department of Defense?

2 (No response.)

3 MR. STUBBLEFIELD: All right. OMB?

4 (No response.)

5 MR. STUBBLEFIELD: Student Veterans of  
6 America?

7 (No response.)

8 MR. STUBBLEFIELD: Okay, well, that completes  
9 our member update reports. We have Capital Access  
10 here now, and I know we're getting up to -- almost time  
11 for a break, but we're going to push ahead because I  
12 know -- what, a 15-minute or so presentation? So thank  
13 you -- thank you both for being here.

14 MR. MILLER: Thank you, Larry. Hi, my name is  
15 John Miller. I'm the Deputy Associate Administrator  
16 for the Office of Capital Access, and I'm joined here  
17 by my colleague, Dan Upham, who is our Acting Director  
18 for the Office of Capital Access Office of Economic  
19 Opportunity. Thank you.

20 As Deputy Associate Administrator, I work for  
21 the Associate Administrator, Bill Manger, and Bill  
22 Manger and I are responsible for leading the Office of  
23 Capital Access, and our mission in the Office of  
24 Capital Access is to make capital available to small  
25 businesses who would otherwise be unable to access

1 capital to start or expand a business through  
2 conventional means. And we do this through our capital  
3 access programs.

4 It's important to know that when we talk  
5 capital access, and we will get into the lending  
6 numbers here shortly, SBA is not a direct lender. We  
7 don't interact directly with the borrowers who -- or  
8 the applicants who come in to borrow money from the  
9 SBA. We provide financing through lending partners --  
10 commercial lending partners -- through certified  
11 development companies and through nonprofit lending  
12 intermediaries.

13 And we don't do this alone. We partner also  
14 within SBA through our extensive network of SBA  
15 district offices around the country, and our network  
16 partners located throughout the United States,  
17 including OVBDs, veterans business outreach centers.  
18 And through this vast network of VBOCs, SCORE, women's  
19 business centers, and small business development  
20 centers, we're able to provide free individual, face-  
21 to-face and internet counseling to small businesses and  
22 low-cost training to new entrepreneurs and established  
23 small businesses in over 1,800 locations throughout the  
24 United States and U.S. territories.

25 Now, to go through our programs, our 7(a)

1 lending program, as you can see on the slide above,  
2 these numbers are only for a very short time period.  
3 They are for the first quarter of the fiscal year, so  
4 October 1st of 2018 through December 31st of 2018, so a  
5 three-month period. 7(a) is SBA's largest lending  
6 program. It's our flagship business lending program  
7 for general business purposes. This program offers  
8 guarantees on loans to small business of up to \$5  
9 million that can be used for almost anything, including  
10 purchasing equipment, working capital, acquiring land,  
11 and purchasing and constructing a building. And  
12 there's no minimum loan amount.

13 On loans up to 150,000, the SBA guarantees 85  
14 percent of the value of the loan for the commercial  
15 lender. And for loans over 150,000, the guarantee is  
16 75 percent. As you can see here, our lending in 2019  
17 in the first quarter was down from the previous year in  
18 2018. So, what, we had about a 12 percent drop in  
19 dollars lent during the first quarter. And the year-  
20 end numbers, just to put lending into perspective,  
21 year-end 2018, the 7(a) program had lent and guaranteed  
22 a total of \$25 billion for total loans approved through  
23 the end of 2018.

24 Our 504 lending program is our second largest  
25 and was created for economic development, job creation,

1 and retention. And proceeds for the 504 loan program  
2 are for longer term loans for fixed assets including  
3 heavy equipment, purchase of buildings, or for  
4 construction. Loans are up to 5 million and up to 5.5  
5 million for manufacturing concerns. These loans are  
6 made available through certified development companies,  
7 also known as CDCs, which are SBA's community-based  
8 partners.

9 504 loans are typically structured with a  
10 commercial lender providing 50 percent of the costs  
11 of the project and the CDC providing the next 40  
12 percent -- that's SBA's 504 loan -- and the borrower  
13 contributing the remaining 10 percent. The loan  
14 maturities are 10-, 20-, and 25-year maturities, all at  
15 fixed interest rates. And this program is popular  
16 right now because of a rising interest rate  
17 environment. Banks and borrowers are steering their  
18 client -- or banks and CDCs are steering their  
19 clientele towards this product because we can -- they  
20 can lock in at a fixed interest rate.

21 So as you can see from the charts, 504 was up  
22 during the first quarter by 10 percent. It's now up  
23 around 5 percent, and the fiscal year-end '18, SBA had  
24 approved \$5 billion in 504 lending, which actually  
25 supported \$11 billion in projects. Next slide.



