

FIRST CALL PHILIPS

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April 2022



Happy Spring!

This week, I speak with a group of Air Force acquisition professionals. In preparation for that engagement and to best represent the coalition, we surveyed the SDVOSB community concerning barriers and solutions to working with the Air Force. We received an incredible response to the survey. No surprise that most of the comments and recommendations apply to working with most feral agencies and are not isolated to the Air Force. I really appreciate hearing from our constituency and will be able to represent your needs not only this week much more clearly but also into the future.

One question we asked was what NVSBC can do to better address the challenges and barriers that were identified by the respondents. Many responses suggested NVSBC conduct activities or programs that we already offer, indicating a lack of awareness of what we offer Veteran Owned Small Businesses on an ongoing basis. Specific suggestions focused on hosting webinars on gaining access to federal business and how to do business with federal agencies; host opportunities to connect with federal decision makers and meet them face to face; and support reverse industry days with federal agencies. These responses concern me. Those who need our programs are not hearing about them. We need to get the word out more effectively. We are working on that!

Our upcoming VETS22 conference, ongoing Charlie Mike Webinar Series, and Washington DC Networking Dinners offer the training, networking, and advocacy that veteran small businesses tell us they need to succeed in the federal marketplace. Please take some time to review our program offerings and consider participating. If you are actively participating, please share the opportunities with other fellow veteran business owners so they too can benefit.

I am very grateful for those who responded to our survey and their thoughtful input. The inputs we received enable us to refine the programs that we offer to better meet your needs. They also reinforce that the veteran community is committed to supporting one another and creating opportunity as a community. Be on the lookout for future surveys. When you respond, it helps us help you so that we can all *grow together*!

All the best,

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

DUNS to Unique Entity Identifier (UEI) Transition

On April 4, 2022, the Federal government will transition from DUNS numbers to Unique Entity Identifiers (UEI). As a result, vendors will no longer have to obtain or maintain a DUNS number before registering in the System for Award Management (SAM). This change, however, doesn't mean you should toss your DUNS number away. This article will explain why you should hold on to your DUNS number and what to expect from this transition.

Since 1963, Dun & Bradstreet has been assigning unique nine-digit identifiers to businesses and organizations across the globe. Known as a DUNS number, this vendor identifier has been an essential requirement of getting registered to do business with the federal government. However, Dun & Bradstreet does not just assign unique vendor numbers; the company also collects and sells data on millions of companies and organizations. Hence, your DUNS number will remain an important part of your business throughout its life, even if the federal government no longer uses it. Here are a few examples of how your DUNS number may continue to be utilized.

1.A lender may review the "<u>Business Credit Report</u>" associated with your DUNS number to determine your creditworthiness.

2.Another Dun & Bradstreet report, the "<u>Supplier</u> <u>Evaluation Risk Rating</u>," will continue to be of interest to the federal government and other prime contractors and non-federal agencies.

3.If your business requires bonding, a bonding agent will likely look at various reports and data linked to your DUNS number to determine your bondability.

4.Other prime contractors and agencies outside the federal government, who already use DUNS numbers for vendor registration, will continue to do so.

DUNS Tip: It's good to know what Dun & Bradstreet is reporting about your business credit score and rating. If your business credit score and rating are low, you can pinpoint the cause and take action to improve these numbers. The information about DUNS and UEI.company <u>offers several options</u> to help you monitor your business credit score and rating. At the least, you should consider taking advantage of their Free subscription to see how your business fares right now

In sum, you should keep your DUNS number handy. It's like a social security number for your business that will be with your company throughout its life.

Now let's talk about the federal government UEI and what you should do with it.

1.If your business is registered in SAM, it has already been assigned a UEI. Sign in to your SAM.GOV account, and when you pull up your entity information, you should see your UEI number.

2.If your business is not registered in SAM, the government will assign you a UEI as part of your vendor registration process.

3.Add your UEI to your capability statement and other marketing documents where you previously had your DUNS number.

4.Keep your DUNS number on your capability statement. Though not required, it may be helpful to primes and non-federal agencies who utilize DUNS for their vendor registration portals.

