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U.S. SMALL BUSINESS ADMINISTRATION

INTERAGENCY TASK FORCE ON
VETERANS SMALL BUSINESS DEVELOPMENT

WEDNESDAY, SEPTEMBER 2, 2020

1:00 P.M.

Recorded by: Jennifer Razzino

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P R O C E E D I N G S

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(Meeting called to order, 1:03 p.m.)

MR. KURTZ: My name is Stan Kurtz. I'll be moderating the session, so welcome to the Interagency Task Force on Veterans Small Business Development. It's a virtual meeting today, and so we'll start off this morning -- or this afternoon with welcoming remarks from Larry Stubblefield, and then we'll hear from our members. They'll give an update from the U.S. Department of Defense, U.S. Department of Labor, U.S. Department of Treasury, U.S. Department of Veterans Affairs, U.S. General Services Administration, Office of Management and Budget, and North Carolina Military Business Center, and the Student Veterans of America, American Legion.

After those presentations, we may have time for a little bit of a break, and then we'll hear from Will Streitberger, who is from the VA. He's Vocational Readiness and Employment Program. And then Cody Cummings will give an update with OCCP, and then we'll do final remarks, closing remarks.

So without further ado, I'll turn it over to Larry Stubblefield, who is the Associate Administrator of the Office of Veterans Business Development. Larry?

1 MR. STUBBLEFIELD: Hey, thank you very much,
2 Stan, and let me echo Stan's welcoming to our partners
3 and our special guests who are joining us today from
4 the VA and the Department of Labor.

5 Since our last task force meeting, we've been
6 focused a lot on COVID, and I want to give you three
7 updates, if you will. First of all, I'll start with
8 our Veteran Business Outreach Centers. We have 22 of
9 them located around the country. They cover all 50
10 states and U.S. territories, and since the COVID-19,
11 our VBOCs have been extremely busy. They've conducted
12 almost close to 3,700 counseling sessions, 100 training
13 events. They've answered 218 inquiries and have close
14 to 175 mailing lists out to the veteran small business
15 community, giving them the information that would help
16 them navigate through COVID-19. So our VBOCs have been
17 extremely busy.

18 At our last task force meeting, we talked
19 about our partnership with the Veteran Entrepreneur
20 Training and Resource Network, up in the Boston area,
21 and the VETRN is a grantee of our office, and we've
22 asked -- partnered with VETRN, rather, to give training
23 to small businesses that are what we call in between
24 startup and our emerging leaders course here at SBA.

25 So our second cohort for VETRN started on the

1 12th of August. It's going to go from the 12th of
2 August to the 12th of December. It's a virtual
3 offering. We have 20 veteran business owners in that
4 course, and a large part of the course is going to
5 emphasize COVID-19 survivability tactics, if you will.
6 So we're very excited about that cohort. And, again,
7 it's going to go from the 12th of August to the 12th of
8 December.

9 And then on the 19th of August, partnering
10 with the Second Lady, Second Lady Karen Pence, our
11 office, we sponsored a nationwide military spouse
12 summit, and the purpose of the summit was twofold.
13 Number one was to discuss SBA resources available to
14 military spouses who either want to start, grow, or
15 expand their businesses. And then the second part was
16 networking opportunities. So we have 1,500 military
17 spouses who registered for the event, and we had close
18 to 1,000 military spouses in attendance. So a very
19 successful military spouse event.

20 And the last thing I'll say before I turn it
21 over to our partners is we have had some interest, if
22 you will, from the Hill. Probably in the next week or
23 so, we'll be going on the Hill to talk to staffers, and
24 the question staffers are asking is, you know, what's
25 going on in the veteran business community, what are we

1 doing, you know, in the Office of Veterans Business
2 Development for the veteran staffers, what do they
3 need, and as part of what do they need and what are we
4 doing, this meeting, as well as our meeting tomorrow
5 with our Advisory Committee on Veteran Business Affairs
6 falls right in line with some of the things that we
7 plan on discussing when we meet with the staffers.

8 So, again, welcome to all of our partners, and
9 I'm very interested in hearing what's going on out
10 there and to our guest presenters as well. So I'll
11 turn it back over to you, Stan.

12 MR. KURTZ: Thanks, Larry.

13 So, right now, we'd like to have an update by
14 Amy Garcia, who tracks all of our legislative and works
15 with our government contracting and entrepreneur
16 development. So, Amy?

17 MS. GARCIA: Great. Thank you, Stan. This is
18 Amy Garcia with OVBD. Really just three quick updates
19 on the surplus property rule, on Scorecard, and some
20 legislation that we're tracking. The use of federal
21 surplus property for veteran-owned small business final
22 rule is expected to be published in the near term. The
23 proposed rule, which was published early in the spring,
24 received about 30 comments of support, and it's on its
25 way to being finalized and published very soon.

1 There was a lot of interagency coordination
2 and stakeholder coordination that needed to be reviewed
3 before we could finalize the rule. So that
4 coordination has concluded, and it should be making its
5 way to the Administrator's desk for final signature,
6 and then Federal Register publication any day now.

7 As noted with the proposed rule, VOSBs
8 verified with the Department of Veterans Affairs Center
9 for Veterans Enterprise, or CVE, will be eligible to be
10 considered to receive surplus property distributions.
11 And once the final rule is published, our office, in
12 coordination with key stakeholders, will focus on
13 providing guidance on how to receive property
14 distributions. That's where we'll really focus our
15 energies once the rule is published.

16 So just remember that in this rule, VOSBs are
17 being added to a list of already-eligible recipients,
18 and similar to firms in SBA's 8(a) business development
19 program, VOSBs will have access to and use of property,
20 which will mostly mirror those of 8(a) firms. So
21 please keep that in mind.

22 A little update about the Scorecard, a
23 reminder that SBA released its small business
24 procurement Scorecard several weeks ago. The annual
25 Scorecard is an assessment tool that measures how well

1 federal agencies reach their small business and
2 socioeconomic prime contracting and subcontracting
3 goals. The prime and subcontracting component goals
4 includes targets for socioeconomic categories,
5 including service-disabled veteran-owned businesses.

6 Each year, SBA works with federal agencies to
7 set their prime and subcontracting goals, and their
8 grades are based on the agreed-upon goals. Each agency
9 has a different small business prime contractor goal,
10 and SBA ensures that the sum total of all the goals
11 exceeds the 23 percent target established by law.

12 Contracts awarded to small businesses reached
13 \$132 billion in Fiscal Year 19 in prime contracts or 26
14 percent, which exceeds the mandated government-wide
15 small business goal of 23 percent. So SBA feels pretty
16 pleased with that achievement. And federal agencies
17 do, too. That's a big win for our small business
18 firms.

19 In FY 2019, also, the Government's prime
20 contracting achievement for SDVOSBs was 4.39 percent,
21 or \$22 billion, which slightly surpassed prior years'
22 achievement of 4.27 percent. The government-wide prime
23 contractor achievement for SDVOSBs, as you know, has
24 exceed the mandated goal of 3 percent for eight
25 consecutive years now.

1 The government-wide performance report can be
2 found on SBA's website by navigating to SBA.gov and
3 typing "scorecard" in the search bar. Individual
4 agency Scorecards are also viewable on the Scorecard
5 webpage. And just, you know, quickly, I pulled out
6 three top procurement agencies that we look to often.
7 So the VA reached 23.39 percent, or \$6.4 billion.
8 DOD's achievement for SDVOSB was 3.25, or about \$10
9 billion. And GSA's SDVOSB goal reached about 5 percent
10 and equaling about \$285 million.

11 So please, a reminder, connect with the small
12 business offices at the agencies you wish to do
13 business with. Getting on their mailing list to
14 receive invites to industry days and other engagements
15 will really help you as an SDVOSB or a VOSB be informed
16 of their procurement forecasts and requirements.

17 Just a really quick reminder that SBA's new
18 Woman-Owned Small Business Certification Program is
19 under way. Please visit SBA.gov/wosbready for more
20 information and reminder of some key days. On July
21 15th, beta.certify.sba.gov opened up for firms who wish
22 to submit applications under the new certification
23 process. And then the current self-certification
24 progress will remain available for firms until October
25 15th, so next month. And on October 15, SBA will begin

1 issuing decisions on certification. Again, please
2 visit that website for more information.

3 And then just very quickly, some legislation
4 that we're following. Of course, there's NDAA 2020,
5 Public Law 116-92 included a provision or section that
6 permits a surviving spouse of a veteran with a service-
7 connected disability rated at less than 100 percent who
8 does not die as a result of a service-connected
9 disability to maintain ownership status of the SDVOSB
10 for three years. So that's a welcome change. That's
11 in Section 876.

12 Also, H.R. -- this was -- H.R. 1615 is a
13 House-passed VA/SBA act. This would transfer SDVOSB
14 and VOSB certification to SBA and would require
15 certification government-wide, the transfer date of two
16 years after enactment with six-month extensions. SBA
17 would take on VOSB certification on a reimbursable
18 basis for VA, and current SBA self-certified firms
19 would retain self-certification for one year. It's a
20 House-passed bill, but, you know, it's a good place to
21 start to understand how this process may iron out when
22 it becomes law -- if and when it becomes law.

23 H.R. 651 is Protecting Business Opportunities
24 for Veterans Act of 2019. This applies to small
25 business contracting limitations to VA SD and VOSB set-

1 aside contracts. And a Senate bill, S3282 adds
2 limitations on subcontracting to VA VOSB program under
3 VA regulations at 38 U.S.C. 8127.

4 So those are just some things to highlight.
5 Again, please remember to connect locally with your
6 local SBA district office, SBA's veteran business
7 outreach centers, and especially the agency small
8 business offices for more information on events and
9 opportunities near you.

10 Thank you. That's all I have, so turn it over
11 to Stan. Thank you.

12 MR. KURTZ: Well, thanks for the update, Amy.
13 So now we'll get into the member updates. So remember
14 when you get on to do your update, make sure you state
15 your name for the record. So we'll start with
16 Department of Defense, Shannon Jackson.

17 MR. JACKSON: Thank you. My name is Shannon
18 Jackson from the Defense. Just a couple of quick
19 updates. Again, the Department has continued to be
20 committed to small business, and this was a tremendous
21 year of 2019 where the Department achieved its --
22 another A for the Scorecard, and we thank the small
23 business community for being a part of that, that
24 success.

25 Also, as Amy mentioned, we did for the

1 veteran-owned businesses, the Department did procure
2 over 10 billion in prime contract dollars to veteran-
3 owned companies. So, again, we are focused in that
4 arena. One of the things that we'd really like to
5 highlight is our 2019 goal is 21.80. The Department
6 was able to achieve 24.16. This is tremendous for the
7 Department as you look at, from the last four years of
8 utilizing small business, we have increased the dollar
9 value over to almost 75 billion in prime contract for
10 small business. So that is a true commitment over the
11 last six years.

12 Also, during the COVID time frame, the
13 Department really focused on utilizing a lot of small
14 businesses. And just over 51 percent of the
15 obligations have gone to small businesses, looking at
16 about a 1.94 billion in contracts that went to small
17 businesses to assist in our COVID efforts. Each of the
18 services did provide a lot of support to the COVID
19 efforts.

20 DLA is at 1.4 billion in small business prime
21 contracts; Air Force, 905 million; Army, 841 million;
22 and Navy, 293 million to prime contracts that have gone
23 to small businesses to support the COVID effort. And,
24 again, this continues to grow because, again, as you
25 know, the Department continues to focus on small

1 business procurements because we believe that they have
2 made a tremendous impact in helping us from a
3 Department standpoint due to COVID, as well as us being
4 able to achieve our small business performance goals
5 for the last six years.

