

**Department of  
Veterans Affairs**

**Memorandum**

Date: February 3, 2017

From: Executive Director Office of Small and Disadvantaged Business Utilization (OSDBU) (00SB)

Subject: Amendment to Site Determination for the 2017 National Veterans Small Business Engagement (NVSBE) proposing new dates: December 4-8, 2017 and new location: St. Louis, Missouri

To: Secretary (00)

**1. Purpose:**

Request approval to change the dates and location of the 2017 NVSBE currently scheduled to occur October 31 through November 4, 2017 in Cincinnati, Ohio. The proposed new dates and location for the event are December 4 through December 8, 2017 in St. Louis, Missouri. We also request approval of a revised budget for NVSBE 2017 of \$1,571,000 (a reduction from the \$1,581,000 previously approved by Secretary McDonald in April 2016.)

**2. Background:**

- a. OSDBU conducted an in-depth analysis in February, 2015 and determined Cincinnati had sufficient capability, based on the combination of convention and hotel availability, to ensure a successful event. Since that time, a number of the proposed hotels in Cincinnati withdrew their participation. In addition, one available hotel (Millennium) which represents over 50% of the required sleeping room block necessary to house NVSBE attendees does not meet the standards expected by our participants. OSDBU has been unable to locate other hotels with both the sleeping room capacity as well as a rate at or below the prevailing federal per diem rate.
- b. The NVSBE 2017 is the seventh annual iteration of this event that provides Veteran-Owned Small Business Owners (VOSB) improved access to VA, Federal, and Commercial Procurement Decision Makers (PDM's). The 2016 NVSBE event hosted approximately 3,500 participants and offered the opportunity for VOSBs to connect with more than 570 PDMs from Federal agencies and private industry resulting in more than 3,100 "Direct Access" activities.
- c. The waiver for this 2017 event was previously approved by SECVA MacDonald on April 13, 2016 at a budget of \$1,581,000.

**3. Goals and Objectives:**

- a. The ultimate goal of the NVSBE is to: 1) enable procurement ready VOSBs to add value to the mission of the VA by providing the opportunity to learn about requirements, and 2) match VOSB capabilities to VA procurement needs, so that VOSB can compete effectively for procurement awards.
- b. In order for VA to comply with 38 USC 8127 without degrading its ability to serve veterans and be good stewards of taxpayer funds, we seek to use NVSBE to conduct market research required by law and to expand the supply base of procurement ready VOSBs.
- c. This is the premier Federal government event enabling Veteran-Owned Small Businesses to maximize opportunities to achieve access and build business relationships needed to effectively compete for and win Federal contracts.

**4. Business Case Analysis:**

- a. Cost Justification: St. Louis is less costly than Cincinnati or Atlanta. Cost estimates are outlined in more detail in Attachment 2.
- b. Number and Type of Attendees: We seek to increase the value of VA investment by attracting more than 3,000 business participants to work with 350 VA personnel, 100 PDMs from other Federal agencies, and more than 50 commercial firms. We seek to increase return on investment by connecting PDMs who have opportunities (Buyers) with the VOSBs capabilities (Sellers) prior to the event so all participants can effectively use their time at the event.
- c. Duration: The 2017 NVSBE will be held over three days to enable participants to make more and better connections. In addition to the primary objective of providing access, the event also affords VA agencies the opportunity to leverage NVSBE participation to conduct training for staff at a marginal additional cost.
- d. Timing: The 2017 NVSBE has been scheduled for the first quarter of the fiscal year to maximize available procurement opportunities. The proposed dates do not conflict with holidays or other organizations holding events over the same time period at the convention center and surrounding areas.

**5. Cost Mitigation Efforts:**

- a. The use of a no cost contract for the NVSBE will spread costs across all participants. Event expenses covered under the no cost contract are funded by hotel concessions, venue food and beverage guarantees, booth fees, sponsorships, and registration fees paid by all participants.
- b. As a result, VA expenditures for the NVSBE are limited to contractor support, travel, and registration fees for VA participants. Other Cost Savings/Cost Avoidance measures follow:

- 1) **SWAG:** There are no gifts, trinkets, memorabilia, or commemorative embossed items. Sponsors may provide items based on their sponsor package, at no cost to VA.
- 2) **Per Diem:** All Federal government participants will be notified that they may not claim per diem for meals provided to them at the NVSBE.
- 3) **Food and Beverage:** The NVSBE contractor will stipulate that all provision of food and light refreshments will be in compliance with Federal policy and regulations.
- 4) **Entertainment:** There will be no entertainment included in the NVSBE.
- 5) **Hotel Costs:** Event hotels are providing rooms at per diem.