5.If you have a document where you keep corporate data such as DUNS numbers, EINs, UBIs, bank routing numbers, and the like, make sure to add your UEI to that list.

6.If you are not seeking a federal contract award but require a UEI, you can obtain it without going through the entire SAM registration process. Check out the recommended reading section below for additional helpful



SBA Spotlights NVSBC Member Thu Stubbs

While supporting mission activities, former U.S. Army Captain Thu Stubbs developed a deep understanding of communications electronics. Ms. Stubbs remained active in the information technology industry after her military service, gaining additional experience and training with large defense contractors. She went on to earn an MBA degree; her thesis focused on customer service. Thu Stubbs' military background, academic work, and two decades of big business training had well prepared her to start her own information technology service company: Technology Science Corporation (TSC), which she actively launched in January 2010. Today, TSC provides Program Management, Enterprise



Network Operations, Cyber Security, Information Assurance, Audiovisual/Video-Teleconference Installation and Services, Information Technology Value Added Reseller (ITVAR), and Large Federal Event and Conference Services.

Qualifying on both bases and to help her company grow within the federal contracting space, Ms. Stubbs registered TSC as a Service-Disabled Veteran-Owned Small Business (SDVOSB) and an Economically Disadvantaged Woman-Owned Small Business (EDWOSB). In 2016, Thu entered the SBA's 8(a) Business Development Program, a nine-year federal contracting training program for socially and economically disadvantaged entrepreneurs. Beyond the business development training itself, Thu Stubbs found tremendous value in the conferences and teaming arrangements made available to her as an active 8(a) participant.

Then, in early 2020, news broke of a novel coronavirus that would sweep the globe. While many small business owners had ample reason to panic over the pandemic's negative effects on the overall economy, Ms. Stubbs chose instead to focus on how COVID might actually serve as a "disruptor" to the marketplace's way of conducting "business as usual." Her keen awareness and forward-leaning perspective paid off, as she soon discovered an opportunity to purchase a special events company to complement the range of information technology services that Technology Science Corporation provides. TSC's expanded capacity to offer special events services supports the company's "007 Black Tie," a charity gala that will raise money to reduce veterans' suicides in 2022. It is an annual event backed by volunteers from teens to seniors all around the Washington, D.C. area.

Creating and seizing opportunities has served Thu Stubbs well throughout her still-evolving career. As Thu continues to excel as an 8(a) program participant, her drive and management prowess are also helping TSC win multi-year federal contracts through the SBA's All-Small Mentor Protégé and Joint Venture Programs. In fact, since gaining her 8(a) certification in 2016, she has had to increase her staff at TSC by 25% to meet the resulting increase in contract work with federal agencies. Still, when asked to reflect on all the hard work she has put into her many accomplishments, Ms. Stubbs shares this remarkable insight: "I feel like I haven't worked a day in my life. It's not work when you enjoy what you're doing and are having fun doing it!"

D'Aniello Institute for Veterans & Military Families

PMorgan Chase & Co., Founding Partner

The Employment Situation of Veterans MARCH 2022

Overview

On April 1st, the Bureau of Labor Statistics (BLS) reported that employment rose by 431,000 in March, and the unemployment rate declined to 3.6 percent. Notable job gains continued in leisure and hospitality, professional and business services, retail trade, and manufacturing.¹ For veterans, unemployment decreased from 3.2 percent to 2.4 percent in March. Post-9/11 veteran unemployment decreased from 3.2 percent to 3.0 percent. Of the total 216,000 unemployed veterans ages 18 and over, 26 percent have been unemployed for less than five weeks and 74 percent have been unemployed for more than five weeks. The average length of unemployment is 30.7 (the median is 13.6 weeks). The overall unemployment trend varies by different veteran demographic factors, however, some more than others.