6 Other significant efforts that are going on as
7 we start to continue to focus in our cybersecurity
8 initiatives, Project Spectrum was launched several
9 months ago. We continue to utilize that as a vehicle
10 to help educate the small businesses on our
11 cybersecurity, the CMMC and some of the other efforts
12 that the Department is doing.

13 We continue to stay focused on small business
14 procurements, and, again, our trends are still trending
15 and looking very good for 2020. So, again, I thank
16 you, and thank you for the opportunity. That's it from
17 the Department. Over.

18 MR. KURTZ: Thanks for that update, Shannon.

19 So the next is U.S. Department of Labor, Bill
20 Metheny.

21 MR. METHENY: Hi, this is Bill Metheny from
22 Department of Labor Veterans Employment and Training
23 Service. Let me begin by describing the employment
24 situation for veterans over these past few months. As
25 you can imagine, unemployment increased significantly

1 in the spring when it reached a peak in April of 11.8
2 percent for veterans. It's been trending in a good
3 direction. Most recently, the July numbers show it
4 down to 8.0 percent, and we expect and hope for
5 continued good news later this week as we get the data
6 for August. And that will be reported out through the
7 various press releases that we have.

8 One of the positives as we're trending down,
9 also, is to note that the veterans are continuing to do
10 better in employment data than their nonveteran
11 counterparts. And, so, that's an encouraging spot.

12 Let me share a few things that we have been
13 doing in the Department of Labor and our partners in
14 adjusting to conditions under the pandemic. Like most
15 of our federal partners, we've adjusted to working
16 under telework conditions. Our grantees have also done
17 that as they have looked at ways to provide critical
18 services to the veterans that they serve but doing it
19 at a distance, whether it's our Homeless Veterans
20 Reintegration Program, serving our homeless veterans,
21 or our Jobs for Veterans state grants program that
22 works in the American job centers around the country.

23 An interesting part about those job centers is
24 that as the states have had to prioritize their
25 workloads, they have asked and we have given them the

1 ability to use some of their staff that are in the JVSG
2 program to supplement the unemployment insurance
3 program to meet those immediate needs. So they're
4 balancing those and making sure that the high-priority
5 jobs are getting done without compromising the ability
6 to serve the veterans and their employment needs.

7 Another area that DOL is very committed to is
8 compliance and making sure that the laws that are in
9 place to prevent discrimination are still being upheld.
10 We'll hear more about that later from our partners in
11 the Office of Federal Contract Procurement, but one of
12 the VETS tasks is to enforce compliance of the USERRA
13 laws to protect our members of the military from being
14 discriminated against because of their military
15 service.

16 Through the pandemic and over the course of
17 the spring, a lot of our National Guard and Reservists
18 were mobilized, which can often mean increases in
19 claims for discrimination. So at a peak of 41,000
20 mobilizations, we made sure that leading into that and
21 throughout we've been pushing out very proactive
22 communication and outreach so that there are not
23 misunderstandings about responsibilities and rights of
24 service members and the employers. So that's so far
25 been so good. We have not seen a large increase at all

1 in the number of claims and investigations initiated.

2 A key area for several of our federal agencies
3 is to make sure that service members who are
4 transitioning out of the military are set for a
5 positive trajectory as they leave and become civilians
6 and veterans. So one of those programs that many of us
7 are involved in is the transition assistance program,
8 which kicked off in its new format at the end of last
9 year and early this year. And then as that's been
10 deployed, we've had to figure out how to continue to do
11 that, provide those services, under pandemic
12 conditions.

13 Out of the 200,000 transitioning service
14 members that leave each year and they depart out of
15 over about 200 installations worldwide, the Department
16 of Labor has been able to continue to provide this
17 broad range of courses and training sessions, as well
18 as very tailored training for the service members who
19 are leaving -- doing it in person, doing it virtually,
20 and doing online versions that are done through the new
21 Learning Management System.

22 In addition to continuing with those programs,
23 we have continued to develop and roll out new
24 initiatives to meet the needs of our transitioning
25 service members to include an apprenticeship pilot that

1 helps service members who are interested in entering an
2 apprenticeship as they leave. We have folks at eight
3 military installations providing those services to see
4 if we can help them in those goals as they move around
5 the country.

6 We're also developing an employment navigator
7 and partnership pilot, which will roll out in the
8 spring, and that will be to help the service members
9 better focus on what they want to do as they depart the
10 military and how to achieve those goals.

11 And we're very excited that we're also
12 developing and hoping to roll out in the new year a
13 curriculum for military spouses who transition between
14 employment, not just when they and their veteran leave
15 the military, but they transition often when they PCS
16 and move about the country. So we're excited about
17 that curriculum as well.

18 A couple of other things to hit. Veteran
19 employment challenge. The Department of Labor Vets
20 hosted a challenge to use artificial intelligence to
21 help match veterans with employment opportunities out
22 there in a way that is more nuanced and more rich than
23 a normal sort of job match service. So think Match.com
24 for veterans and jobs. And we put a competition out
25 there, had great turn out of 51 different submissions

1 trying to compete for a solution to this problem.

2 The leader at this point is a finalist,
3 Eightfold AI, as in Eightfold Artificial Intelligence.
4 They're doing a great job. We're doing some final
5 testing, and we're excited to see the opportunities of
6 what that matching software will be able to do for our
7 service members as they transition out.

8 Over the last few years, we've been talking
9 about HIRE Vets Medallion Program to recognize
10 tremendous employers who hire and train and retain
11 veterans in their workplaces. That competition was
12 opened right in the middle of a pandemic hitting in the
13 spring. Nevertheless, we had a 60 percent increase in
14 applications for that award, in large part because of
15 some of the great partnerships of the folks on this
16 Task Force in getting the word out with us and for us.

17 We're excited that we will be presenting the
18 awards for this year's recipients in a ceremony on 10
19 November. And, so, more to follow. We'll push that
20 information out later. So that's our update from the
21 Department of Labor and Veterans Employment Training
22 Service. Thank you.

23 MR. KURTZ: Bill, thanks for that update.
24 Some great things happening at the Department of Labor.

25 So now I'd like to turn it over to Mary Ellen

1 at the Department of Treasury to give your update.

2 MS. MITCHELL-WHISNANT: Hi. Good afternoon.

3 This is Mary Ellen Mitchell-Whisnant with the
4 Department of the Treasury. Today, I wanted to give a
5 brief update on the Paycheck Protection Program. I
6 believe my SBA colleagues should be fairly well
7 informed on this, but I'm happy to report a few numbers
8 for everybody. Treasury worked in close coordination
9 with the SBA to roll out the Paycheck Protection
10 Program in response to COVID-19.

11 As of August 8th, the Paycheck Protection
12 Program closed to new applications, though we had over
13 5.2 million Paycheck Protection Program loans, which
14 were approved for more than \$525 billion. As you know,
15 we tried to ensure that entities in underserved and
16 rural markets, including veterans and members of the
17 military community, small business concerns, owned and
18 controlled by socially and economically disadvantaged
19 individuals, women and businesses in operation for less
20 than two years could benefit from the Paycheck
21 Protection Program.

22 On August 10th, the Paycheck Protection
23 Program Loan Forgiveness Platform went live, and we
24 began accepting lender submissions of borrowers'
25 Paycheck Protection Program loan forgiveness

1 applications. My team at Treasury will continue to
2 follow legislation that may end up extending the
3 Paycheck Protection Program.

4 In addition, I did want to touch on Treasury's
5 recent work with contracting with service-disabled
6 veteran-owned small businesses. Treasury received an
7 A-plus from the SBA for achieving its small business
8 goals in Fiscal Year 19, which included 191 million to
9 service-disabled veteran-owned small businesses.
10 Treasury's small business goal performance has steadily
11 improved over the past 10 years, and although we still
12 have work to do, particularly with service-disabled
13 veteran-owned small businesses subcontracting goals, we
14 hope to sustain our achievements going forward.

15 And that's all I have for today. Thank you.

16 MR. KURTZ: Thank you, Mary Ellen.

17 So the next is the U.S. Department of Veterans
18 Affairs, Beth Torres.

19 MS. TORRES: Hi. Good afternoon. This is
20 Beth Torres with the Department of Veterans Affairs.
21 So I just wanted to talk about a few things here.
22 First of all, VA is also very pleased to announce that
23 we received an A on the Scorecard this year. And for
24 FY 2019, we actually went -- it was the first year that
25 we've actually spent more than \$6 billion with SDVOSBs.

1 So we were very pleased at that, and I think we're on
2 track for similar results for FY 2020.

3 Additionally, we have been exceeding the
4 amount of all the other civilian agencies combined in
5 our spend with SDVOSBs. And I'd like to also talk a
6 little bit about our verification program. We're doing
7 very well with that. We have decreased the time to
8 determination. In FY19, it was taking an average of 52
9 days' running time; and in FY20, this year, the average
10 time to determination is 34 days. So we have -- part
11 of that is with the introduction of the simplified
12 reverification, where no documents are required as long
13 as there are -- all the questions are answered on the
14 application. We have only had 29 denials in FY20 so
15 far, so we're doing really quite well with that.

16 So I'd also like to go to -- if you could go
17 to the next slide, we've pretty much gone to all
18 virtual events, and our training is all virtual now as
19 well. So I've put together a few events that are
20 upcoming, these business opportunity sessions, where
21 small businesses can talk to the program decision-
22 makers and find out about what opportunities are coming
23 up, and they can register for that at the link there
24 under Events.

25 And then we've got a number of training

1 sessions coming up that are also available online, and
2 you can register for those. These have been very
3 successful and highly popular. We've had 4- or 500
4 people on some of these events, so we're very proud of
5 what we're able to do here.

6 I think that's about it for right now. Happy
7 to take any questions.

8 MS. PEREZ-WILHITE: This is Fran. I have a
9 question, please.

10 MS. TORRES: Sure.

11 MS. PEREZ-WILHITE: You said there were 29
12 denials this year with the verifications. Do you know
13 what the reasons were for that in general?

14 MS. TORRES: I would have to consult with CVE
15 on that. I don't -- you know, there could be a number
16 of reasons.

17 MS. PEREZ-WILHITE: Okay.

18 MS. TORRES: I will take this down.

19 MS. PEREZ-WILHITE: Another quick question.
20 Before we had to go virtual because of the pandemic,
21 the VA had some great events coming up at the different
22 medical centers to meet with the decision-makers there.
23 I see you have some excellent events coming up
24 virtually. Is there any way you could also set up to
25 meet the medical center decision-makers as you

1 previously planned and instead just do it virtually?

2 MS. TORRES: I will have to take that back to
3 our -- right now, I think everything is virtual, but I
4 can take that back to our direct access program and
5 find out. At this point, there are no in-person events
6 planned, at least for the rest of this calendar year.

7 MS. PEREZ-WILHITE: Right, I meant to do those
8 virtually, instead of in-person like you had planned.

9 MS. TORRES: Oh, okay.

10 MS. PEREZ-WILHITE: An example was you were
11 going to have a meeting at the Asheville Medical
12 Center, okay, to meet the decision-makers there and the
13 head clinicians, I believe. Now can we just do that
14 virtually?

15 MS. TORRES: Yes, all the events are virtual,
16 but I don't have dates on anything, if they are still
17 planned. The only dates that I have are the ones that
18 I had listed there.

19 MS. PEREZ-WILHITE: Right. I saw that. So is
20 there any way you could take back to them to possibly
21 reschedule those medical center events virtually?

22 MS. TORRES: Yes, I will.

23 MS. PEREZ-WILHITE: Thank you.

24 MS. TORRES: You're welcome.

25 MR. KURTZ: Okay, Beth, is that the end of

1 your update?

2 MS. TORRES: Yes. Yes, it is.

3 MR. KURTZ: Oh, okay. Thank you.

4 So the next up is the U.S. General Services
5 Administration. I'm not sure if Taylor Houston is on
6 or not. Taylor, are you there?

