

VA



U.S. Department of Veterans Affairs

Office of Small and Disadvantaged Business Utilization
Center for Verification and Evaluation



Veterans First Verification Program

Initial Application Guide

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8 a.m.-8 p.m.

VetBiz Web Site
<http://www.vetbiz.gov>

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INTRODUCTION & BACKGROUND

This Guide is intended to assist applicants to comply with the regulatory requirements of [38 CFR Part 74](#) in preparation to apply for Verification.

The core requirements for a company to become verified are:

- The Veteran owner(s) have **direct, unconditional ownership** of at least 51 percent of the company (38 CFR 74.3) and have full decision making authority (38 CFR 74.4 (g));
- The Veteran manages the company on **both strategic policy and day-to-day basis** (38 CFR 74.4);
- The Veteran holds the **highest officer** position (38 CFR 74.4(c)(2));
- The Veteran should be the **highest compensated employee**. If not, the Veteran will need to submit an explanation regarding how taking a lower salary than another employee(s) helps the business (38 CFR 74.4 (g) (3)); and
- The Veteran has the **managerial experience** of the extent and complexity needed to manage the company
- The Veteran bears the burden of proof of adequately establishing its claimed Veteran status

Applicants must conform to the requirements of 38 CFR Part 74 in order to be verified.

VERIFICATION OVERVIEW

The Department of Veterans Affairs (VA) has Special Authority for Service-Disabled Veteran-Owned Small Business (SDVOSB) and Veteran-Owned Small Business (VOSB) Set-aside and Sole Source Contracts.

[Public Law \(P.L.\) 109-461](#) entitled “Veterans Benefits, Health Care, and Information Technology Act of 2006” provides VA with unique authority for contracting with SDVOSBs and VOSBs. A new procurement hierarchy within VA for open market procurements was created which places highest priority with SDVOBs followed by VOSBs. These are followed by 8(a), HUBZone, Women-Owned Small Businesses, and then all other Small Businesses. This procurement authority, and its subsequent implementation, is a logical extension of VA’s mission, to care for the Nation’s Veterans. VA refers to this program as the Veterans First Contracting Program. Visit [VA Acquisition Regulation Part 808](#), Required Sources of Supplies and Services, for the priorities in acquisition.

To qualify for participation in the VA Veterans First Contracting Program, eligible business owners must first be verified.

The Verification Process consists of the following stages:

- Pre-Application*
- Initiation
- Examination
- Evaluation
- Determination

*This is an optional pre-phase. Taking advantage of the Pre-Application stage may significantly reduce processing time and ensure positive outcomes.

PRE-APPLICATION

The Pre-Application stage is designed to allow applicants to pre-assess their eligibility; understand the available resources and assistance; learn about the requirements for Verification; and gather documents prior to submitting an application for Verification. Taking advantage of the Pre-Application stage **may significantly reduce** processing time and ensure positive outcomes.

Although it is not a required step, Veterans *are strongly encouraged* to connect with a [CVE Certified Verification Counselor](#). These counselors are trained by CVE and are available at **no cost** to assist Veterans. Counselors are available throughout the United States, Puerto Rico, and Guam.

Required Pre-Application Steps include:

- Registering the firm in the [System for Award Management \(SAM\)](#)
- Registering the firm with the state and/or county
- [Dun & Bradstreet](#) Registration
- Gathering, scanning, and storing electronic copies of all required documents depending on business type
 - A list of required documents is located at [Required Documents for VIP Application](#)
 - If a firm does not have a required document, a Detailed Letter of Explanation must be submitted explaining why the document is not included
- Create a profile on the [Vendor Information Profile \(VIP\)](#)

Documents must be submitted in Microsoft Word or PDF format and must be 5MB or smaller

Recommended Pre-Application Steps include:

- Using the [Verification Resource Tool](#) and [Self-Assessment Tool](#)
- Reviewing the [Verification Assistance Briefs \(VABs\)](#), [Frequently Asked Questions \(FAQs\)](#) and [Fact Sheets](#)
- Participate in an online [Pre-Application Webinar](#)

VERIFICATION APPLICATION SUBMISSION

The first step in the Application Submission stage is to build the VIP profile. The Veteran enters ownership information into the Vendor Information Profile (VIP). The ownership percentages total must be greater than or equal to 99 percent. The total ownership percentage of the **Veteran or Service-Disabled Veteran majority owner(s)** must be equal to or greater than 51 percent.

After profile creation, the Veteran is prompted to electronically sign VA Form 0877 in the VIP registration section.

NOTE: All owners are required to sign VA Form 0877, prior to uploading documents

After VA Form 0877 is signed by all owners, the Veteran can upload documents.

The Veteran can view uploaded documents to confirm they were successfully submitted. If a document cannot be viewed, it has not been successfully uploaded, and another attempt is necessary.