1           Small loans, these are 7(a) now for more of  
2           the 7(a) program, which is a subset of the first slide  
3           for 7(a). Small loans were down 22 percent in the  
4           first quarter of the fiscal year. They are not down  
5           this much now. It's hard to draw conclusions from just  
6           three months of data, and there is some seasonality to  
7           small and larger loans as well.

8           Loans from 150,000 to 350,000 were down just 4  
9           percent in the first quarter of the year. And then,  
10          finally, loans approved to veterans as of December 31st  
11          were down 15 percent from the previous year. We also  
12          note that the increase while you can see during the  
13          first three months of the year, there's been a lot of  
14          variability since 2014 in the various up-and-down years  
15          in veteran lending.

16          I'm now going to turn it over to Dan Upham to  
17          talk about the microloan and Community Advantage  
18          program.

19          MR. UPHAM: Thanks. Yeah, my name is Dan  
20          Upham, and I'm the Acting Director for the Office of  
21          Economic Opportunity. So I manage the microloan  
22          program, Community Advantage, PRIME Grants, and our  
23          intermediary lending pilot program. And just -- you  
24          know, this was another subset of cap access' lending  
25          programs. These programs are differentiated and set

1     aside into this office because they are mission-  
2     focused, meaning they are operated through  
3     intermediaries and lending partners that are primarily  
4     nonprofit lenders whose mission it is to provide  
5     lending capital, training, technical assistance,  
6     services to underserved communities, including veteran-  
7     owned businesses.

8             And these are also smaller-dollar loan  
9     programs. The microloan program offers lending through  
10    nonprofit intermediaries. Those business loans that  
11    the intermediaries make cap out at \$50,000, so very  
12    small-dollar loans. Within the microloan program,  
13    those intermediaries are also required to provide free  
14    training and technical assistance to their small  
15    business borrowers and perspective borrowers.

16            And as we sort of climb the ladder of economic  
17    opportunity, in our lending programs, so we start with  
18    the microloan program with loans up to 50,000.  
19    Community Advantage is sort of the next rung on that  
20    ladder of opportunity, if you will, and that program  
21    caps out at loans of \$250,000. Again, this program is  
22    offered by primarily nonprofit, you know, economic  
23    development organizations. Many of our microloan  
24    intermediaries also participate in Community Advantage.  
25    Some may also participate as CDCs in the 504 program.

1 Some may also be CDFIs with Treasury and so forth, but  
2 with the ultimate goal of providing loan capital and  
3 training and technical assistance to underserved small  
4 businesses.

5 So just with that background, taking a quick  
6 look at our slide for the lending activity through  
7 December, lending activity for the microloan program is  
8 up. It was up last year. We actually had a record --  
9 record production year in terms of number of loans as  
10 well as dollars lent in the program. And that program  
11 is seeing continued growth so far in Fiscal 2019.

12 Community Advantage saw some -- I think some  
13 growth last year, although it wasn't terribly  
14 significant, and it's slightly down this year, but as  
15 John mentioned, it's hard to draw a lot of conclusions  
16 just looking at the first quarter's numbers. Next  
17 slide, please.

18 And so this is a further breakdown of the  
19 underserved markets that are being impacted through the  
20 microloan program. The chart shows figures for each of  
21 the fiscal years through the first quarter of each  
22 fiscal year, through December 31. And so you can see  
23 for minority lending in microloans, it's up  
24 significantly over where it was this time last year in  
25 2018. The loans that are being made to primarily

1 women-owned businesses are slightly down. And the  
2 loans being made to veteran-owned businesses are down  
3 as well in the first quarter.

4 I am happy to report that while we haven't  
5 updated the slide through today's date, I did run a  
6 report before I came down here just to sort of get an  
7 update on where we are in micro, and we are now at 3  
8 percent to veterans in terms of the number of loans  
9 made, and we are at 4.76 percent in terms of the  
10 dollars lent to veterans so far this year. So it does  
11 look like the first quarter information might be  
12 undervaluing sort of where we may expect to be for the  
13 year in terms of our veteran lending. Next slide.

14 Do you want to take back over?

15 MR. MILLER: Sure.

16 MR. UPHAM: Okay.

17 MR. MILLER: So as far as SBA has had the  
18 opportunity to provide fee relief in certain areas  
19 since 2015, I believe, because our programs -- our 7(a)  
20 and 504 programs do operate at zero subsidy, meaning  
21 the fees generated from the program cover the losses in  
22 the loan programs themselves. And that is a  
23 requirement that SBA remain at zero subsidy, and so as  
24 long as we have negative subsidy, which means we have  
25 more fees and recoveries in the program than losses, we

1 are able to return some of that money in the form of  
2 fee relief. And so what we've done in years past is  
3 we've been able to provide fee relief, not only to  
4 veterans, which is statutorily mandated on SBA express  
5 loans, with the caveat "as long as the programs remain  
6 zero subsidy." And we've been able to do that.