7 MR. TAYLOR: Yes, good afternoon. Houston
8 Taylor is the name. I certainly have two last names,
9 but Houston Taylor is the name, and I am here and
10 certainly glad to be here as part of -- as the team.

11 So let me jump right in from what GSA is doing
12 with echoing some of what we've heard from our other
13 agencies across the Federal Government in regards to
14 our commitment to small business. It's extremely
15 strong. GSA is on the heels of receiving an A-plus
16 grade for Fiscal Year 2019, but more importantly, as we
17 move forward, we are on target this year to exceed our
18 goals as well, particularly under the service-disabled
19 veteran-owned. We're on target again. It was
20 highlighted, we have 5.06 percent, 285 mil. That's
21 true, and we continue to press forward in that area.

22 I want to personally commend the collaboration
23 and work efforts of the Office of Small Business, the
24 Federal Acquisition Service, the Public Building
25 Service, and our internal contracting operations for

1 tremendous accomplishments that reflect on the hard
2 work and the dedication of small business and our
3 acquisition community.

4 I want to take a little bit of time, also, to
5 go into a deeper dive around what GSA is doing in
6 support of the pandemic, and, you know, we are working
7 with federal agencies, state and local governments to
8 get the materials and services that they urgently need
9 to continue critical mission support.

10 And before I go any further, any information
11 as far as inquiries, I just want to give out one email
12 address. It's very short, but I think it does add some
13 value. And that's covid19support@gsa.gov. I'll repeat
14 that: covid19support -- all one statement -- @gsa.gov.
15 That's where inquiries should be sent regarding what
16 GSA is doing. That is our National Customer Service
17 Center, and the city that runs that operation, so we've
18 got a channel where you can go in and see what
19 opportunities are there.

20 Here's a few things that you really should be
21 focused on from a small business perspective. I'm
22 trying to really pull up some numbers for you guys.
23 One of the things we're looking at right now in
24 response to the COVID is we've had more than 66 percent
25 of our contract work for COVID-19 pandemic has been

1 with small business. That's 45 percent of the end
2 companies' acquisitions is going to small business.
3 That's a number, but it shows you where our support
4 with small business is working inside a critical
5 environment.

6 Another key initiative that we're looking at,
7 again, I want to stay in that as far as what we're
8 doing, our commitment to small business. Our total
9 eligible spend really in Fiscal Year 2019 was 5.6,
10 small business got 2.4 of that, that's 42 percent,
11 which exceeded our goal of 30 percent. So we're doing
12 a lot in that area. That's a lot of numbers thrown
13 into that.

14 I want to spend a little bit of time on
15 policy. I don't want to go too deep into this, but it
16 is an awareness and information piece, and that is
17 around the National Defense Authorization Section 889.
18 There were two pieces to that legislation. There was a
19 Part A and Part B. And what does that really mean to
20 our customers and to our communities of the vets and
21 contractors on schedule?

22 Part B went into effect 13 August. Well, what
23 is it? It's a certification requirement where
24 companies have to certify that they are not doing
25 business with certain entities out of China. And to

1 that effect, the General Services Administration, under
2 the multi-award schedule, has had to modify all of the
3 contracts that are on schedule. So if you are a
4 contractor on GSA Schedule, you're in the process right
5 now of certifying the Mass Mod that you're not doing
6 business with some certain entities in China.

7 That is a real high-level view of what 889 is
8 about. What I want to make sure that -- and we've been
9 working collaboratively with OMB and the Small Business
10 Administration as we move forward. The law did go into
11 effect 13 August, so we are in the throes of this and
12 see -- hold on, the date right now is preliminary, as
13 we're bringing on suppliers.

14 I want to make it known [poor audio
15 connection] veteran-owned small business, if you
16 are having issues around 889, that is an area where
17 [poor audio connection] if you're having problems, I
18 can get you into the right space to facilitate the
19 conversation. So -- and if you are a GSA contractor
20 and you are [poor audio connection] 889, Part A, Part
21 B, and --

22 THE REPORTER: I'm sorry, Houston. This is
23 Jen, the court reporter. Your phone is breaking up a
24 little bit, and I'm having a difficult time hearing
25 you.

1 MR. TAYLOR: How about now? Is it any better?

2 THE REPORTER: Oh, that is much better. Thank
3 you so much. Sorry for interrupting.

4 MR. TAYLOR: Okay, that's quite all right. We
5 want to make sure we get this out. So I don't know
6 where the breakup started, Jen, so I'm going to go back
7 and repeat some of what I was just talking about
8 because I think it's that critical.

9 In reference to 889, which is part of the
10 National Defense Authorization law that requires
11 modifications to all federal contracts, so this message
12 is to our federal agencies, our customers, and it is to
13 our suppliers out there. If you are having issues
14 around any of your GSA contracts in regards to
15 certifying under 889, please make sure you reach out to
16 me and I can get you into the right space. So that's
17 houston.taylor@gsa.gov. Houston.taylor@gsa.gov.

18 So that's a real critical point. That law,
19 the second part, went into effect 13 August. Federal
20 agencies are moving forward. DOD has already come out
21 with some guidance. GSA has taken the lead with our
22 multi-supply schedules, and all of our other
23 independent contracts, Alliance, GWAC, et cetera. So
24 that's a really, really critical point going forward.

25 And I just want to again thank the small

1 business, the veteran-owned communities for all of the
2 great work that they're doing in reference to our
3 support to the COVID-19 and the pandemic. And with
4 that, I want to pause and open it up if there are any
5 questions regarding GSA.

6 MS. PEREZ-WILHITE: Yes, this is Fran Perez-
7 Wilhite with a question.

8 MR. TAYLOR: Please.

9 MS. PEREZ-WILHITE: We know in the future that
10 with commercial leasing, there's going to be companies
11 that have gone out of business and also companies that
12 will be working from home in the future. Does GSA
13 Public Building Services have any plans to help out in
14 different parts of the country outside of the Beltway
15 with making sure that the Government contracts office
16 leasing to businesses throughout the country --
17 especially veteran-owned businesses that have -- that
18 own commercial property?

19 MR. TAYLOR: Fran, if I'm understanding your
20 question correctly, let me just say the Public Building
21 Service that you're referring to is really responsible,
22 as she's indicated, for maintaining those facilities.
23 So, Fran, I'm going to try and frame your question.
24 Part of what we're dealing with right now inside of GSA
25 is what does that footprint look like as far as

1 leasing, going forward. There's always been an
2 initiative for us to remain efficient and effective,
3 and that means where we can, in fact, reduce our
4 footprint federal-wise. If we do that, leasing is one
5 way that we approach it.

6 Right now, with the shift in individuals and
7 agencies working at home and virtual, that is -- that's
8 in a state of flux at this point. When we talk
9 legislation, I haven't seen any legislation from the
10 Hill that would drive us to anything that we would do
11 from a FAR legislative process. Now, what I will do,
12 though, is see if, in fact, GSA is looking at how we're
13 approaching leasing, and it's for -- to give to
14 service-disabled veterans. I'll take that as an action
15 item if we're doing it, and I'm talking really
16 nationwide, back to your point outside of the Beltway.

17 So what are we doing with that impact, it's
18 really nationwide. It's a real valid point. There is
19 an economic impact there, and what is the long plan for
20 GSA? And I'll see if I can get together some bullet
21 points and take that as an action item.

22 MS. PEREZ-WILHITE: Thank you, sir.
23 Appreciate it.

24 MR. PHIPPS: This is Mike Phipps.

25 MR. TAYLOR: Hello, Mike.

1 MR. PHIPPS: Hello. So I have a quick
2 question regarding any information you can give us on
3 the commercial eMarketplace proof of concept that's
4 occurring right now at GSA. I think GSA estimates a
5 possible -- that platform that was awarded for the
6 proof of concept to have several billion dollars or
7 more going to the platform, and we have been talking
8 about this probably over -- for ongoing over a year
9 now.

10 And so there were some things that GSA had
11 kind of mentioned that were going to be a little more
12 transparent than they were, and so I think a big part
13 of that is kind of just an update on where that proof
14 of concept is, but really what are the rules going to
15 be applied to people selling items on that platform.
16 You know, they're going to have to be registered
17 contractors in SAM. We know that the micropurchase
18 threshold on that is -- was supposed to be about
19 \$10,000. Timeline, anything you have on that
20 eMarketplace platform, and just a little bit of
21 context.

22 We've been -- I've been talking to a lot of
23 service-disabled veteran-owned GSA schedule contract
24 holders that have products, and a lot of them are just
25 concerned that there will not be a need for GSA

1 schedule products anymore under that threshold,
2 especially people that are involved more with the
3 lower-cost items. And, so, you know, there's this --
4 there's a lot of discussion and a lot of uncertainty
5 right now, at least with some of the companies that
6 we've been talking to.

7 MR. TAYLOR: Sure, great question, a deep
8 dive, Mike. Let me just -- and you hit a lot of areas
9 there. Let me just start in the area of -- in
10 serviceability. So for those who aren't necessarily
11 familiar where he was going with this platform, as the
12 term is being used, if we think about how we behave
13 commercially as consumers, and I'm putting this at a
14 101 level, so please forgive me if it's boring some,
15 but the reality is GSA is looking at how consumers
16 shop. And he referenced a small purchase.

17 So if you think about how we today go onto
18 different platforms -- whether it be Amazon, eBuy,
19 whatever the case may be -- and shop, what is the
20 behavior of a consumer? How do we operate? You take
21 that and you lay that into how the Government can be
22 more efficient, if you will, from a business
23 perspective, and think about it, GSA from a product
24 perspective, where Mike was at, and it is primarily
25 product, because we don't have our -- we don't really

1 have a straight answer for services -- that's in my
2 view -- but let's stay with products.

3 You have a low profit margin. Let's
4 specifically pick on office supplies because it's a
5 great example of where he went. You've got a schedule
6 contract that's put time, effort, and injury into
7 getting into that platform. Now, you have where GSA is
8 looking at with micropurchase thresholds being set up
9 at a higher level and having a third party, perhaps at
10 the peak card level, the purchase card level, where a
11 supplier would go in and look at it and then make a
12 business decision.

13 GSA is looking at that, Mike. That -- you are
14 out in front of it right now. We have not, at this
15 point, really with the beta test [poor audio
16 connection]. What I would propose to you guys to be
17 informed, to be educated, is these are the kind of
18 things that we want to continue to bring back to the
19 table as part of this committee here. These -- 889 is
20 one example of increased training and awareness. This
21 is another increased example.

22 One of the things I wanted to throw out there
23 right now is tomorrow with small businesses. We're
24 doing training on SAMBeta.gov. You need to be part of
25 that. That's not part of this meeting, but that's an

1 example of what we're doing.

2 Where I'm going with this, Mike, is to
3 better understand what the rollout is, what the
4 approach is, how this is going to work, what is it
5 going to do to my mass schedule contract if, in fact,
6 there is going to be another peel-off, if you will,
7 business opportunities, what does that look like? We
8 want to hear from the experts, and I can do that for
9 you guys.

10 So I'll ask that -- I'll be working with
11 DeWayne Carter, who is our small business rep. I think
12 it would do you guys good to have a conversation around
13 what that third-party platform looks like. There is a
14 procurement piece there. I don't want to get into -- I
15 want to protect the integrity of that procurement to
16 see how all that is working, but it's a competitive
17 environment. But he's exactly looking at a change in
18 how GSA would offer up supplies through these third-
19 party platforms.

20 Now, what we're understanding is that we look
21 at DOD, we look at Labor, we look at Department of
22 Veterans Affairs. The fact is the spend data shows
23 that that pattern [poor audio connection] is taking is.
24 Now, what GSA's role is is to make it more efficient
25 and effective for you guys. So when you're shopping,

1 say, on Advantage, are you getting the same customer
2 experience that you would service when you perhaps go
3 to an Amazon.