Contact the Help Desk at 866-584-2344 if you experience problems uploading documents.

Once all documents are uploaded, the Veteran selects “Submit.” Upon successful submission, a Confirmation of Submission notification is displayed.

This begins the Verification process.

INITIATION

The Initiation stage includes confirming the Veteran status of owners and ensuring all documents necessary for Verification are submitted.

During this stage:

- The VA Form 0877 is cross-referenced with the information entered in the Vendor Information Profile (VIP) page to ensure all information matches
- The Veteran Owner(s) information e.g., date of birth and social security number is validated using the VA Beneficiary Identification and Records Locator Subsystem (BIRLS) database
- The Veteran status of each Veteran owner is confirmed through the BIRLS database as well

In some cases, Veteran status cannot be verified, and a letter is sent directing applicants to their local Veteran Benefits Administration (VBA) office for resolution. Applicants may submit Form DD214 and/or Department of Defense determination of service-connected disability to demonstrate Veteran status.

Applicants are strongly encouraged to reconcile BIRLS for eligibility issues. Visit [VA BIRLS](#) for additional information.

- CVE checks the Excluded Parties List System (EPLS) to verify all Veteran owners are in good standing with the Federal Government
- After the Veteran status is confirmed, submitted documents are reviewed for accuracy and viability for examination
- CVE ensures only six-digit NAICS codes are listed on the Veteran's profile
- CVE reviews Doing Business As (DBA) status to ensure the DBA is properly registered
- CVE ensures all required documents are included. If a document is missing (based on the Required Documents for VIP Application list) a document request Email is sent
- Once all documents are **received**, the Veteran receives a Confirmation of Completed Application Email

EXAMINATION

The processing clock starts in the Examination stage. After Veteran status has been confirmed and all submitted documents are reviewed for accuracy and viability for processing, the examination process begins.

A comprehensive examination of the application and all supporting documents is conducted. All submitted documentation is reviewed to determine if it fully supports the requirements identified within 38 CFR Part 74. If the Veteran has not provided required business documents or Detailed Letters of Explanation to address missing documents and/or information, an electronic request for clarifying documents is sent to the Veteran.

During this stage:

- A public search is done of the applicant firm including an online search for affiliations and a Web site review (when applicable)
- Veteran ownership and control is verified by examining information databases and business and financial documents submitted by the Veteran
 - The examination process is electronically integrated with the VIP registration process
- Clarifying document requests are frequently generated during this stage of the process as submitted documents may not sufficiently support one or more of the core Verification program requirements

For example, tax documents are submitted, but employee W2s or a stock ledger may also be required based on business structure or information found in the public search.

- After comparing the documentation to the criteria in 38 CFR part 74, the Examiner makes a recommendation of approve, deny or further examination
- The application, with a recommendation then moves to the Evaluation stage

EVALUATION

A detailed evaluation of the recommendation received from the Examination stage is conducted. If issues are identified which CVE considers “easily correctable,” the firm is given the opportunity to participate in the [Pre-Determination Findings \(PDF\)](#) program. A firm that elects to participate in this program is given the opportunity to correct the issues raised by CVE, without having to withdraw from the application process or submit a new application. To see a list of easily correctable issues, visit [Errors eligible for correction as part of the Pre-Determination Program](#).

If, during the Evaluation phase, issues are identified which are not easily correctable, thereby making a firm ineligible for Verification, CVE offers the [Pre-Decision Process \(PDP\)](#) option. A firm that participates in the PDP program is given the opportunity to withdraw its application and avoid a denial determination. If an applicant elects not to participate in the PDP program, chooses not to withdraw its application, or does not withdraw its application within the timeframe provided by CVE, a denial determination is issued to the applicant. Once a denial determination is issued, the firm cannot reapply for Verification for six months.

If the Evaluation Team finds that all Verification Program eligibility requirements have been satisfied, a final approval recommendation is rendered, and a draft approval letter is submitted to the Determination stage for the CVE Director’s signature.

DETERMINATION

The final stage of the process is the Determination stage. In this stage, the Federal employee determines if the application is approved or denied and provides the appropriate determination letter to the Director.

Once the CVE Director determines the firm meets the requirements of 38 CFR Part 74, the approval letter is sent via VIP to the Email address contained in the firm's VIP profile and their VOSB/SDVOSB logo is activated on the Vendor Information Page (VIP).

If a firm is not approved, the determination letter reviews why the firm was not approved and options for making a Request for Reconsideration. This letter is also sent via VIP to the Email address contained in the VIP profile and the firm is not listed on the Vendor Information Page (VIP).



COMMON SETBACKS TO VERIFICATION

Several small issues may greatly affect the amount of time involved in processing a firm's Verification application. Below are a few things that could add time to the Verification "clock":

- It is important to submit **ALL required documentation**. If the firm does not have the requested documents, applicants must submit a Detailed Letter of Explanation, explaining why the documents are not available

For example, a complete tax package should be submitted to include W2s and/or personal tax documents (as applicable). If an applicant has not yet filed taxes, a Detailed Letter of Explanation and a copy of the extension request and approval must also be provided.