With respect to age, the unemployment rate for veterans ages 18-24 increased in March, from 7.2 percent to 8.8 percent. The unemployment rate for veterans ages 25-34 decreased from 4.6 percent to 4.5 percent. During this period, veterans ages 18-24 were unemployed at a higher rate than their nonveteran peers of the same age group (8.2 percent). Veterans 25-34 were unemployed at a slightly higher rate than their nonveteran peers of the same age group (4.2 percent). The unemployment rate for veterans ages 65 and older decreased in March, from 4.0 percent to 3.1 percent.

Demographics & Trends

The following tables summarize the employment situation of veterans in America based on BLS data released on April 1, 2022. These are unpublished data from the Current Population Survey, not seasonally adjusted, and represent the period ending March 2022.



UNEMPLOYMENT RATES FOR:	February 2022	March 2022	Change (+/-)	Annual Averages 2021
All Americans (18 and over)	4.1	3.7	-0.4	5.3
All Veterans	3.2	2.4	-0.8	4.4
Post-9/11 Veterans	3.2	3.0	-0.2	4.6
Gulf-War I Era Veterans	2.3	1.4	-0.9	3.5
WWII, Korean War and Vietnam Era	4.7	3.6	-1.1	4.4
All Nonveterans	4.1	3.8	-0.3	5.3

UNEMPLOYMENT RATES FOR VETERANS

Demographic Category	February 2022	March 2022	Change (+/-)	Annual Averages 2021
18-24	7.2	8.8	+1.6	8.7
25-34	4.6	4.5	-0.1	5.9
35-44	2.4	1.1	-1.3	4.3
45-54	2.1	1.7	-0.4	3.3
55-64	3.2	2.1	-1.1	4.4
65 and older	4.0	3.1	-0.9	4.1
Male	3.0	2.5	-0.5	4.4
Female	4.6	1.7	-2.9	4.2
White, Anglo, Caucasian	2.7	2.1	-0.6	4.2
Black or African American	5.3	3.6	-1.7	5.0
Hispanic, Latino/a, or Spanish Origin	4.9	3.6	-1.3	6.0
Asian or Asian American	5.8	1.9	-3.9	3.8

Veterans ages 65 and older were unemployed at a slightly higher rate than their nonveteran peers of the same age group in March (3.0 percent).

The unemployment rate for female veterans decreased in March, from 4.6 percent to 1.7 percent. By comparison, female nonveterans have an unemployment rate of 3.4 percent. The unemployment rate for male veterans decreased in March to 2.5 percent. By comparison, male nonveterans have an unemployment rate of 4.1 percent.

The unemployment rate for Black or African American veterans decreased to 3.6 percent. This rate is lower than the unemployment rate of their nonveteran counterparts (6.3 percent). The unemployment rate for Hispanic, Latino/a, or Spanish Origin veterans decreased to 3.6 percent. This rate is lower than the unemployment rate of their nonveteran counterparts (4.4 percent). Readers should be cautioned, however, that data on specific veteran subgroups can vary widely from month to month.

^{1.} https://www.bls.gov/news.release/empsit.nr0.htm

UNEMPLOYMENT RATES FOR POST-9/11 VETERANS

Demographic Category	February 2022	March 2022	Change (+/-)	Annual Averages 2021
18-24	7.2	8.8	+1.6	8.7
25-34	4.6	4.5	-0.1	5.9
35-44	2.3	1.1	-1.2	4.0
45-54	1.0	2.0	+1.0	2.8
55-64	3.1	4.4	+1.3	3.2
65 and older	-	-	-	4.5
Male	2.8	3.2	+0.4	4.6
Female	4.8	1.8	-3.0	4.9
White, Anglo, Caucasian	3.4	3.2	-0.2	4.5
Black or African American	2.0	1.0	-1.0	4.6
Hispanic, Latino/a, or Spanish Origin	6.6	5.6	-1.0	6.0
Asian or Asian American	4.7	1.8	-2.9	4.9