4 And we know at GSA that's based on a customer
5 survey, but that's not the case. Our delivery time,
6 for example, in products, it just went down. It was --
7 we were missing deliveries 13 percent or so. It's down
8 to 5. We can do better than that. We're looking at
9 responsiveness. You know, if you've got a package
10 that's with tracking, we need to be able to do that
11 better. You know, people do not shop by category
12 management, for example, so we know these things, Mike.
13 This is all part of what's happening in that.

14 That initiative is there, and so that's a lot
15 of information to [poor audio connection] but I would
16 say one of the takeaways, again, is I work to have you
17 guys -- I want to get that on the line, where you need
18 to understand, where is GSA going from a business
19 perspective with this third party. And I'm saying I
20 see two action items there, 889 Part B and education
21 information and really what we're doing with these
22 platforms going forward as far as how does it impact
23 not only just schedule holders [poor audio connection]
24 person who has a purchase card, what is that impact as
25 well. There's a customer perspective there; there's an

1 industry perspective there.

2 Mike, I don't know that I answered your
3 question, but it was a lot of information I spewed out
4 there, but I will take it all into a deeper dive in
5 that area.

6 MR. PHIPPS: It was great. That would be
7 great, and maybe you can reach out to Stan with some of
8 the scheduled meetings. I know there would be a lot of
9 people interested, all the way from how do I register
10 to how is it going to affect my business, all the way
11 to -- and this kind of segues into a question for
12 Shannon with DOD, but we see a lot of supply chain and
13 IT security issues being addressed right now,
14 especially within the DOD supply chain with the CMMC
15 certification.

16 And so how -- all of this kind of intersects,
17 especially DOD is going to be coming -- is coming out
18 with the CMMC certification. And so the way I
19 understand it is anybody that's in the supply chain at
20 DOD has to have -- is going to have to have at least
21 this Level I certification. So how is -- is GSA
22 talking to DOD about vendor certification all the way
23 to the vendors that resellers represent also have to be
24 certified? So this is a very complex certification
25 supply chain, security management chain of events that

1 are occurring. And I know it's a little bit much for
2 this call right now, but I think it's something that I
3 would like to understand from a deeper dive because I'm
4 not sure if anybody has tied all of these things
5 together, and this committee would be a great place to
6 do that.

7 MR. TAYLOR: Hey, Mike, let me jump in before
8 DOD chimes in. This is again Houston Taylor, GSA. So
9 really I want to put a bow on three things here. 889,
10 National Defense Authorization, Section B. We just --
11 we talked a little bit about platforms. And now you
12 introduced what I'm going to use an acronym called
13 SCRM, supply chain risk management. And, Mike, to your
14 point, they all do meet at the apex at some point. I'm
15 not so sure that through the FAR councils and as we
16 start regulating and putting together guidance that we
17 are at that apex yet.

18 So what I am saying is this conversation does
19 need to be broken down. It's a big elephant. We take
20 this and we break this down into three bites because
21 when we talk about SCRM, Mike, supply chain risk
22 management, you just touched a piece of 889, Part B.
23 That's part of what drove that legislative change, was
24 a gray market, where you had bad operators. And when
25 you talk about supply chain risk management, that's

1 from the time that that idea was put into concept, to
2 production, to the time that it is actually recycled,
3 when you lay out the whole life cycle of a product.

4 And what we are finding is there are bad
5 actors inside of that space -- at the beginning, in the
6 middle, and even in the end, Mike. So that's all
7 happening there. And it does cascade down, to your
8 point about small business retailers. Of course, it
9 would cascade down because they're not the
10 manufacturers of those products.

11 Having said all that, you are still looking at
12 the Federal Government looking at this because we see
13 that there is vulnerability inside of our national
14 security system as it's related to what we're talking
15 about. So, Mike, no, you don't unpack that all in this
16 conversation here.

17 MR. PHIPPS: Sure.

18 MR. TAYLOR: But the way I see this [poor
19 audio connection] at GSA is that, see, that's a third
20 item. So we start forecasting, and I know we've talked
21 about, guys, as a team. When we start forecasting,
22 these are big rocks, and we want to really have
23 meaningful conversations where they're value-add at a
24 tactical and educational level, but the job of GSA is
25 to bring in those ripe individuals, senior executives

1 that could talk to you about SCRM. And you know what,
2 that is a whole subject by itself, but it is at the
3 apex.

4 Then you have what we were just talking about,
5 third party and then 889. They do tie in at the top.
6 What I'm advocating is that we unpack those and we take
7 those on as individuals to help build that
8 understanding, and then start having an operational
9 discussion, what does that really look like for me as a
10 small business supplier.

11 And that's my take on that. I'll turn that
12 over to DOD.

13 MR. JACKSON: Thank you. I appreciate that.
14 You know, I think one of the things from the
15 Department's standpoint is really, you know, we are
16 taking, I think, an active approach in looking at how
17 we are moving along --

18 MR. KURTZ: Shannon, this is Stan. If you
19 could state your name for the record, please.

20 MR. JACKSON: Okay, I'm sorry. Shannon
21 Jackson, DOD. Again, as I was saying before, I think
22 the Department is really taking a proactive approach
23 and really trying to look at how we ensure small
24 businesses can maintain with inside of the DOD
25 industrial base with these new requirements of CMMC and

1 whatnot. You know, I think one of the things that we
2 have really tried to do with one of the programs with
3 inside of the Department with the mentor-protégé
4 program, just even in 2019, the NDAA called out for the
5 Department to really look at how do we educate the
6 small business community as it relates to
7 cybersecurity. You know, we have taken on that head-on
8 with one of our programs and really looking at that
9 where we launched the Project Spectrum.

10 You know, Mike, I think that that was a very
11 good point. You know, it gave me an ideal of we've
12 been hosting a series of webinars each week on
13 particular topics. We've had Mr. Herrington on. We've
14 had several folks on, really trying to get at some of
15 these tough topics. Katie Herrington has been on our
16 webinar series.

17 So one of the things that I think that we're
18 really trying to do is educate that community. We have
19 tried to get a lot of resources that are out there
20 currently to help educate and bring that awareness to
21 the small business community, to help them in
22 preparation for when CMMC rolls out.

23 You're right, there are still a lot of
24 collaboration that still needs to go on in order to
25 better prepare our small business community, but I

1 think right now with some of the reports that are
2 coming out, I believe it's the Solaris report really is
3 driving that, you know, who's going to lead, who's
4 going to -- what the Department and all the other
5 federal agencies need to be able to do in order to help
6 the small business community be prepared for these
7 challenges regarding cybersecurity.

8 So I think, you know, just to answer that
9 question, I think from a Department standpoint, we are
10 taking a proactive approach. We are looking at all
11 types of ways to really -- how do we educate. The
12 gentleman from GSA brought up that 889 section. I know
13 DPC, Mr. Kim Herrington, the acting director, has
14 really worked with industry to put out some standards
15 and some guidance with the Department and out there.

16 So it's been some challenges, but I think
17 that, you know, from our standpoint, we're moving in
18 the right direction. But we're still not there.
19 There's still some heavy lifting to go. I think that
20 over time, as things start to roll out, I think we will
21 have a better viewpoint of where the Federal Government
22 and the DIV will need to be and then what we need to do
23 to ensure that they get there.

24 So, again, there's a lot of things that are at
25 work, you know, and I think the resources, you know,

1 are going to business.defense.gov, where industrial
2 policy or defense cost and pricing have a lot of data
3 and information that is constantly published on where
4 the direction we're going from a Department standpoint
5 as we look forward in the future. Thank you.

6 MR. KURTZ: Well, Houston, I want to thank you
7 for that update, and great conversation with Mike and
8 Shannon. It sounds like it's a topic that we really
9 need to break down a little bit more and do some
10 further conversations.

11 So next up on the docket would be the Office
12 of Management and Budget. And I'm not sure if Matt
13 Blum is on, if he joined us or not. Matt, are you on?

14 MS. GARCIA: Stan, I don't think he'll be
15 joining us today for this meeting.

16 MR. KURTZ: Okay, yeah, I just wanted to make
17 sure that he didn't get on late. So thanks for letting
18 me know that.

19 So we'll move on to North Carolina Military
20 Business Center, with Fran Perez-Wilhite. Fran, you
21 want to give us an update, please?

22 MS. PEREZ-WILHITE: Yes, thank you, Stan.
23 Once again, I am Fran Perez-Wilhite with the North
24 Carolina Military Business Center. In response to the
25 COVID pandemic, we had to postpone many of our business

1 development events this year, and we in turn then added
2 a bunch of webinars to our event schedule. And these
3 webinars were very well attended, with at least 200
4 businesses for each webinar, the majority of which were
5 veteran-owned businesses. And I'd like to go over a
6 few of the webinars that we've already done so far.

7 We had a Department of Defense prime vendor
8 webinar with Cardinal Health. We had a webinar with
9 DLA Aviation, with the U.S. Army Corps of Engineers,
10 with SOCOM, Special Operations Command, NAVFAC, DLA
11 Clothing and Textiles, North Carolina National Guard,
12 CMC Accreditation, teaming arrangement training, DOD
13 troop feeding opportunities, and Hurricane Florence
14 projects and packages, including Jacksonville and
15 Havelock, North Carolina.

16 I'd like to especially thank the SBA Charlotte
17 personnel. They joined us for the majority of our
18 webinars and to go over all the PPP, EIDL, et cetera
19 and explained all that. They were definitely the hit
20 of each webinar. They had a lot of questions each time
21 directed towards them and they did a great job. I'd
22 really like to thank SBA Charlotte.

23 Upcoming in October, every year we usually
24 have the construction summit that is well attended.
25 This year, it's going to be virtual, and this year, the

1 name of it is the Construction Industry and
2 Cybersecurity Compliance for the Federal Contractors,
3 also known as the Summit, also previously referred to
4 as FEDCON.

5 As you know, every year, we limit it to 1,000
6 participants to make sure that everyone is able to
7 speak to the decision-makers from the Federal
8 Government, all the prime contractors, that they would
9 wish to speak to. This year, we already have so many
10 businesses already signed up. We're probably going to
11 have to limit it again, even though it's virtual. So
12 if you'd like to attend, please sign up soon.

13 And so far, our federal agencies that are
14 coming would be GSA, the VA, which includes the OSDDBU
15 and VISNs 6 and 7. We have prime contractors coming.
16 We have DOD Cybersecurity; we have the U.S. Coast
17 Guard; we have NAVFAC. We're going to have some more
18 CMMC training. We have Department of Energy coming.

19 If you would like to be a part of the Summit,
20 just let me know. Or if you'd like to have any
21 webinars with the NCMBC, just give me a call. Alana
22 and Stan, can you call me, please, after this meeting
23 is over?

24 And, once again, I am Fran Perez-Wilhite with
25 the North Carolina Military Business Center. If you

1 need to call me, my number is (704) 806-6858. Once
2 again, that's (704) 806-6858. Thank you. I'll take
3 any questions now.

4 MR. KURTZ: Thanks, Fran. Thanks for that
5 update.

6 So next, Will Hubbard will give an update on
7 the Student Veterans of America.

8 MR. HUBBARD: Thanks so much. Can everybody
9 hear me?

10 MR. PHIPPS: Yes.

11 MR. HUBBARD: Okay, great. I just always have
12 to check. You never know in COVID times. So there's a
13 couple things I'd like to talk about. First is our
14 virtualization of our programs that we're doing and how
15 that might affect some of the folks that you guys are
16 paying attention to. The second is the overall higher
17 education landscape. That's kind of an interesting
18 early indicator for our overall economic prognosis.
19 Following that, an economic outlook based on some of
20 our opinion research; and then finally to close it out,
21 the idea of being military-friendly or military-
22 inclusive and some of the differences between those
23 that we've done some research on as of late.

