



# FIRST CALL

[www.nvsbc.org](http://www.nvsbc.org)

March 2022



Things are ramping up at NVSBC. What an exciting time!

First let me take a moment to welcome the newest member of the NVSBC staff, Zack Armstrong. Zack has joined us as the Deputy Executive Director and has already made an immediate impact in support to our programs and our members. You will enjoy working with Zack!

Tired of sitting at home on Zoom and Teams calls all week? So are we! Our February Washington DC

networking dinner was wildly successful. We look forward to seeing even more and more of you. If you are in the DC area on the 2<sup>nd</sup> Wednesday of the month, consider coming by and joining us! You won't regret it!

We know that everyone can't travel to or make it to a dinner, so we have also kicked off our Charlie Mike Webinar Series. Check out the list of speakers and join us for great opportunities for business growth and knowledge advancement. The webinar is free and supported by our sponsor BAE Systems.

Registration for VETS22 in Orlando is also live and waiting for you! Come join us, take advantage of the networking, match-making, training, and overall business growth opportunities. Do not miss this opportunity to get your company name in front of many potential partners and buyers by sponsoring or exhibiting. This is a one-of-a-kind event for veteran owned GOVCON companies and those that support them. It is also one of the few in-person events focused on veteran owned small businesses in 2022. Reserve your seat now!

Like I said, NVSBC is working hard to offer world class opportunities for Networking, Training, and Advocacy to help you grow your business. Thank you for your partnership and membership! The coalition is only as strong as its members, and we can't do this for you without your support!

Let's Grow Together!

A handwritten signature in black ink, appearing to read 'Scott Jensen'.

Scott Jensen  
Colonel, U.S. Marine Corps (Ret.)  
Executive Director

## Around the NVSBC

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Congratulation to the NVSBC members who made the VETS100 list. by Forbes Magazine as America's Best Employers for Veterans:

- PingWind
- Pathfinder Consultants
- Blake Wilson group
- Goldschmitt and Associates

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## Welcome New Members!

Kaleidoscope Affect, LLC  
(Laurel, Maryland)

Duty First Consulting  
(Vienna, Virginia)

Aligned Government Services  
Orlando, Florida)

Kimbrite  
(Herndon, Virginia)

Norris Accounting & Tax Services CPA, LLC  
(Fort Washington, Maryland)

Enabled Advisors, LLC  
(Alma, Arkansas)

Philips  
(Cambridge, Mass)

Veterans Professional Services Group  
(Mcalester, Oklahoma)

Business Integration Group, LLC  
(Ashburn, Virginia)

StrategyLINC Consulting, LLC  
(Waldorf, Maryland)

Grace and Associates LLC  
(New Orleans, Louisiana)

New Market Connect  
(Saint Louis, Missouri)

Pisces Healthcare Solutions, LLC  
(Longmont, Colorado)

KNC Strategic Services  
(Oceanside, California)

Stratom, Inc  
(Boulder, Colorado)

Axis Construction Services  
(Fate, Texas)

Panzarella Consulting LLC  
(Bethesda, Maryland)

Reyes Real Estate LLC  
DBA Reyes Sourcing  
(Clermont, Florida)

Hangar 4 Services  
(Canton, Georgia)

GSec LLC  
(Seffner, Florida)

Working Warriors, L3C  
(Stockbridge, Georgia)

G.P.S Healthcare Solutions LLC  
(Conyers, Gerogia)

Parrot Surety Services, LLC  
(Hermitage, Tennessee)

Sergeant T's, LLC  
(Garland, Texas)

Melling LLC (DBA Melling Medical)  
(Alexandria, Virginia)

Phoenix Group of Virginia, Inc.  
(Chesapeake, Virginia)

Monarch Movers  
(Hampton, Virginia)

## GAO Protest Lesson: Preventing and Protesting Conflicts of Interest

FAR subparts 9.5 and 3.1 prohibit conflicts of interest in government procurements, directing agencies to “avoid strictly any conflict of interest of even the appearance of a conflict of interest in Government-contractor relationships.” FAR 3.101-1. Now, a GAO protest has shed light on not only what *not* to do, but also on when raising the issue as a disappointed offeror is worth the effort.

In [\*Serco, Inc.\*](#), Serco was the incumbent on a task order for surface ship support for four separate Naval offices. B-419617.2 (Dec. 6, 2021). During this time, Serco had to submit regular reports on its performance and attend meetings with the program managers of the four offices. The program managers also had access to Serco’s past performance information. While the Navy prepared to re compete the task order, Booz Allen Hamilton (BAH) hired two former program managers from the four offices. Both were program managers during Serco’s contract, meaning they had access to Serco’s reports, weekly meetings, and past performance information.

During re compete evaluations, the Navy awarded to BAH based on its proposal’s strengths for “data analytics” and “manpower, personnel, and training,” as well as its lower price than Serco. Serco protested that the agency did not consider that BAH had access to and used non-public, competitive useful information. Upon its investigation of the matter, the agency informed Serco that it found no actual or apparent conflict of interest. It also later argued that the information the program managers had access to—such as employee labor rates and hours worked—was not competitively useful.

In sustaining Serco’s protest, GAO observed that “where an offeror chooses to hire a former government official who has had recent access to competitively useful information, and uses that official to help prepare the offeror’s proposal, the proposal may be properly disqualified based on the appearance of an unfair competitive advantage.” Where an agency determines there is or is not an unfair competitive advantage present, GAO will review the reasonableness of such a determination.”

The GAO also, however, clarified that the former government employees must also have assisted in proposal preparation efforts for there to be an assumption that an offeror benefited from that employee’s access to inside information. These two employees assisted in proposal preparation. Had BAH firewalled them from preparation, and adequately documented this, the GAO likely would have reached a different result.

