

Date: June 1, 2012

From: Director, Office of Procurement Policy and Warrant Management Services (003A2A)

Subj: Class Deviation from VA Acquisition Regulation 819.7003, Eligibility

To: Associate Deputy Assistant Secretary for Procurement Policy, Systems and Oversight (003A2)

1. **Purpose:** To request your approval, in accordance with Federal Acquisition Regulation (FAR) subpart 1.404, Class Deviations, and Department of Veterans Affairs Acquisition Regulation (VAAR) subpart 801.404, Class Deviations, to issue a Class Deviation from VAAR 819.7003, Eligibility.

2. **VA Acquisition Regulation (VAAR) Sections Impacted:** VAAR subpart 819.7003

3. **Effective Date:** Immediately.

4. **Expiration Date:** September 30, 2012

5. **Background:**

a. **Current VAAR Policy:**

**VAAR 804.1102**, Vendor Information Pages (VIP) Database requires after December 31, 2011, all Veteran-Owned Small Businesses (VOSBs), including Service-Disabled Veteran-Owned Small Businesses (SDVOSBs), must be listed as verified in the VIP database, and also must be registered in the CCR to be eligible to participate in order to receive new contract awards under this program.

**VAAR 819.7003**, Eligibility, provides that at the time of submission of an offer, the offeror must represent to the contracting officer that it is a SDVOSB concern or VOSB concern in accordance with the VAAR, including that it is verified for eligibility in the VIP database. Presently, verification at the time of an offer is a condition to receive contracting awards under the VA VOSB prime contracting and subcontracting program.

b. **Need for Deviation from VAAR 819.7003:** A deviation is required to add an exception for VOSBs that are undergoing recertification. Currently, VAAR 819.7003 (b)(3) precludes these vendors from submitting an offer unless verified. This class deviation will ensure that these firms which have previously complied with 38 CFR Part 74 and the Veterans Small Business Verification Act of 2010 are not disadvantaged by the high volume of requests

Class Deviation from VA Acquisition Regulation 819.7003

for new VOSB verification. Additionally, this class deviation is needed to ensure businesses that receive awards under this program are indeed VOSBs as required for acquisitions pursuant to VAAR 819.70.

- c. **New Policy:** Adds a new section (e) Exceptions: At the time of submission of an offer, previously verified VOSB firms, including SDVOSBs identified by the Center for Veterans Enterprise (CVE) as currently undergoing the VOSB status verification renewal process are eligible for an expedited status review. However, an award shall not be made to the offeror-firm until verification is complete.

6. **Attachment:**

- VA Class Deviation from VA Acquisition Regulation 819.7003, Eligibility

7. **Additional Information:** Questions or comments regarding this class deviation may be directed to Ms. Eyvonne Mallett, Senior Procurement Analyst, at (202) 461-5101.

/s/Marilyn Harris

Attachment

APPROVED/DISAPPROVED

/s/C. Ford Heard III

June 1, 2012

\_\_\_\_\_  
DATE

## **Class Deviation**

### **Department of Veterans Affairs Acquisition Regulation 819.7003, Eligibility**

Contracting officers (CO) shall include the following provision in all solicitations issued after the effective date of this deviation, pursuant to Department of Veterans Affairs Acquisition Regulation (VAAR) 819.70, Service-Disabled Veteran-Owned Small Business Acquisition Program, as follows:

#### **819.7003 Eligibility.**

(a) Eligibility of SDVOSBs and VOSBs continues to be governed by the Small Business Administration regulations, 13 CFR subparts 125.8 through 125.13, as well as the FAR, except where expressly directed otherwise by the VAAR, and 38 CFR verification regulations for SDVOSBs and VOSBs.

(b) At the time of submission of offer, the offeror must represent to the contracting officer that it is a—

(1) SDVOSB concern or VOSB concern;

(2) Small business concern under the North American Industry Classification System (NAICS) code assigned to the acquisition; and

(3) Verified for eligibility in the VIP database.

(c) A joint venture may be considered an SDVOSB or VOSB concern if

(1) At least one member of the joint venture is an SDVOSB or VOSB concern, and makes the representations in paragraph (b) of this section;

(2) Each other concern is small under the size standard corresponding to the NAICS code assigned to the procurement;

(3) The joint venture meets the requirements of paragraph 7 of the size standard explanation of affiliates in FAR 19.101; and

(4) The joint venture meets the requirements of 13 CFR 125.15(b), modified to include veteran-owned small businesses where this CFR section refers to SDVOSB concerns.

(d) Any SDVOSB or VOSB concern (nonmanufacturer) must meet the requirements in FAR 19.102(f) to receive a benefit under this program.

(e) Exceptions: At the time of submission of an offer, previously verified VOSB firms identified by the Center for Veterans Enterprise (CVE) as currently undergoing the VOSB status verification renewal process are eligible for an expedited status review. However, an award shall not be made to the offeror-firm until verification is complete.

END