- Firms should utilize the free **CVE Certified Verification Counselors** at the beginning of the process to ensure they understand the available resources and assistance, are fully prepared, and are aware of the requirements and expectations of the Verification process
- When creating your profile on the Vendor Information Pages (VIP), it is important that Veteran owner names **match Form DD214** names, including middle initials.
- If clarifying or supporting documents are requested, they should be submitted **promptly to avoid stopping the processing clock** for long periods of time Too often applicants wait until the last minute or do not respond to document requests.

NOTE: Whenever items are requested the verification "clock" stops and does not start again until documents are received.

- **Maintaining current contact** information in VIP is essential to receiving up-to-date information and document requests

It may be necessary to designate an additional account representative as backup, in the event that the owner or manager of the profile is not available to respond to additional document requests.

VERIFICATION REFERENCE GUIDE

Below is a reference guide for Verification application resources.

[38 CFR Part 74](http://www.va.gov/osdbu/docs/38cfr74.pdf) - <http://www.va.gov/osdbu/docs/38cfr74.pdf>

[CVE Certified Verification Counselor](http://www.va.gov/osdbu/verification/assistance/counselors.asp) - <http://www.va.gov/osdbu/verification/assistance/counselors.asp>

[CVE Facebook](https://www.facebook.com/CVEVetbiz) - <https://www.facebook.com/CVEVetbiz>

[CVE LinkedIn](https://www.linkedin.com/company/u-s-department-of-veterans-affairs-center-for-verification-and-evaluation?trk=biz-companies-cym) - <https://www.linkedin.com/company/u-s-department-of-veterans-affairs-center-for-verification-and-evaluation?trk=biz-companies-cym>

[CVE Twitter](https://twitter.com/CVEVetBiz_OSDBU) - https://twitter.com/CVEVetBiz_OSDBU

[Dun & Bradstreet](http://www.dnb.com/) - <http://www.dnb.com/>

[Errors eligible for correction as part of the Pre-Determination Program](http://www.va.gov/osdbu/archives/news20130305.asp) - <http://www.va.gov/osdbu/archives/news20130305.asp>

[Fact Sheets](http://www.va.gov/osdbu/faqs/) - <http://www.va.gov/osdbu/faqs/>

[Frequently Asked Questions \(FAQs\)](http://www.va.gov/osdbu/faqs/) - <http://www.va.gov/osdbu/faqs/>

[Center for Verification and Evaluation Web Site](http://www.vetbiz.gov/) - <http://www.vetbiz.gov/>

[Office of Small and Disadvantaged Business Utilization \(OSDBU\) Web Site](http://www.va.gov/OSDBU/) - <http://www.va.gov/OSDBU/>

[Pre-Application Webinar](https://attendee.gotowebinar.com/rt/6365527275958843394) - <https://attendee.gotowebinar.com/rt/6365527275958843394>

[Pre-Decision Process \(PDP\)](http://www.va.gov/osdbu/archives/news20130925c.asp) - <http://www.va.gov/osdbu/archives/news20130925c.asp>

[Pre-Determination Findings \(PDF\) Program](http://www.va.gov/osdbu/archives/news20130305.asp) - <http://www.va.gov/osdbu/archives/news20130305.asp>

[Public Law \(P.L.\) 109-461](http://www.va.gov/ogc/docs/PL109-461.pdf) - <http://www.va.gov/ogc/docs/PL109-461.pdf>

[Required Documents for VIP Application](http://www.vip.vetbiz.gov/Public/Register/DocumentList.aspx) - <http://www.vip.vetbiz.gov/Public/Register/DocumentList.aspx>

[Self-Assessment Tool](http://gcctech.fluidsurveys.com/s/Verification_Self_Assessment_Tool/) - http://gcctech.fluidsurveys.com/s/Verification_Self_Assessment_Tool/

[System for Award Management \(SAM\)](http://www.sam.gov/) - <http://www.sam.gov/>

[VA Acquisition Regulation Part 808](http://www.va.gov/oal/library/vaar/vaar808.asp) - <http://www.va.gov/oal/library/vaar/vaar808.asp>

[Vendor Information Profile \(VIP\)](http://www.vip.vetbiz.gov/) - <http://www.vip.vetbiz.gov/>

[Verification Assistance Briefs \(VABs\)](http://www.va.gov/osdbu/verification/assistance/briefs.asp) - <http://www.va.gov/osdbu/verification/assistance/briefs.asp>

[Verification Resource Tool](http://gcctech.fluidsurveys.com/s/Verification_Resource_Tool) - http://gcctech.fluidsurveys.com/s/Verification_Resource_Tool