

Supporting Statement for VA Form 0877
Vetbiz Vendor Information Page
Verification Program
2900-0675

A. Justification

1. The Department of Veterans Affairs (VA), Center for Verification and Evaluation (CVE) supports VA's duties prescribed by Public Law 106-50, the Veterans Entrepreneurship Small Business Concerns Owned and Controlled by Veterans' Contracting Goals and Preferences. Our objective is to help VA reach the statutory procurement goal that at least 3% of total prime contract dollars be spent with service-disabled Veteran-owned small businesses (SDVOSBs) and verify the business is owned and controlled by a Veteran. Other Federal agencies also have the same goal, and large Federal contractors have a similar subcontracting goal. The Small Business Administration and US Census Bureau have identified roughly 2 million Veterans and service disabled Veteran owned businesses.

Additionally, VA self-imposes a goal that 7% of prime contract dollars be spent with Veteran-owned small businesses (VOSBs). Executive Order 13360 (October 2004) stated that the CVE will provide businesses information and assistance concerning participation in Federal contracting to service-disabled Veterans, and assist agencies by making available services of CVE. Related Federal Legislation: Public Law 109-461 as amended by Public Law 111-275, 38 USC Section 8127, Small Business Concerns Owned and Controlled by Veterans' Contracting Goals and Preferences, Public Law 108-183, Procurement Program for Small Business Concerns Owned and Controlled by service-disabled Veterans (December 2003), and Public Law 106-554 the Small Business Reauthorization Act of 2000.

2. Information collected will be used in two ways; (1) to identify Veteran-owned small businesses. The Veteran or service-disabled business owner (or designee) will enter company information, business partner names, social security numbers and date of birth for Veterans into an electronic form that will be located on a secure database. The Veteran will have to verify that at least the 51% of the business is owned by Veterans. Federal and private contracting officers will use the information to help meet their procurement goals. This information is also used by businesses and citizens interested in purchasing goods or services from Veteran-owned small businesses. The ease of identifying such businesses promotes teaming and mentorship within the Veterans' business community. (2) To identify a Veteran or service-disabled Veteran business owner. The Veteran or service-disabled Veteran business owner will have to enter his personal information into an electronic form that will be located on a secure database and electronically signed. Only CVE personnel will use the information to verify the business owner as a Veteran or service-disabled Veteran by utilizing VA's Beneficiary Identification Records Locator Sub System (BIRLS) database.

3. The collection will be made using an online electronic database to efficiently manage data collection, minimize the use of paper, and make non sensitive information accessible 24 hours a day. After the business information is submitted, it will be stored into a Structured Query Language (SQL) database and then verified by staff members before releasing the information to the database interface. Using an Internet based application will reduce the burden on owners by eliminating postage and mail transit time.
4. The System for Award Management (SAM) receives information for business concerns seeking Federal contract work. Because SAM is not specifically tailored to Veteran business owners, it does not ask the question or certify the business is 51% owned by a Veteran or Veterans. In the absence of the gateway questions (Are the owner(s) Veterans? If the owners are service-connected, do they have documentation? Is the business small for Federal contracting purposes?) Contracting officers may rely upon inaccurate information when making sourcing determinations. Additionally, when awarding contracts, contracting officers have an additional burden of ensuring the business meets the definitions outlined in the Federal Acquisition Regulation, an additional processing step in the procurement timeline. Further, the Secretary of Veterans Affairs is required by PL 106-50 and Public Law 109-461 as amended by Public Law 111-275 to verify and maintain a database of all Veteran-owned small businesses, not just those interested in Federal opportunities and to annually notify these businesses of available help resources.
5. There will not be any significant economic impact on a substantial number of small businesses. Completing the electronic forms requires approximately 30 minutes. For this investment of time, the owner receives annual help information; notices of requirements matching the company's products or services; and periodic information about training; events in the industry line or community; verification; and VA's Veterans First contracting opportunities.
6. The collection of information will validate a Veteran's business ownership status. This action will provide assurance to buyers that the business is owned by Veterans or service-disabled Veterans. Such assurance is expected to stimulate an increased number of set-asides for service-disabled Veteran-owned small businesses and greater inclusion of Veteran-owned small businesses on sourcing lists. This action is necessary to comply with Public Law 109-461 as amended by Public Law 111-275 to verify businesses within the VIP database. This public posting will encourage agencies to contract with service-disabled Veterans, a requirement of the Secretary of Veterans Affairs under Public Law 106-50 in compliance with Public Law 109-461 as amended by Public Law 111-275.

This information must be collected in order to support the goals of Public Law 109-461 as amended by Public Law 111-275, Public Law 108-183 and Executive Order 13360 for Federal contracting officers to verify Veteran and service-disabled Veteran status. Therefore there is a danger that many awards to SDVOSBs will be protested thereby inhibiting the ability of Federal agencies to award contracts to SDVOSBs.

7. The applicants will be asked to submit their name, social security number, VA claim number/file number, date of birth to which describe the ownership structure of the business to verify that at least 51% or more of the business is owned by a Veteran or Veterans (or, in the case of service-disabled veteran-owned small businesses, by Veterans who have documentation of service-connected disability or surviving spouses)

8. The Notice of Proposed Information Collection Activity was published in the Federal Register on January 29, 2014, volume 79, Number 19, and Pages 4814 - 4815. There were no comments received in response to this notice.

9. VA does not provide any payment or gifts to respondents.

10. VA Vetbiz Vendor Information Pages 123VA00VE, Privacy Act of 1974, Privacy Act 5 U.S.C. 552a, HIPPA Privacy Rule, OMB Memorandum 99-18, VA Handbook 6300.4, will govern activities by all staff members during the collection and accessing of information using the NARA-compliant filing system.

11. None of the questions on this form are considered to be of a sensitive nature other than social security numbers.

12. VA anticipates 20,000 applicants a year. The time to complete the online application is estimated at 30 minutes; therefore the estimated burden hours are 10,000.

Form/Application Number	No. of respondents	x No. of responses	x No. of minutes	÷ by 60 =	Number of Hours
VA Form 0877	20,000	1	30		10,000

13. There will be no cost to applicants or record-keepers.

14. No cost burden will be put upon applicants. There will be no annualized cost to the Federal government.

15. The burden hours increased to comply with Public Law 109-461 as amended by Public Law 111-275, 38 USC Section 8127 to collect additional information.

16. No information collected will be published.

17. The information collected will have a lifetime need for Federal agencies and vendors. To ensure the Veteran community that VA is providing efficient and better ways to help Veterans expand into the Federal market place and also have a database that can be considered reliable to contracting officers. CVE is not requesting exemption for display of an expiration date on this form.

19. There are no exceptions to the certification statement identified in item 19 of the OMB 83-I.

B. Collection of Information Employment Statistical Methods

There will be no statistical methods used in the collection of information.