24 So the first thing that I want touch on is the
25 virtualization of our programs, as many of you know and

1 have seen that a lot of different programs across the
2 country have gone virtual. This is no different for
3 us, and we've been trying to find ways to make both our
4 chapter-level training as well as our leadership
5 training and our annual national conference, we're
6 trying to figure out ways to deliver those in a manner
7 that's still impactful for student veterans and
8 veterans that are planning to graduate, but that they
9 can attend.

10 We actually think that given the
11 virtualization of these programs that the attendance is
12 going to be much greater than it has been in the past
13 because usually the limiting factors are hotel and
14 travel, and since that's not the case any longer, at
15 least for the time being, we're pretty positive about
16 how that's going to turn out.

17 The most near program that we've got coming up
18 is our regional summits. As mentioned, that's our
19 chapter-level training, so basically to help student
20 veterans understand how to be very effective on campus
21 as chapter leaders and how to run a student
22 organization effectively.

23 Yep, did I have a question?

24 Oh, maybe not.

25 So that's kind of where we are with that. In

1 terms of our annual national conference, we have not
2 made the decision yet to be virtual or not. That's
3 still something that is pending, but once we have that
4 finalized, we will be announcing that. And really the
5 major factor there is whether or not the attendees can
6 actually make it because we found -- or are finding
7 that across higher education and across many of the
8 corporate partners that we work with, that many of them
9 actually have travel restrictions in place. So if
10 nobody can show up, then having it in person doesn't
11 make a whole lot of sense. But, again, that's not
12 something that we've fully decided right now. Our goal
13 is to have it in person, but we just are working
14 through some things to figure out what the final
15 decision is going to look like there.

16 In terms of higher education as kind of a
17 warning light, though many of you may not be
18 necessarily in higher education, I would encourage you
19 to think about it as a kind of an indicator that you
20 can look to what the rest of industry is going to be
21 doing. If you look back to early March, most of our
22 country was still pretty much open. People were being
23 a little more careful, but most people were, by and
24 large, operating on a similar premise as they had been
25 prior to the pandemic.

1 And it wasn't really until the first tranche
2 of schools began to close that our country began to
3 take it very seriously. This happened first with a
4 group of about 35 schools on the West Coast, and within
5 72 hours, there were several other waves of school
6 closures and going to an online modality as a result.
7 And so it was by the end of that week that I think the
8 country really started to take it seriously. And so
9 we've got -- been sort of testing this theory about the
10 viability as kind of a warning light, being higher
11 education specifically. And so I'd just encourage you
12 to think about that, in particular looking at the fall
13 and how that's played out, you can obviously see that
14 some schools tried to go in person and then had to move
15 online, and so, you know, each university is kind of
16 its own microclimate, and so I think there's some
17 interesting insights that can be pulled from that.

18 If anybody would like to talk about that
19 further, I've got plenty more conversation and research
20 on that, but just wanted to flag that as well because I
21 think it certainly applies to a lot of the work that
22 we're doing.

23 All right, so the third thing that I want to
24 touch on is some research based on some of data -- some
25 opinion polling that we had been doing over the last

1 couple of weeks and months. Most specifically this
2 more recent round of polling data has come from --
3 within the last two weeks, and there's a couple things
4 I want to point out.

5 So to start off with, we found that
6 approximately 74.6 percent of students in school right
7 now are actually full-time employed. That's a good
8 thing in our opinion, and not necessarily something
9 that's very surprising. Though they're in school full-
10 time, many of these folks, even if they have a GI Bill,
11 are still needing another source of income based on the
12 requirements as being a nontraditional student.

13 We have found that about 3 percent, in fact,
14 have been furloughed, which compared to the overall
15 national average, as a population of student veterans,
16 it's a microcosm of the veteran population is
17 definitely very low. That's even, in some cases, pre-
18 COVID levels compared to the overall national average.
19 And I appreciate some of the points that our friends
20 over at the Department of Labor had to share
21 specifically about how veteran numbers tend to be lower
22 than their peers, and I think we're seeing that even
23 further in this case.

24 Another point that we ask in the survey is how
25 concerned are you about losing your job in the next

1 three months, and there was about 37 percent that were,
2 in fact, very concerned about that, which is something
3 that we certainly need to be aware of, but
4 interestingly, there was about 59 percent who said that
5 they were not concerned at all. And so I think that's
6 actually a positive indication, at least in the sector
7 that we work in, of the direction of things.

8 And then, finally, we asked if you have
9 graduated, how long did it take for you to achieve
10 full-time employment. That could be entrepreneurship;
11 it could be with a company; it could be with a
12 nonprofit, whatever it might be. 83.3 percent said
13 that they actually already had a job upon graduation.
14 That's a really strong indicator, I think, of the
15 success of veterans nationwide, and of those who said
16 that they -- it took them longer than post-graduation,
17 within three months, that number crept pretty close
18 to 100 percent. So that's, I think, very positive.

19 Just to close out, I want to talk specifically
20 about some of the research that we've done related to
21 this concept of being military-friendly or veteran-
22 friendly. I think that's a pretty widely known and
23 widely discussed term or moniker, and so what we're
24 finding is that to be military- or veteran-friendly
25 actually carries very little metrics associated with

1 it, and there's really no way to track if you're
2 necessarily military- or veteran-friendly, per se.

3 If you were to put this into some hyperbolic
4 context, you know, very few corporations or academic
5 institutions across the United States would say that
6 they're woman-friendly or minority-friendly. I mean,
7 it sounds just as ridiculous, I think, when you put in
8 that respect. And, so, what we're actually encouraging
9 folks to do is to consider the idea of military or
10 veteran inclusiveness, so to be military-inclusive or
11 veteran-inclusive, and the concept of inclusion, we're
12 finding, has much more ramifications associated with
13 it, particularly on the research side and definitely on
14 the data and metric side, as most academic institutions
15 and most corporations across the United States actually
16 have diversity inclusion standards and do track that
17 work quite closely.

18 So, you know, for what it's worth, that's
19 something that we've found that we have, you know, a
20 dissertation on that. If anyone's interested in taking
21 a look, happy to share that, but otherwise, I just
22 thought that was an interesting point to share.

23 So that's all I have, and I appreciate the
24 time and look forward to either hearing questions or
25 just hearing from others.

1 MR. KURTZ: So, Will, thanks for that update.
2 Great numbers on the employment, so thanks for sharing
3 that with us.

4 So, next, I'd like to turn it over to Mike
5 Phipps to give an update on the American Legion. Mike?

6 MR. PHIPPS: Yes. So the American Legion has
7 been pretty active in the last few months. They were
8 involved with passing back in March the SBA guaranteed
9 loan fee waivers, with the CARES Act. They've been
10 involved in submitting testimony to the VA and getting
11 ready for the supply chain hearing on September 16th in
12 defense of veteran small businesses having a role in
13 the supply chain and the value that they bring, as well
14 as they've been involved with three large pieces of
15 legislation involving the coronavirus release package,
16 all surrounding veterans or service-disabled veteran-
17 owned companies. And that's all I have for my update.

18 MR. KURTZ: All right, thanks, Mike. Thanks
19 for that update.

20 So earlier I said we'd go to a break, but I
21 think we'll just keep this conversation going. And,
22 so, next, I'd like to introduce Will Streitberger, who
23 is the Executive Director for the VA Vocational
24 Readiness and Employment (VR&E) Program. And there are
25 some great things happening with the VR&E Program. I

1 heard Will speak at the Student Veterans of America
2 conference last January, and I was really taken by some
3 of the steps they're moving forward with with that
4 program.

5 So, Will, I'll turn it over to you.

6 MR. STREITBERGER: Great. Thank you so much,
7 Stan, and good afternoon, everyone. Can you hear me
8 and see me?

9 MR. KURTZ: I got you.

10 MR. STREITBERGER: I'll take over control of
11 the slides so I can go on that pace, if you will allow
12 that, Stan.

13 MR. KURTZ: So, Alana, will it be able to do
14 that?

15 ALANA: Will, if you can just prompt us to
16 change the slides, that way will actually work better,
17 if you don't mind. Thank you.

18 MR. STREITBERGER: Not at all. Can you take
19 back control, then? All right, next slide, please.

20 Well, good afternoon. My name is William
21 Streitberger. I'm the Executive Director of the
22 Veteran Readiness and Employment Program. Just a bit
23 about me really quick before we get started. I'm a
24 United States Navy veteran, also a participant of the
25 program, so I like to tease that not only am I the

1 president of the hair club, but I'm a member, too. And
2 I've had an 18-plus-year career with the Department of
3 Veterans Affairs, principally in the vocational
4 rehabilitation or veteran readiness area. And I've
5 held higher level positions as the Executive Director
6 of many regional offices, culminating in my appointment
7 to the Executive Director of Veteran Readiness and
8 Employment Service, the very program that turned my
9 entire career around, oh, so many years ago. Next
10 slide, please.

11 So, today, I'd like to provide you with a
12 brief overview of the program, and then as Stan
13 mentioned, I'd like to talk to you about the tremendous
14 modernization initiatives that we are currently
15 undergoing to provide a modern, streamlined, and
16 efficient service delivery model to our service
17 members, veterans, and some certain families and
18 caregivers.

19 Just to give you a sense of some of the issues
20 that we've had in our business slide, our systems date
21 back to 1997, so we truly have been living in the 20th
22 Century, which we definitely wanted to change. And
23 right now, our seasoned and highly trained professional
24 vocational rehabilitation counselors spend more than 60
25 percent of their time on administrative tasks and

1 duties. So we want these trained professionals to
2 provide more direct benefits and services to veterans,
3 and so our massive modernization efforts, which I'll
4 explain to you mostly in the next 20 minutes or so have
5 been focused on eliminating those administrative tasks
6 and some of the issues that our stakeholders face at
7 Student Veterans of America, in particular, and others,
8 our school certifying officials around authorizations
9 and payment of education invoices and bookstores and
10 supplies.

11 So the mission of our program is to assist
12 veterans with service-connected disabilities and an
13 employment handicap or barrier, as we call that now, to
14 prepare for, find, and maintain suitable careers or
15 maintain a life of independence. And I'll get into
16 that a little bit more in the next coming slides.

17 Our vision is to focus on the field and the
18 needs of our employees and our participants to ensure
19 that we deliver customer-centric service delivery. So
20 we actually go out and we talk to our customers, which
21 we've done in pre-COVID. I went from sea to shining
22 sea to over 27 of our regional offices, went to many of
23 the different conferences like SBA and NAVPA and the
24 like to find out what our issues are in terms of our
25 program delivery and how we can fix those so that we

1 can provide the highest standard of service and best-
2 in-class program outcomes. Next slide.

3 So why we serve? Our guiding principles are
4 that in everything we do we now challenge the status
5 quo, we think differently to provide veterans with the
6 benefits they've earned in a manner that honors their
7 service and, most importantly, and it goes back to that
8 customer-centric focus, in the way they want to be
9 served. I think for too long we here in our
10 headquarters would think about what we thought our
11 customers would need or our employees, and then we
12 would develop initiatives or other policies and
13 procedures that didn't quite meet the mark. So we
14 changed our focus to make sure that we are, in fact, in
15 conversation with the folks who are closest to our
16 program on the ground, and that's our great employees
17 and our program participants. Next slide, please.

18 What is veteran readiness and employment?
19 Veteran readiness and employment is a modern, 21st
20 Century facilitator of economic opportunity for service
21 members, veterans, and their family. We consider it
22 the crown jewel in the Veterans Benefits Administration
23 portfolio, and briefly that's because within VBA, the
24 Veterans Benefits Administration, our counselors and
25 employment coordinators are the only staff that see 100

1 percent of our veteran, service member, and family
2 member population all the time.