Still, keep in mind that Serco could not have known what BAH did or did not do. Regardless of its firewall efforts, it still would have needed to defend a protest. As such, ask yourself whether the benefits of such a hire are worth the risk.

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## CVE Ownership Changes: Report in 30 Days or Risk Your Status

For those of you who are VA VetBiz-verified, you may have noticed your verification letter states you are required to notify the CVE of any “adverse” changes to status. In other words, if you are verified and later go through a change you reasonably believe does not affect your eligibility for the Veterans First Contracting Program, is it safe to wait for re-verification to disclose it? The regulations do not require non-material changes to be reported, and in general, firms have not had issues with waiting until re-verification to provide updates.

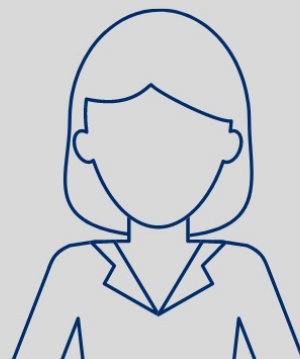
One big exception is an ownership change. **In this instance, a firm must report the change within 30 days.** See 38 CFR §§ 74.21(a)(7) and 74.3(b). In a recent CVE appeal, where a firm had not promptly reported an ownership change to the CVE, the CVE cancelled its verified status. *CVE Appeal of Gruene Shredding*, No. CVE-220-A (February 17, 2022). Despite the service-disabled veteran owners maintaining 90% ownership, the CVE found issues with establishing that one of these veterans controlled all company decisions via its corporate documents. It also found that the firm had not timely submitted VA Form 0877 or responded to a Notice of Proposed Cancellation.

The frustrating aspect of this case is how clearly it appears to hinge on a technicality. Here, service-disabled veterans still maintained 90% ownership of the firm, yet due to a series of omissions the firm was ultimately denied verified status and then forced to unsuccessfully appeal its cancellation. This could have been avoided if the firm had timed its ownership change in such a way that all corporate documents were updated simultaneously to reflect it, including bylaws compliant with eligibility regulations. After putting these in place, the firm could have then submitted a Change Request within 30 days (as it was required to do) and then worked with the CVE to ensure it maintained verified status. However, hindsight is 20/20, and a firm does not necessarily know what to do when it is faced with a change in ownership.

Now, however, you do. If there is a change in your business ownership, complete all necessary amendments to your corporate documents. Then, once you have all signatures affixed, you have 30 days to submit your Change Request to the CVE

### Celebrating the Women Veteran Small Business Community

Find resources to start, grow, expand,  
or recover a business.



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## What Do You Need to Know About VOSB Verification Transferring to the SBA?

As everyone knows, VetBiz verification of veteran-owned firms will transfer to the SBA effective January 1, 2023. While little is known about the SBA's platform for verifying firms (i.e., what this interface will actually look like or what the experience will be), the SBA has provided the following guidance on the transition:

- While the SBA will provide additional guidance for self-certified firms as it becomes available, a one-year grace period applies to self-certified firms. The exception is if a self-certified firm goes through the SBA's certification process prior to that time and is deemed ineligible based on the requirements set forth at 13 C.F.R. §§ 125.12 and 13.
- VOSBs or SDVOSBs verified by the VA at the time of the transfer will not lose their status unless and until their eligibility period (which is three years) expires. The SBA has not issued guidance as to whether it will be conducting site examinations or proposed cancellations (as the VA currently does). Chances are that even if it does, with all the work it must do to handle the transition, these will not be as common as they are now.
- When the VA's Center for Verification and Evaluation's ("CVE") functions transfer to the SBA, the SBA will then maintain the CVE's database of VetBiz-verified firms.

For those firms near expiration in the current system, these may be the best-situated for this transition. If the CVE verifies them during 2022, this means they have an entire three years before they have to use the SBA's new process. New processes always have growing pains, and this may give the SBA time to resolve issues and glitches prevalent at system inception.

The SBA has published [guidance on the transition](#), as well as a [FAQ sheet](#); however, you'll find that these are general. If you would like to be added to the distribution list on transfer questions and updates, you can send your request to [cvetransfer@sba.gov](mailto:cvetransfer@sba.gov).



**MAY 17-20**  
**ORLANDO, FL**  
★ ★ ★ ★  
**REGISTRATION**  
**OPEN!**  
**CLICK HERE**  
**FOR MORE INFO**



# Calendar of Events

Make sure to look for us at the National Veteran Small Business Coalition Networking Dinner happening at the Army Navy Country Club, Arlington, VA

March 9, 2022!  
5:30-8:30 pm  
[REGISTER TODAY](#)

NVSBC welcomes Michael D. Parrish as our guest and keynote speaker. Michael D. Parrish was appointed Principal Executive Director for the Office of Acquisition, Logistics, and Construction (OALC) on March 1, 2021.



[Register: March 15](#)

[Register: March 22](#)



SAVE THE DATE!

Small Business Cybersecurity Boot Camp  
March 16

Small Business Cybersecurity Boot Camp. The speaker is Mr. Aaron Bishop, Department of the Air Force Chief Information Security Officer. Mr. Bishop will provide critical information to help businesses protect their data and networks, as well as protect sensitive Department of Defense (DoD) data. He will also discuss the Air Force and Space Force Chief Information Security Officer's Blue Cyber initiative for small business cybersecurity. This event includes six, information-packed hours of specialists describing resources available to businesses which are already or are considering doing business with the U.S. Space Force, U.S. Air Force or DoD.

[Click to register to attend.](#)