**6. Findings:**

- a. St. Louis is situated in VISN 15 region. The Missouri Veteran population is 567,388 (9.3%). The metro area Veteran population is 34,043 (6%). The airline lift averages 223 daily flights with 70 non-stop destinations. The availability of flights has brought down the estimated ticket cost on average by \$25-\$50.
- b. Ninety-five percent of the required sleeping room block is adjacent to the convention center. All the proposed hotel rates are at the federal per diem rate which is \$11.00 lower than Cincinnati's. The 2013 NVSBE occurred in St. Louis and was considered by participants as the best of all NVSBE venues.

**7. Estimated Cost:**

Costs comparison for the NVSBE 2017 for Cincinnati and St. Louis are summarized below.

Estimate	training event title	Number of VA employees	Non-Travel Cost	Travel Cost	Contractor Support	Total Cost
Cincinnati (as reported in waiver)	NVSBE	350	\$304,800	\$607,257	\$668,780	\$1,581,000
St. Louis	NVSBE	350	\$270,000	\$540,000	\$760,707	\$1,571,000

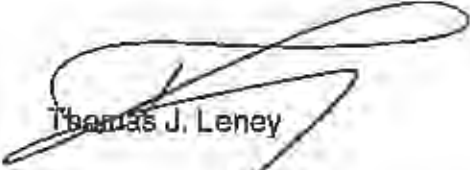
**8. Budget Reviews and AAR:**

To ensure effective oversight we will continue to use the Executive Steering Committee consisting of senior executives from all relevant VA organizations to review planning and coordinate activities. Actual event costs will be briefed along with an assessment of the extent to which the NVSBE accomplished its goals as part of the After Action Review process.

**9. Participation of VA Executive Leadership:**

We propose that The Secretary of the Department of Veterans Affairs (SECVA) attend the NVSBE 2017 and the Undersecretaries also attend to show senior leadership commitment to this important effort. The attendance of Executive Leaders at past NVSBEs made a very positive impression on the stakeholder community.

10. I am available at your convenience to discuss this proposed change.



Thomas J. Leney

**Attachments**

- 1) City and Venue Pros and Cons
- 2) Site Comparison

**STRATEGIC COMMUNICATION REVIEW**

NAME OF ORIGINATOR: **Dave Thomas**      VAD NO.: **1713487**      DATE: **02/02/2017**      DATE DUE: **02/03/2017**

NAME OF EXECUTIVE SECRETARY STAFF: **Jen Jessup**      SUBJECT: **Date and Location Change for the 2017 National Veterans Small Business Engagement (NVSBE) - Decision request**

ROUTING	INITIALS	DATE	COMMENTS
<input checked="" type="checkbox"/> EXEC SEC	<i>JT</i>	2/7/17	
<input type="checkbox"/> SENIOR ADVISOR			
<input checked="" type="checkbox"/> COSVA	<i>SL</i>	2/8/17	
<input type="checkbox"/> DESECVA			
<input checked="" type="checkbox"/> SECVA	<i>JT</i>	2/8/17	Approve <i>[Signature]</i> Disapprove

**KEY POINTS**

- ▶ The 2017 NVSBE is currently scheduled 31 Oct - 4 Nov 2017 in Cincinnati, OH. Recent hotel attrition makes conducting the 2017 NVSBE in Cincinnati, OH problematic.
- ▶ Request approval to change NVSBE location and dates. The new dates and location are 4-8 December 2017 in St. Louis, MO. This change in venue reduces the budget waiver required.
- ▶ We previously held the NVSBE in St. Louis, MO. The venue provides greater operational capability to conduct scheduled activities for Veteran Small-Business Owners.

**CONCURRENCE**

Thomas J. Leney, Executive Director, Small and Veteran Business Programs

**EXECUTIVE SUMMARY**

**Purpose - Discussion - Recommendation**

**Purpose:** Request SECVA approval to move the NVSBE 2017 from Cincinnati, OH to St. Louis, MO and to shift event dates from October 31-November 4 to December 4-8, 2017. We also request approval of event budget of \$1,571,000. This is a formal follow up from discussion on January 27, 2017.

**Discussion:** Recent hotel attrition in Cincinnati has resulted in insufficient rooms being available for participants of the 2017 NVSBE in this city. The venue at St. Louis, MO affords additional and better meeting and hotel space that is more conducive for the scheduled event activities. The change in venue enables a decrease to the approved budget dated April 13, 2016, signed by SECVA Bob McDonald. The adjusted event dates fall well after Thanksgiving and prior to the Christmas holiday period.

**Recommendation:** That the SECVA approve the change of location and dates for NVSBE to St. Louis, MO, 4-8 December, 2017, and approve an event budget of \$1,571,000.

**FOR OFFICE OF THE SECRETARY, USE ONLY**

<input type="checkbox"/> SPECIAL HANDLING INSTRUCTIONS	DATE OF INCOMING	DATE VA RECEIVED	DATE OF INTERIM	DATE RECEIVED IN 2018
<input type="checkbox"/> RUSH <input type="checkbox"/> DATE DOCUMENT FOR				
<input type="checkbox"/> NOTARIZE				