3 So our other business lines do not have that
4 one-on-one interaction and do not provide that face-to-
5 face customer service, only in rare instances like our
6 public contact units in our regional offices. All of
7 our other benefits lines are administered by some other
8 organizations, like loan guarantee by our servicing
9 vendors who provide the loans to veterans and so forth.
10 Our education service program is mostly administered by
11 our school certifying officials at each of the
12 institutions of higher learning and so forth. So I
13 just wanted to point that out to you. Next slide,
14 please.

15 And what are the key services? First, here's
16 a snapshot of our organization. We're a \$1.6 billion
17 benefit program. Our benefits are administered by over
18 1,000 professionals at 350 locations across the country
19 and outside the country, in Puerto Rico, in Manila, and
20 other places overseas at various military
21 installations. And you can see on the slide, we have
22 56 regional offices, 142 out-base, 71 integrated
23 disability evaluation system installations, and 104 Vet
24 Success on Campus school sites at institutions of
25 higher learning. Next slide.

1 Here's some of the key services that we
2 provide. We assist veterans with service-connected
3 disabilities to achieve and maintain suitable
4 employment, as I mentioned earlier, through vocational
5 counseling and planning, education or vocational
6 training, monthly living allowances, like VAH, in
7 addition to disability compensation, all tools to
8 accommodate their program, for an example, auto
9 mechanic tools, computers for technology and other
10 professional fields, and then job-seeking skills and
11 assistance in finding employment. And it was great to
12 see Bill on here earlier from DOL Vets. He's a
13 critical partner in helping us make those connections
14 in the marketplace.

15 And then for veterans who are not what we
16 consider feasible for employment at that -- at this
17 time due to their service-connected disabilities, we
18 provide independent living services to ensure that they
19 have a safe home to live in, that they're able to
20 ambulate around that home. So we do home
21 modifications, we help connect them with the community
22 and their families through technology and other means,
23 and we also support any of their aid vocational goals
24 so that they can have a really good and independent
25 life at home. Next slide, please.

1 So I want to talk about the different tracks
2 to employment, and this is where SBA comes into the
3 partnership that we have with veteran readiness and
4 employment. If entitled, and I want to distinguish
5 eligibility to entitlement, to be eligible, you must
6 not have passed 12 years since your discharge from the
7 military or the date in which you were first notified
8 you were in receipt of compensation for your
9 disability, and you must have at least a 10 percent
10 service-connected disability to access our program.

11 Entitlement is a little different, and here's
12 why that is. To be found entitled, you may meet the
13 eligibility requirement, but you heard me say earlier
14 you must have a barrier to employment. So if you come
15 to us and you already have a degree, you have suitable
16 experience, and you've got a proven track record in a
17 specific industry, you may not be found entitled to
18 veteran readiness and employment services because you
19 don't have a handicap or a barrier to employment.
20 There's nothing to overcome.

21 But if you were a heavy equipment operator in
22 the military and you lost a limb and you're no longer
23 able to climb onto heavy equipment or drive heavy
24 equipment or work in a more heavily, physically intense
25 environment, we then would find you entitled because

1 you have a barrier to employment due to your service-
2 connected disability, and we would then put you in one
3 of our various tracks toward achieving employment.

4 So let's talk about those tracks now. The
5 first is reemployment. Bill kind of alluded to that
6 earlier. That's -- that goes along with the USERRA
7 law, for reemployment of the previous employer, so we
8 assist veterans coming back from their service in the
9 military, a deployment, if they're in the Guard or
10 National Reserves and they're eligible and entitled to
11 our program, and we'll provide nominal training to
12 bring them back up to speed so that they can compete
13 and be successful in the position they're returning to,
14 and then any workplace adjustments or reasonable
15 accommodations to assist them in reacclimating into the
16 environment they're going back into.

17 Rapid access to employment is for veterans who
18 are suitably trained and may have experience in a
19 different vocation or a career track but may need some
20 nominal training, up to six months, to bring them up to
21 speed on various software products that are used in the
22 environment that they work in or something of that
23 nature. And, again, those reasonable accommodations,
24 and then also the employment services where we prepare
25 them with a resume, dress for success, job-seeking and

1 interviewing skills, and then work with them and our
2 employer base to provide them with employment
3 opportunities.

4 The next is self-employment. That speaks for
5 itself. This is for our veterans who are
6 entrepreneurial in nature and are seeking employment as
7 a business owner. We help them to prepare their
8 business plan. We connect them to the Small Business
9 Administration, to Score and other areas where they can
10 be supported in developing those plans. And based on
11 the different categories of self-employment, we can
12 provide them with funding for licensures, for
13 inspections, and in Category 1, we can actually provide
14 them with inventories and other tools and resources to
15 start a business on their own as an entrepreneur.

16 The next is employment through long-term
17 services. I will tell you roughly 96 percent of the
18 veterans in our program participating today are in
19 what's called employment through long-term services,
20 and that generally includes a program of education
21 services, so they're attending a community college, a
22 college or university or a long-term technical program
23 in which they can persist in those programs anywhere on
24 average between four and six years.

25 And then independent living, I mentioned that

1 to you earlier, home modifications, ensuring that
2 veterans can participate to the greatest extent
3 possible in their activities of daily living with the
4 greatest amount of independence. Next slide, please.

5 So our VSOC program, I mentioned that earlier,
6 at 104 institutions of higher learning across the
7 country. To summarize VSOC, it's an insurance program
8 for veterans or any member of their family that's
9 eligible for an education benefit to help them make
10 decisions around how best to use their benefits by
11 providing adjustment counseling, vocational testing,
12 education and career counseling.

13 It helps them to understand their interests,
14 aptitudes, and abilities and then carve out a plan to
15 where when they've completed their program, they've
16 been -- they can be successful in not only the
17 education that they pursue but then in finding a career
18 and that they don't go off and waste months of
19 entitlement without any kind of advice and support to
20 ensure that they get the best outcome of their
21 investment using their benefit. Next, please.

22 And then here's some more on the eligibility,
23 but I know we're running a little bit close on the
24 timeline here, so just in terms of eligibility, it's
25 for transitioning service members within six months

1 prior to discharge or veterans within one year
2 following discharge from active duty, any service
3 member, veteran currently eligible for a VA educational
4 benefit and all current VA education beneficiaries.

5 Next slide.

6 And then our integrated disability evaluation
7 system, this is for our wounded, ill, and injured
8 warriors and service members who are transitioning out
9 of the service with a service-connected disability,
10 they're on a retirement basis, or a service-connected
11 disability through the VA.

12 Those folks are immediately engaged with our
13 IDES counselors on those military installations to
14 ensure that we're catching them before they transition
15 out of the military because the National Defense
16 Authorization Act, Public Law 110-181, establishes
17 eligibility and automatic entitlement to the program.
18 So we want to make sure we capture them so they don't
19 slip through and go home and then they don't have that
20 guaranteed entitlement. So a really great program for
21 our transitioning service members. Next slide.

22 So I want to talk about our modernization, and
23 this is really, really exciting, and I think some of
24 what Stan heard me brief to the team about a week and a
25 half or two weeks ago. And so as I mentioned earlier,

1 we were living in a 20th Century environment up until
2 the last two years, where we entered this modernization
3 effort in the first quarter of FY19. Next slide.

4 So I'm going to talk to you about various
5 people, process, and technology initiatives that the
6 Veteran Readiness and Employment Program is going
7 through right now. And these are the critical
8 components of how we will modernize over the course of
9 the remaining -- this remaining fiscal year and into
10 the first quarter of FY21.

11 So our people initiatives include our one-to-
12 125 veteran readiness counselor or veteran vocational
13 rehabilitation counselor ratio that is required by
14 Public Law 114-223 Section 254. Prior to the
15 implementation of this law, we would have -- counselors
16 would have over 480 clients on their caseload, and
17 that, frankly, was way too many on their caseload to
18 properly service them and provide them with the
19 attention and the customer service they need.

20 So we now have the law in place. It was
21 enacted back in -- for us in July of 2018, and we now
22 have a ratio somewhere in the neighborhood of one to
23 121 at all of our stations on average, and we've seen a
24 lot of good customer service feedback from veterans who
25 now can have access to their counselors because they

1 have -- they have caseloads that are smaller and more
2 time to serve those veterans.

3 Our vocational rehabilitation counselor time
4 study was the basis for a lot of our modernization. We
5 had a contractor go to four stations across the country
6 and literally follow counselors throughout their day
7 and look at the tasks they were doing and the amount of
8 time that it was taking so that we could get
9 recommendations for how we either automate some of the
10 activities that they're required to do, eliminate them,
11 or enhance them through the use of technology that
12 you're going to hear about here in just a moment.

13 We looked at the industry staffing model for
14 counselor-to-veteran ratio. They tend to recommend
15 through our research and through our modeling that the
16 ideal ratio is somewhere in the one-to-eight ratio, so
17 we'll be looking at that as we close out our
18 modernization and take six months to review what the
19 return on investment has been so that we can then look
20 at what the most appropriate ratio will be, given all
21 the new tools and technology that our counselors are
22 going to be using here in just the next few months.

23 We updated our training based on competency,
24 so now we no longer give training to counselors every
25 year, 80 hours of training. It's all the same; we do

1 it every year. This is focused on where it can benefit
2 the counselor most, and we can improve their
3 competencies and the service delivered to veterans
4 based on specific training needs, rather than blanketed
5 training needs that everyone gets and may not need.

6 Our strategic communication strategy, this is
7 really cool because on June 22nd of this year we
8 changed our name from Vocational Readiness -- I'm sorry
9 Vocational Rehabilitation and Employment to Veteran
10 Readiness and Employment, and that was done -- and this
11 is really key -- again, this comes from our engagement
12 with our service members, veterans, VSOs, all across
13 the country, from sea to shining sea, who told us that
14 "rehabilitation" had a negative connotation and was
15 often a barrier to accessing our benefit because, one,
16 they didn't feel that they were broken enough -- we
17 heard that oftentimes -- or that "rehabilitation" had
18 the connotation around drug and alcohol abuse,
19 rehabilitation from criminal activity and the like.

20 So we listened to them launch the year-long
21 comprehensive human-centered design research program
22 with veterans, with employees, with our stakeholders,
23 and we came up with our new name, Veteran Readiness and
24 Employment and our new logo and tag line. So we're
25 really excited about that. We're looking forward to

1 how that changes people's perception of our program
2 because it focuses now on the veteran, it focuses on
3 employment, and we're really going to be tracking how
4 that comes along.

5 We've realigned our performance measures to
6 ensure that we are sustaining veterans in our program
7 because we struggled a lot with the persistent rates
8 and veterans discontinuing from the program because we
9 weren't measuring some of what I call measure-the-
10 middle. So when they're in that four-to-six-year,
11 long-term services program, we have new metrics to make
12 sure that we're staying in touch with them and
13 connected with them and supporting them through the
14 program.

15 And then we've modernized our employment
16 services. We now have eight national account managers,
17 two for each of our four districts, who are developing
18 relationships with employers who are very veteran-
19 centric at the national, regional, and local level.
20 When I went out to these conferences and started
21 introducing myself to major organizations like Amazon
22 and eBay and UPS and all of these organizations that
23 have really strong veteran-hiring programs. They had
24 no idea that the Veteran Readiness and Employment
25 Program existed.

1 So I put in a new team at our central office
2 focused on developing these relationships and
3 connecting veterans to employment with these great
4 employers as they're becoming job-ready in our program.
5 Next slide.

6 I know I only have 10 minutes, I think, so
7 we'll go to the next slide, please.

8 And on processes, that was a really huge
9 thing. One of the biggest complaints that we heard all
10 across the nation was the inconsistency in which
11 veterans experienced our program. I had stories of two
12 veterans sitting in the same university at a borderline
13 state institution of higher learner where one regional
14 office was in Mississippi and the other one was in
15 Alabama, and one veteran could go on and pursue a
16 master's degree and the other could not because of
17 where they were being serviced in our system.