7 So this year, in 2019, we are offering -- we  
8 are able to offer veteran-owned fee relief where the  
9 borrowers pay no fees for SBA-guaranteed loans on all  
10 SBA express loans. And those are loans -- 7(a) loans  
11 of up to \$350,000. In addition, because there is  
12 additional subsidy fee relief available, SBA has also  
13 extended for non-express loans of loans up to \$150,000  
14 that are in rural and HUBZone areas, some fee relief to  
15 the borrower, which is reduced from the 2 percent  
16 guarantee fee to 0.667. And we have also provided some  
17 lender fee relief to reduce the fee from .55 to 0.

18 Now, you might ask why is SBA offering lender  
19 fee relief, and the answer is lenders in some cases for  
20 small loans need an incentive to provide smaller loans.  
21 And these are the loans that reach the most  
22 underserved, are smaller loans. And because of the  
23 administrative costs of generating a loan for a small  
24 loan are not much larger than they are for a large  
25 loan, lenders are sometimes reticent to provide smaller

1 loans. So in order to incent lenders to provide  
2 smaller loans, we also have to provide the fees that  
3 they pay for the guarantee. We have to provide an  
4 incentive for them to make those small-dollar loans.  
5 And that is what we've done this year in 2019 to  
6 generate small loan lending.

7 And one of the technology enhancements that  
8 SBA provides is Lender Match. And Lender Match is a  
9 tool for small business applicants that has been an  
10 incredible success and it serves as a perfect example  
11 of how the Government can use technology to improve our  
12 public and private partnership.

13 This is a tool on our website, and you can see  
14 the website address right here, that helps small  
15 business applicants seeking a small business loan for  
16 access to capital. And SBA offers this to all general  
17 public at large, free of charge. So the borrower  
18 enters some of their own criteria, that's prompted by  
19 the system, and Lender Match will then connect that  
20 small business to lenders -- SBA lenders only -- that  
21 have requested that type of match for the borrowers.

22 And as of last month, Lender Match has  
23 generated over 4 million leads on behalf of borrowers  
24 to our lenders in over 179,000 unique borrowers have  
25 been contacted by lenders with financing options. So,

1 again, Lender Match is a great success, and we are  
2 finding some really great success stories from that.

3 So now I'll turn it over -- back to Larry for  
4 questions.

5 MR. STUBBLEFIELD: Okay. Are there any  
6 questions for our colleagues from Capital Access?

7 MS. GAVINO: Just a real quick question. You  
8 mentioned that Lender Match is a perfect example of  
9 utilization of technology.

10 MR. MILLER: Yes.

11 MR. GAVINO: Can you elaborate, please?

12 MR. MILLER: Sure. The technology is -- it is  
13 on SBA's website, so it is a fully -- it's a fully  
14 transparent, fully electronic system. So it's open on  
15 the web. It's not monitored by employees at the SBA.  
16 The system continually generates leads for lenders,  
17 just through a technology platform and sends them  
18 emails and so forth. So it's fully automatic.

19 MR. GAVINO: Thank you.

20 Ms. LEWIS: Hi, John. Teresa Lewis. And,  
21 Dan, that was really, really helpful. In the recent  
22 report that was released by OVBD, there were some  
23 recommendations on training, for example, that various  
24 stakeholders should provide and types of assistance.  
25 Are you working with OVBD on -- or working with your

1 organizations to see if veterans, they can provide the  
2 specific training for cap access, because that seems to  
3 be, as I'm sure you know, the major complaint by a lot  
4 of the veteran-owned small businesses.

5 MR. MILLER: And the complaint is that they  
6 don't know the programs, or they aren't trained? Could  
7 you elaborate?

8 MS. LEWIS: They aren't trained.

9 MR. MILLER: Okay.

10 MS. LEWIS: And that is one of the areas where  
11 the veterans themselves have identified that they need  
12 -- they just aren't aware of a lot of the programs that  
13 are out there and the resources that are available.  
14 And so through that report, there was -- there were  
15 several recommendations, and providing them with  
16 training, because a lot of the veteran-owned small  
17 businesses, even once they get a loan, some don't know  
18 what to do with -- how to effectively utilize the fund.

19 MR. MILLER: Yes, yes.

20 MS. LEWIS: And so helping them with that, is  
21 there any discussion with the organizations that you  
22 support on how to do that?