UNEMPLOYMENT RATES FOR NONVETERANS

Demographic Category	February 2022	March 2022	Change (+/-)	Annual Averages 2021
18-24	8.3	8.2	-0.1	9.5
25-34	4.5	4.2	-0.3	5.7
35-44	3.6	3.0	-0.6	4.6
45-54	2.8	2.5	-0.3	4.2
55-64	3.2	2.7	-0.5	4.2
65 and older	3.2	3.0	-0.2	4.5
Male	4.4	4.1	-0.3	5.5
Female	3.8	3.4	-0.4	5.1
White, Anglo, Caucasian	3.6	3.3	-0.3	4.7
Black or African American	6.9	6.3	-0.6	8.7
Hispanic, Latino/a, or Spanish Origin	4.7	4.4	-0.3	6.7
Asian or Asian American	2.9	2.7	-0.2	5.0

NOTE: Although the BLS reports the national average for those 16 and over, the tables above include only those that are 18 and over to make a more accurate comparison to the veteran population. Post-9/11 are of the Gulf War Era II (September 2001-present). Other periods of service include Gulf War Era I (August 1990-August 2001), Vietnam Era (August 1964-April 1975), Korean War (July 1950-January 1955), World War II (December 1941-December 1946). Veterans who served in more than one wartime period are classified only in the most recent one. Veterans who served during one of the selected wartime periods and another peacetime period are classified only in the most recent one. Veterans who served during one of the selected wartime periods and another peacetime period are classified only in the wartime period. The minority-by-gender unemployment rates are not displayed due to small sample size and are more appropriately displayed as annual averages.

NAICS SIZE INCREASES: IS THE BIGGER FIT MORE COMFORTABLE FOR ANYONE READING?

Effective April 30, 2022, new size standards will apply to many industries, increasing the annual revenue a firm could have earned to be considered "small" under small business set-asides issued by the federal government. (In general, updates to size standards are made about every five years in order to adjust for inflation).

With respect to industries in which many NVSBC members participate, increases apply to the following NAICS Codes:

- NAICS 541310 (Architectural Services) from \$8 million to \$11 million
- NAICS 541330 (Engineering Services) from \$16.5 million to \$22.5 million
- NAICS 541611 (Administrative Management and General Management Consulting Services) from \$16.5 million to \$21.5
- NAICS 541990 (All Other Professional, Scientific and Technical Services) from \$16.5 million to \$17 million.
- NAICS 561110 (Office Administrative Services) from \$8 million to \$11 million
- NAICS 561330 (Professional Employer Organization) from \$30 million to \$36.5 million.

To determine eligibility for federal small business assistance, the Small Business Administration (SBA) establishes small business size definitions (usually referred to as "size standards") for private sector industries in the United States. The SBA uses two primary measures of business size for size standards purposes: average annual receipts and average number of employees. The series of final rules recently issued revises size standards of industries grouped by various NAICS sectors.

In evaluating an industry's size standard, the SBA examines characteristics such as average firm size, startup costs and entry barriers, industry competition and distribution of firms by size, and the small business level and share of Federal contract dollars in that industry. The SBA also examines the potential impact a size standard revision might have on its financial assistance programs, and whether a business concern under a revised size standard would be dominant in its industry.

The final rules delve into the justifications for revising the applicable size standards and the various factors considered in each adjustment. It may not be as interesting as a Stephen King novel, but the read does provide insight into how the SBA looks at size standards as well as summarizes the comments received with respect to prospective revisions and the SBA's response.

The most interesting component, however, is how *few* comments were received in response to the proposed rules. One received only 12 comments, despite the fact that thousands of firms participate in the federal marketplace under these NAICS codes (Education Services; Health Care and Social Assistance; Arts, Entertainment and Recreation; Accommodation and Food Services; Other Services). Of these, only *three* were considered relevant.

While the weight of any such comments received is debatable, this goes to show how that when it comes to size standards, either the interest in providing input is almost nil, or federal contractors prefer to leave adjusting size standards to the SBA.

Legal Briefs by Legal Meets Practical

Bid Protest Lesson: An Educated Decision to Protest Can Pay Off

In a recent Government Accountability Office ("GAO") decision, a protest challenging a federal agency's past performance evaluation was sustained where the agency failed to adequately document its relevancy evaluation of offerors' past performance information and improperly reduced one of the protester's ratings on a past performance questionnaire.