18 So I've done a lot of things around quality
19 assurance and modernization of our operations to ensure
20 that we have -- and this is my number one non-
21 modernization priority -- that we have standardized to
22 the greatest extent possible service delivery, where
23 everyone gets a computer who needs a computer and they
24 don't have to go ask the dean of the school to get one
25 or have to beg, borrow, and steal to get the tools and

1 resources they need to actually be successful.

2 And I don't want them complaining and talking
3 to one another about how frustrated they are in
4 participating in their program. So we standardized a
5 lot of our processes and procedures through our manual
6 rewrite and some of our other modernization efforts to
7 ensure that where we know this is a very individualized
8 program because of the individuals' disabilities and
9 their interests, aptitudes, and abilities, there are
10 many things about our program that we can do exactly
11 the same way across the country, and so that's what
12 we're doing in our process modernization.

13 Lots of other things here. It would take me,
14 like, 20 minutes to go over everything on this slide.
15 So if you're interested in one or more of the bulleted
16 initiatives under process, I would encourage you to
17 reach out to me and I'd be very, very happy to explain
18 them to you if you so choose. Next slide.

19 This last slide here is really at the center
20 and the foundation of everything that we're doing to
21 eliminate that 60 to 65 percent of the administrative
22 burden that our counselors are actually doing each and
23 every day. Imagine that, like 60 cents on the dollar
24 is being wasted in terms of direct veteran-facing
25 services where veterans need their counselors most to

1 feed systems and processes and procedures and so forth.

2 So I'm going to go over this with you here.

3 I'm going to skip the case management solution first

4 because that's the last thing I want to talk about.

5 What I'll talk to you about first is our new virtual

6 assistant. It's using artificial intelligence. It's

7 called e-VA, the electronic virtual assistant. We've

8 implemented it now fully as of August 11th of this

9 year, where all of our counselors now have the ability

10 to use a virtual assistant, 24/7, 365 days a year, to

11 automate bidirectional communication, routine, where

12 you don't need an individual to intervene. And this is

13 all artificial intelligence, so it's very intelligent

14 and it's very intuitive. And it also works to schedule

15 and reschedule veterans automatically, and they can

16 choose from their smart device on when they want to

17 schedule or reschedule an appointment.

18 It sends batch notifications, which saves

19 counselors a lot of time when they have to tell 100 or

20 more veterans that they have to turn in their grade, so

21 whatever that might be and they'd have to do that all

22 individually in the past. And so that automates those

23 batch processes. And then like you would deposit a

24 check at your own bank, you can take a picture of

25 documents, upload them into our case management system,

1 and have a record of everything that you need, without
2 the veteran having to email, call, fax, or come into
3 the office.

4 So it really saves the veteran a lot of time.
5 It's super convenient. They can interact with the
6 virtual assistant at 2:00 in the morning if it's more
7 convenient for them to do that at that time. And to
8 date, we have saved over 2 million -- there have been 2
9 million automated case management notes, which are
10 required by our regulations and by our manual that have
11 been uploaded into our case management solution without
12 any intervention of the counselor. So 2 million
13 records of documenting an interaction between the
14 counselor and the veteran did not have to be manually
15 inputted by the counselor. So that's really cool.
16 Veterans are loving it. The feedback from the
17 counselors is really super great.

18 The next one, the invoice payment processing
19 system, I would call that one of my chief
20 accomplishments, significant, signature accomplishments
21 in terms of honoring our school-certifying officials
22 and others in the field across the enterprise. When I
23 first took this job in June of 2018 and started going
24 out into the field, those advocates and those folks who
25 support us in administering our benefit would line up

1 out the door to complain about how the payments are
2 always lost, their authorizations are always lost, and
3 so the invoice payment processing system automates all
4 of that, puts it one place, where before we had 900
5 single points of failure and poor methods of
6 transacting authorizations and invoice payment
7 processing. And that's to include bookstores and the
8 like.

9 So literally gone, one, your best for it one
10 year, that entire problem has been eradicated from our
11 service delivery model to the veterans and to our
12 stakeholders who administer this in the institutions of
13 higher learning. And we are paying our invoices --
14 over 400 million to date since January 1st -- at a 99.6
15 percent timeliness and accuracy rate. So it's really
16 been a boon for our relationship with our partners in
17 the field.

18 And our veterans no longer have to worry about
19 am I going to be able to continue in the program, and
20 what they're concerned most about is maintaining their
21 progress and then if they're not in school, they can't
22 receive their basic allowance for housing or their
23 subsistence allowance, and oftentimes they count on
24 that so very much to pay for their car payments or
25 their utility bills and so forth. So super huge win.

1 It only cost us \$400,000 to implement that because it
2 was an existing system within VA. It was a really
3 smart thing to do.

4 We've implemented -- and this was key here,
5 too, the next one -- 100 percent next generation VA
6 video connect telecounseling capability. And this was
7 key in COVID as we pivoted to an all-virtual workforce
8 and service delivery model. We maintained 100 percent
9 of our service delivery and continuity of business
10 operations using VA Video Connect to host our
11 counseling, interviews, and our intake sessions with
12 our veterans.

13 We also implemented 100 percent of Dragon
14 Naturally Speaking capability, so in the instances
15 where counselors do have to write up narratives,
16 because that's often required in the entitlement
17 determination process, they can just speak that into
18 the Dragon Naturally Speaking software, and those case
19 notes can be automated and automatically entered into
20 the case management system. And that saves them about
21 35 percent of the time.

22 And then, finally, before I talk about the
23 case management solution, we went into centralized mail
24 and printing way early as a result of COVID, and we
25 started actively scanning our active caseload into our

1 VBMS, our Veterans Benefits Management System, e-
2 folder. So we went from February 29th being mostly
3 paper-based in our active caseload with no capability
4 for centralized mail intake or printing of letters,
5 which is required to on March 20th being in a fully
6 electronic claims processing environment, with all of
7 this capability to not have to be in a brick-and-mortar
8 environment and continue to excel in providing services
9 to veterans without missing a beat. So we're really
10 excited about that, really super proud of our staff for
11 being able to really turn on a dime and make those
12 changes, literally within a week and a half to continue
13 to provide services without any interruption. So that
14 was great.

15 And then finally we are now moving into our
16 new case management solution service. It is a software
17 as a service, commercial, off-the-shelf solution that
18 exists in the Federal Government and other private
19 rehabilitation and state rehabilitation organizations,
20 so it's already a proven entity. We're in the last
21 phase of configuring it for our specific needs in
22 veteran readiness and employment.

23 And the key here is that we will be able to
24 automate the calculation of its subsistence allowances.
25 It will be integrated with all of our back-end systems,

1 which our previous case management solution was not.
2 It will be built for data in terms of reporting really
3 at the granular level all sorts of really interesting
4 and needed information. It will make payments out of
5 the system. It will automatically ingest the veteran
6 data and information and any documentation through our
7 systems, specifically the e-VA automatic virtual
8 assistant. So really excited about bringing our
9 counselors into the 21st Century.

10 Again, the system they're working in now is
11 kind of a DOS-based system. It's called "C Winners,"
12 and it was put into place in 1997, and principally,
13 there haven't been that many changes, and it really was
14 a standalone system where counselors would have to log
15 into multiple systems to access the data that they
16 need. All of that will be removed. It's got a
17 wonderful graphical user interface that's modern and
18 configurable to their liking so that they can manage
19 their work in the way that best suits their ability to
20 provide those services. Next slide.

21 All right, I'm open for any questions. I'm
22 happy to answer any questions you might have. I really
23 appreciate the opportunity to share this with you. It
24 generally takes me about an hour and a half to give
25 this presentation, so I hope it didn't seem rushed to

1 you, but I hope you got the general sense of the major
2 modernization activities that we are undertaking to
3 honor our employees by eliminating all of those
4 administrative burdens so we can turn them toward the
5 real work that they should be doing based on their
6 education and training, and that's working with
7 veterans to ensure that they are personally successful
8 in our program. And with that, I'll open it up to
9 questions. Thank you, Stan.

10 MR. STUBBLEFIELD: Will, this is Larry
11 Stubblefield. First of all, I just want to say thank
12 you for that presentation and for all the much needed
13 changes that you're doing. And, you know, this
14 committee, as well as our Advisory Committee on Veteran
15 Business Affairs, you know, we want to stay in touch
16 with you, you know, as you implement the changes. And
17 I would also like to invite you to be a presenter at a
18 future ACVBA meeting as well, because what you're doing
19 is monumental, and it's really something that we need
20 to get out -- you know, out to the public. And so
21 thank you. Thank you very much for being here --

22 MR. STREITBERGER: Yes, sir.

23 MR. STUBBLEFIELD: -- and partnering with us.
24 And I know we have an MOU that we're working on
25 updating.

1 MR. STREITBERGER: Yes.

2 MR. STUBBLEFIELD: And I look forward to
3 signing that with you as well.

4 MR. STREITBERGER: All right. Thank you so
5 much for the invitation today and letting me be a part
6 of the earlier events. Very interesting subject
7 matter. I learned a lot, and I appreciate everyone's
8 time.

9 MR. KURTZ: Will, this is Stan. I want to
10 echo what Larry has said. I tell you, I've worked
11 around the VR&E program for many years, so it's a
12 breath of fresh air to really -- to see some of the
13 changes. And I know the veterans that are enrolled in
14 that program are very happy with some of those changes.
15 So thanks for leading that charge, and, you know, I
16 know that you're going to give the presentation again
17 tomorrow to our federal advisory committee, and I'm
18 sure that they will welcome the changes as well. So
19 thanks again, Will.

20 Now I'd like to turn it over to Cody Cummings,
21 who is senior compliance with the Office of Federal
22 Contract Compliance Programs. So, Cody, please take it
23 away.

24 MR. CUMMINGS: Thank you, Stan. Good
25 afternoon, everyone. It's a pleasure to be here today.

1 My name, as Stan said, is Cody Cummings. I'm a
2 regulatory analyst in OFCCP's policy branch within
3 OFCCP, and I've been with OFCCP for a little over 10
4 years now. And I'd like to thank both Bill and Stan
5 for giving us an opportunity to provide a general
6 overview of OFCCP and more specifically about our work
7 as it relates to protected veterans and small
8 contractors. So if we could go to the next slide,
9 please.

10 During today's presentation, I'll be giving a
11 brief introduction to OFCCP and what the agency does.
12 I will also talk about the laws OFCCP enforces, how we
13 enforce those laws, as well as who is covered and
14 protected by those laws. I'll also speak specifically
15 about the Vietnam Era Veterans Readjustment Assistance
16 Acts, which is a law that protects veterans and share
17 some of OFCCP's resources that you may find useful as
18 you provide information and support to your
19 stakeholders, for example, veteran-owned and small
20 businesses that may also be federal contractors. Next
21 slide, please.

22 So OFCCP is a civil rights agency within the
23 U.S. Department of Labor. We conduct compliance
24 evaluations of the employment practices of covered
25 federal contractors and subcontractors to ensure that

1 they are not engaging in unlawful employment
2 discrimination, and also that they are complying with
3 their affirmative action requirements. Affirmative
4 action requirements include, for example, outreach and
5 recruitment activities. Generally speaking, OFCCP's
6 regulations seek to ensure that all qualified
7 applicants and employees have the same opportunity to
8 seek, obtain, and retain a job, as well as to be
9 promoted and paid fairly. Next slide, please.