23 MR. MILLER: Yes, absolutely. First of all,  
24 you know, we work -- we do work with OVBD and the VBOCs  
25 in getting word out about our lending programs,



1 especially our microloan program because that is a  
2 program, as Dan mentioned, and I'll let him elaborate  
3 as well, that is a program that is made by nonprofit  
4 intermediaries. The loans themselves are -- come with  
5 a technical assistance component that helps the  
6 borrowers pre-loan and also post-loan. So it helps  
7 them get into business and stay in business.

8 We're also working with all of the resource  
9 partners to provide specific outreach to veterans, and  
10 these resource partners will provide counseling and  
11 training at no cost. They'll help veterans put  
12 together business plans, projections, and so forth that  
13 lenders would need. And so, yes, we are working  
14 closely with OVBD, and, in fact, we have found that, as  
15 Dan mentioned, a lot of our microloan borrowers, over 8  
16 percent, come back for a Community Advantage loan,  
17 which is a little bit larger.

18 Microloan maxes out at 50,000, and then we go  
19 from 50 to 250, and then graduate from that and come  
20 back for a loan larger than 250,000 in one of our other  
21 programs, and then eventually go on to not need a  
22 government guarantee, to conventional lending. And  
23 that is really what we strive for.

24 MS. LEWIS: So is there a list of the  
25 nonprofit on the SBA website?

1           MR. MILLER: There is. There is a list of all  
2 of the nonprofit resource partners, small business  
3 development centers, women's business centers, SCORE  
4 chapters across the United States, and the VBOCs are  
5 also listed.

6           MS. LEWIS: Okay, thank you.

7           MR. MILLER: You're welcome.

8           MR. KURTZ: Yeah, just a caveat to that, so we  
9 do -- they have done some training in the past for our  
10 VBOCs. We do an annual conference, so they came down  
11 and did a presentation. We also have collateral that  
12 spells out all the loans, so all that collateral goes  
13 out to all the VBOC sites, to district offices,  
14 veterans business development officers, so -- and  
15 events, any events we go to, we take a lot of  
16 collateral. So we really try to market those SBA loans  
17 and guarantees, so, yeah.

18           And so we do quite a bit of training, even  
19 with new VBOCs. We've had five new VBOCs this year, so  
20 the training was timely, and I know that that's part of  
21 the curriculum, that they talk about in Module 8, talk  
22 about the resources, SBA loans, so we're trying to get  
23 that word out there.

24           MR. STUBBLEFIELD: Okay, if there's no further  
25 questions or comments, I want to thank you, John and

1 Dan, for being here. We're going to take a 15-minute  
2 break, and then we're going to open up for public  
3 comments. We should be back around 2:30 or so.

4 (Brief recess.)

5 MR. STUBBLEFIELD: Okay, we're going to get  
6 started back.

7 Okay, the public comment period is officially  
8 open.

9 MR. PHIPPS: Hi, Larry. This is Michael  
10 Phipps. Can you guys -- am I coming through all right?

11 MR. STUBBLEFIELD: You are, indeed.

12 MR. PHIPPS: So I just want to reiterate that  
13 it's really important for the VA to show up. I know  
14 Mike Zacchea is having somebody talk about  
15 certification tomorrow, and I've been getting emails as  
16 well with people that are having undue burden and  
17 lengthy periods of time with certification. And just  
18 wanted to make the point that certification is not just  
19 about GovCon.

20 As we know from the statistics, people use  
21 this just as a litmus test, and there's so many people  
22 who have already just opted out of even trying anymore.  
23 I think it's really important to work through this,  
24 especially as this transition happens with  
25 certification and the SBA's role in certification that

1 we try to figure out, you know, what these issues are  
2 and get them rectified and monitor this process, you  
3 know, on a monthly basis and then that we're reporting  
4 on it and it's actively on the agenda. I know this  
5 committee could look at some of the things in its  
6 charter or in its agenda and maybe we can take on the  
7 certification as one of our items to monitor.

8 MR. STUBBLEFIELD: Okay, great point. And  
9 Beth is still here with us, and we're going to -- we  
10 were talking about who -- how VA is going to be  
11 represented tomorrow. So, again, great point, well  
12 taken.

13 MS. DIELEMAN: Hi, this is Zoey from Aldevra.  
14 We are an SDVOSB. Can everyone hear me?

15 MR. STUBBLEFIELD: We can hear you very well.

16 MS. DIELEMAN: Okay, good. We just had a  
17 question about the small business dashboard that GSA  
18 used to maintain. We were wondering where that went or  
19 if there's like another functionality that we could use  
20 that's similar to that.