In *Starlight Corporation, Inc.*, the Air Force had issued a solicitation as a small business set-aside for towing, washing, de-paneling, lubrication, and cleaning services for C-5 and C-17 aircraft at Dover AFB. (March 14, 2022). Four offerors, including Starlight, the incumbent contractor, and Empire, the awardee, submitted proposals. After evaluating proposals, the Air Force found that only Empire's proposal merited a rating of Acceptable for the technical factor. The Air Force also assigned Empire a rating of Substantial Confidence for past performance and determined that Empire's pricing was fair and reasonable. The agency did not find it necessary to conduct discussions and awarded the contract to Empire.

Here, the GAO found that the Air Force's evaluation was not sufficiently documented to allow the GAO to determine whether the Air Force's conclusions regarding the relevance of Empire's past contract references were reasonable. Essentially, the only place in the contemporaneous record where the relevance of the past performance information was addressed was a table for each offeror in the SSEB report. In this regard, the SSEB report included a table for each offeror that documented the following five pieces of information for the past efforts considered: (1) project/contract number; (2) whether the information was from a PPQ or a CPARS record; (3) recency rating; (4) relevancy rating; and (5) assigned confidence rating. Id. While the SSEB report included the notation "relevant" for each contract, it made no mention of the relevance of the contracts in relation to the solicitation requirements; nor did it provide rationale for the relevancy ratings assigned. The GAO concluded there was insufficient information in the record to assess the reasonableness of the agency's relevancy conclusions and,

on that basis, sustained the protest. It recommended that the agency reevaluate proposals in a manner consistent with the terms of the solicitation and this decision, adequately document the rationale for its ratings, and make a new source selection decision based on that reevaluation. It also awarded the protestor's costs.

For those of you not familiar with the formal process of bid protests at the GAO, a high-level tutorial is in order. That will illustrate what happened here and the lesson that applies.

First, for post-award protests, one protests within 10 days the basis of the protest becomes known. The exception is when a *required* debriefing is timely requested and received; in that instance, an additional five days to protest is provided. When one files the protest with the GAO, the federal agency that conducted the procurement issues a response to the protest and produces an agency report (which contains relevant documents, and also those specifically requested by the protestor, though the agency can justify why it will not produce requested documents). Once the agency report is received, the protestor (via counsel; most information there is "protected" and one must have permission to access it) has ten days to respond to the report. Importantly, they also have the chance to raise other issues not known until they've had a look at the agency report.

Here, the issue with inadequate documentation could have only been known through the access to the source selection documents. While the protestor prevailed on both grounds raised (which is unusual), this just goes to show how issues that crawl out of the woodwork when an agency responds to a protest can be the reason a protest is successful.

As such, if you have grounds to protest and you're willing to invest the cost, it can be well-worth it. Once the agency produces the documents relevant to the source selection process, a savvy attorney may find an even stronger reason you should prevail (and in general, unreasonable evaluation or insufficient documentation are the most common reasons for sustained protests). In this case, the protestor received its fees back (which the GAO will award upon sustaining a protest) and another bite at the apple via re-evaluation.

Calendar of Events



 Apr 12 - Session 5: Perfecting Your Elevator Pitch for VETS22

 Apr.19 - Session 6: CVE Transition to SBA

National Veteran Small Business Coalition Networking Dinner Army Navy Country Club, Arlington, VA

> April 13, 2022 5:30-8:30 pm

Keynote Speaker Mr. Shannon Jackson HHS OSDBU Director

Register Today





The DHS OSDBU will be hosting a Large and Small business matchmaking session on April 20, 2022. This is outside of our Normal Vendor Outreach Sessions. I am seeking large business prime contractors to be part of this first time event that supports small businesses, DHS initiatives, and the President's agenda. If your firm is interested email me at darlene.bullock@hq.dhs.gov

Small business registration information will be provided later and posted on <u>www.sam.gov</u>...



SEPTEMBER 6 - 8, 2022 (IN-PERSON) www.navygoldcoast.org