10 So who is a federal contractor? Generally, a
11 covered contractor or subcontractor is an employer
12 doing business with the Federal Government through
13 either a contract or a subcontract that meets certain
14 dollar thresholds, and I'll talk about those dollar
15 thresholds here in a moment. Just so you know, based
16 on EEO-1 data from 2018, there are 26,510 federal
17 contractors with 137,100 establishments of physical
18 locations, and these locations employ nearly 33 million
19 workers. Next slide, please.

20 So OFCCP administers and enforces three Equal
21 Employment Opportunity laws that prohibit federal
22 contractors from discriminating against applicants and
23 employees and require them to take affirmative action.
24 The first one I'd like to talk about is the Vietnam Era
25 Veteran Readjustment Assistance Act, also known as

1 VEVRAA. It applies to federal contracts and
2 subcontracts of \$150,000 or more, and it prohibits
3 discrimination in all personnel practices for protected
4 veterans.

5 Our next one is Section 503 of the
6 Rehabilitation Act. It applies to federal contracts
7 and subcontracts of more than \$15,000 and prohibits
8 discrimination against job applicants and employees
9 based on disability.

10 And, lastly, Executive Order 11246 applies to
11 employers with federal contracts and subcontracts, and
12 it also applies to federally assisted construction
13 contracts and subcontracts of more than \$10,000. This
14 law prohibits these employers from discriminating in
15 their hiring and other employment decisions based on
16 race, color, religion, sex, sexual orientation, gender
17 identity, and national origin. Additionally, it
18 protects applicants and employees from discriminatory
19 discipline, including firing, for asking about,
20 discussing, or disclosing their pay or the pay of their
21 coworkers.

22 As was mentioned, these implementing
23 regulations for each of these laws have affirmative
24 action components that require these covered
25 contractors to engage in certain activities, including

1 outreach and recruitment, data collection, self-audits
2 and assessments. Specifically, federal contractors
3 that have 50 or more employees are required to develop
4 what we call -- and maintain -- a written Executive
5 Order 11246 and also a Section 503 affirmative action
6 program. And if they have a contract or subcontract of
7 50,000 or more and are also -- excuse me, if they have
8 50 employees and a contract of 50,000 or more they have
9 to maintain those AAPs for both those programs. And if
10 they have a contract of 150,000 or more and have 50
11 employees, then they have to maintain a written VEVRAA
12 AAP as well. Next slide, please.

13 OFCCP monitors compliance with these laws
14 primarily through conducting compliance evaluations,
15 during which a compliance officer examines the
16 contractor's affirmative action efforts and employment
17 practices under these three laws. OFCCP also
18 investigates complaint investigations alleging
19 employment discrimination on the basis of race, color,
20 religion, sex, sexual orientation, gender identity,
21 national origin, disability, or veteran status.

22 As a demonstration of OFCCP's commitment to
23 protecting the rights of protected veterans in the
24 workplace and eliminating barriers to equal opportunity
25 for these individuals, OFCCP recently issued Directive

1 2018-04, which requires OFCCP to conduct VEVRAA focus
2 reviews in addition to the full compliance reviews that
3 we already conduct. Focus reviews are one of several
4 investigative procedures available to OFCCP. VEVRAA
5 focus reviews allow OFCCP to focus solely on the
6 contractor's compliance with VEVRAA.

7 Our goal in doing this is to ensure that
8 federal contractors comply with equal employment
9 opportunity under VEVRAA and that they consider
10 additional best practices to increase the employment of
11 qualified protected veterans. Ensuring these steps are
12 taken can help to reduce substantial obstacles many
13 protected veterans face when seeking employment after
14 leaving the service. Currently, we are completing
15 Section 503 focus reviews, which are geared towards
16 individuals with disability, and we're also developing
17 other types of focus reviews, including addressing
18 accommodations and promotions.

19 Also, to ensure that federal contractors are
20 not discriminating against spouses of protected
21 veterans, OFCCP issued Directive 2020-01. What this
22 does is during an onsite review of a federal
23 contractor, OFCCP compliance officers offer compliance
24 assistance on how a contractor can support the families
25 of protected veterans and also seeks to ensure that the

1 contractor understands its obligation not to
2 discriminate against a qualified individual whom the
3 contractor knows to be a spouse or other associate of a
4 protected veteran.

5 Okay, if we go to the next slide, please --
6 I'm sorry, I forgot, you had to go to this next slide.
7 So this was the slide that I just discussed, so if we
8 could go to the next slide, please.

9 So in addition to our enforcement
10 responsibilities, OFCCP provides compliance assistance
11 to contractors as one way of facilitating their
12 understanding of their obligations under the laws we
13 enforce and obtaining compliance with those
14 obligations. It's important to note that we do not
15 schedule a contractor for a compliance evaluation
16 simply because they sought compliance assistance.
17 Federal contractors and their work force have several
18 ways that they can obtain help and compliance support
19 from OFCCP, and I'd like to mention a few.

20 One is that they can use our help desk. We
21 have a 1-800 help desk where they can ask questions of
22 OFCCP staff. These individuals can attend webinars
23 specifically created for federal contractors. They can
24 use our online video training library. They can
25 download fact sheets and brochures. They can also use

1 OFCCP prepared samples and templates. They can review
2 technical assistance guides. They can refer to an
3 extensive list of frequently asked questions. They can
4 also attend national and regional compliance assistance
5 events.

6 They can utilize OFCCP's contractor assistance
7 portal. This is something that's new. This portal is
8 a place where companies doing business with the Federal
9 Government can come together to learn solutions to
10 common OFCCP compliance problems and challenges. It
11 also gives these contractors an opportunity to interact
12 with OFCCP through live group chats and discussions.

13 These contractors can also utilize our
14 Contractor Compliance Institute. Through the
15 Contractor Compliance Institute, federal contractors
16 can stay current on OFCCP programs and initiatives.
17 They can access free, on-demand online courses. And
18 they can also develop and sustain personnel practices
19 that ensure equal employment opportunity for applicants
20 and employees.

21 And, lastly, they can utilize our OFCCP's
22 ombud service. The ombud service operates with a
23 mission to ensure that stakeholders, including federal
24 contractors, have access to a neutral and confidential
25 resource, one who operates independently and

1 informally. So if you know a small contractor business
2 or a veteran-owned business that could also benefit
3 from compliance assistance, please contact us
4 telephonically or via email. Our contact information
5 has been provided on the last slide of today's
6 presentation

7 In addition to offering compliance assistance,
8 we also reach out to workers and groups working on
9 their behalf to educate them about their rights. This
10 includes explaining how these individuals can file a
11 complaint. Okay, next slide, please.

12 As I just mentioned, our compliance assistance
13 comes in many forms. To name a few, we produce
14 infographics, develop quick reference guides, answer
15 frequently asked questions, and regularly participate
16 in educational seminars. On this slide, we've
17 highlighted several resources that you might find
18 useful as you provide information and support your
19 stakeholders that may also be federal contractors.

20 One resource in particular I would like to
21 bring to your attention is our compliance assistant
22 guides. On this site, you'll find technical assistant
23 guides, record-keeping guides. We have different
24 posting and notice guides and checklists and also
25 general information about OFCCP and what a contractor

1 can expect when interacting with OFCCP.

2 Currently, we're in the process of updating
3 our small contractor guide, however, it can still serve
4 as a useful resource to inform small businesses that
5 are federal contractors or are interested in becoming
6 federal contractors about their compliance obligations.
7 The guide outlines basic EEO and record-keeping
8 requirements, suggested employer practices that foster
9 EEO and ways small contractors can help -- can get help
10 from OFCCP.

11 If there are any topics or issues under
12 OFCCP's authority that you believe should be included
13 in this guide, please let us know. In addition to the
14 guide, we are looking for ways to expand our existing
15 resources and identify new resources or compliance
16 assistance programs to better serve small contractors.
17 Again, like I said, we welcome any recommendations from
18 members of this Task Force.

19 And, lastly, I would like to mention that in
20 accordance with the Small Business Regulatory
21 Enforcement Fairness Act, OFCCP provides notice to
22 small contractors that they can file a comment with the
23 SBA ombud service with regard to OFCCP enforcement
24 activities. Okay, next slide.

25 Okay, so that's just a general overview -- I

1 know it was kind of quick -- about OFCCP and our
2 enforcement activities. Are there any questions that
3 anybody would have?

4 MR. KURTZ: Well, Cody, I want to thank you.
5 Great presentation. So I want to thank you, and we'll
6 be in contact with you.

7 And if there's no questions, at this point,
8 I'd like to open it up for public comment. And the way
9 that it will work is the public can comment via chat,
10 and then we'll take a look at what those questions are,
11 refer to the people either on the call or we'll have to
12 get back to you with those answers. So I'd like to
13 open it up for public comment now.

14 MS. STARKMAN: Stan, we have one question so
15 far. Do you want me to go ahead and read that out
16 loud?

17 MR. KURTZ: Yes, please.

18 MS. STARKMAN: Sure, this is Taylor Starkman,
19 for the record. We have a question from Joe Wynn. He
20 asked, how do vet readiness counselors connect eligible
21 veterans with education and vocational training
22 institutions, and how can VA-approved training
23 institutions get information about their training
24 programs to those eligible veterans?

25 MR. KURTZ: So this is Stan Kurtz. I'm not

1 sure if Will -- I think that question is directed to
2 Will with VR&E, and I'm not sure if he's still on the
3 call, so we may have to get back to Mr. Wynn on that.

4 MS. STARKMAN: Okay, thank you. We had a
5 question earlier that was already responded to by Amy,
6 but it was in regard to the Small Business Enhancement
7 Act. Do you want me to read it for the record or just
8 leave it as a written comment?

9 MR. KURTZ: Please read it for the record.

10 MS. STARKMAN: Okay. What is the actual
11 expected timeline for veterans to be able to take
12 advantage of the Small Business Enhancement Act? There
13 are so many capital purchases that are being deferred
14 right now because of COVID. Veteran farmers need to
15 know how long they have to keep patching things with
16 duct tape while waiting to get access to surplus
17 property. It's critical right now with revenue drops
18 due to COVID.

19 And the response, it will depend on the state
20 where the business is located. Each state will be
21 responsible for distributing its surplus property via
22 GSA's Surplus Property Program. I'm sorry we can't
23 provide a more specific time frame because it will
24 depend on the individual states.

25 MR. KURTZ: Okay, well, thank you.

1 MS. STARKMAN: And those were all of the
2 public comments we've received so far.

3 MR. KURTZ: Okay, thank you, Taylor, and
4 thanks to Amy for answering that question pretty
5 quickly.

6 If there's no further questions, I'd like to
7 turn it back over to Larry Stubblefield for any closing
8 remarks.

9 MR. STUBBLEFIELD: Sure. Thank you. Thank
10 you very much, Stan. I'll just start off by saying
11 that this has been one of our better Task Force
12 meetings. In fact, we had great attendance here. So I
13 want to thank you, Stan, and your team, for working to
14 set this up.

15 Special thanks to you, Jen. We couldn't do it
16 without Jen. And to all of our great interagency
17 partners, you know, thank you for being here,
18 participating in the meeting today, but more
19 importantly, thank you for all the great things you're
20 doing for the veteran small business community and for
21 America's small business owners as well.

22 It's very good to hear the information on the
23 Scorecards, so that's really good for our service-
24 disabled veteran-owned small businesses. And, then,
25 I'm really appreciative of the input here because I

1 said in my opening remarks that, you know, we have
2 staffers that are reaching out to us now, you know,
3 asking about the status of the veteran small business
4 community in light of COVID-19, so we got some great
5 feedback here, so greatly appreciate it.

6 Again, thank you all for participating, and
7 going forward, keep doing the great things that you're
8 doing, but above all, stay safe and stay healthy.
9 Thank you very much.

10 MR. KURTZ: Well, thank you, Larry. So this
11 meeting is adjourned. Thank you.

12 (Whereupon, at 3:10 p.m., the meeting was
13 adjourned.)

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