21 MR. GAVINO: Let me get back with you with  
22 that one. This is Amando Gavino. The question is  
23 basically was the small business dashboard, where it  
24 went?

25 MS. DIELEMAN: Yes.

1 MR. GAVINO: Yes, I'll get back with you.

2 MS. DIELEMAN: Okay, thank you. And, then, I  
3 had one more question. We didn't see 2019 goals for  
4 the SBA on their website, and we were wondering if that  
5 would be updated or not.

6 MR. STUBBLEFIELD: Are you -- I guess the  
7 question in the room is are you asking for small  
8 business goals?

9 MS. DIELEMAN: Yes, SBA --

10 MR. STUBBLEFIELD: Procurement goals?

11 MS. DIELEMAN: -- yeah, SBA goals for 2019.

12 MR. STUBBLEFIELD: Okay, that's another one  
13 we'll have to get back with you on.

14 MS. DIELEMAN: All right. Thank you so much.

15 MR. STUBBLEFIELD: Do you have contact  
16 information we can get back with her?

17 MS. GARCIA: (Off microphone).

18 MR. STUBBLEFIELD: Okay, we have your -- I was  
19 just verifying that we have your contact information,  
20 so I definitely want to get back with you with an  
21 answer.

22 MS. DIELEMAN: Awesome. And Maggie Bullard-  
23 Marshall who is our VP would also be interested in  
24 obtaining this information. Do you have her contact  
25 information as well?

1 MR. STUBBLEFIELD: We do.

2 MS. DIELEMAN: Okay, thank you very much.

3 MS. ASHE: Well, I just want to take a minute  
4 of time to introduce myself. I'm Barbara Ashe. I'm  
5 National Director of the Veteran Institute for  
6 Procurement, or VIP for short. I just wanted to  
7 provide a quick update as to where we are to date on  
8 the training program.

9 We have two more classes coming up. We have  
10 one on March 26th through 28th, which is our VIP Grow  
11 curriculum. That class is full and closed. We do take  
12 on enrollment year-round, but that particular class is  
13 at capacity. We do have another class coming up in  
14 June -- and all this is on our website -- but that's  
15 VIP International, and to -- that program helps  
16 companies that are looking to do OCONUS work or  
17 commercial work globally to learn how to enter those  
18 markets. And so there's -- enrollment is open for that  
19 class.

20 We are looking forward to -- so once we finish  
21 through June, that will be 250 companies in the last 12  
22 months that have come through the program. Our latest  
23 survey data on our Grow graduates, which we almost have  
24 1,000 of, they're growing on average 64 percent in one  
25 year. So we're very excited about that and continue to

1 win.

2 I was sharing just now that the VETS 2  
3 contract vehicle that was presented today by Amando  
4 that about a little over 25 percent of the prime awards  
5 of that were VIP graduates, and VA knows that the  
6 VECTOR, which is a very popular contract as well, over  
7 a third of those are prime awards who were VIP grads.  
8 And I haven't yet met a team that didn't have a VIP  
9 graduate on the team, so that you can't see, but -- so  
10 we measure their success, of course, by this -- our  
11 success by their success, and they are winning, but --  
12 so I just wanted to provide an update where we are in  
13 the training sessions and looking forward to next year  
14 as well.

15 You know, we have -- we did two starts already  
16 this year back in October. And I say this year, our  
17 grant, you know, year. And so we have three  
18 curriculums -- Start, Grow, and International -- Start  
19 being not how to start a company but how to start in  
20 federal procurement, and Grow and how to accelerate  
21 your success and scale your success, and International,  
22 as I mentioned, how to go global. So, anyway, that's  
23 just an update, and we couldn't do it without SBA's  
24 support and outreach, so thank you very much, Larry.

25 MR. STUBBLEFIELD: Thank you for that update.

1 Any questions for Barbara?

2 (No response.)

3 MR. STUBBLEFIELD: Okay. Thank you. Thank  
4 you again very much.

5 All right, the floor is still open for public  
6 comments.

7 (No response.)

8 MR. STUBBLEFIELD: Okay, no other comments, at  
9 this time, we will close the meeting. I want to thank  
10 Amy Garcia and Cheryl Simms for all the work that's  
11 gone into putting this together. It's a huge effort,  
12 greatly appreciate all the work. And, Jen, for you  
13 being here as well. She's the quiet one that records  
14 everything for us, and a great job as well.

15 So thank you all for being here. And for  
16 those of you who will be here tomorrow for the ACVBA,  
17 looking forward to seeing you again. Thank you very  
18 much. Meeting adjourned.

19 (The meeting was adjourned at 2:42 p.m.)

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