Cite as: Matter of Bravo Federal Consulting, LLC, SBA No. CVE-213-A (2021)

United States Small Business Administration Office of Hearings and Appeals

IN THE MATTER OF:

Bravo Federal Consulting, LLC,

Appellant,

SBA No. CVE-213-A

Decided: December 1, 2021

U.S. Department of Veterans Affairs

APPEARANCE

Jason Haddad for Bravo Federal Consulting, LLC

DECISION

I. Introduction and Jurisdiction

On August 5, 2021, the U.S. Department of Veterans Affairs (VA) Center for Verification and Evaluation (CVE) issued a Notice of Proposed Cancellation (NOPC) to Bravo Federal Consulting, LLC (Appellant). On September 9, 2021, CVE issued a letter cancelling Appellant's inclusion as a verified Service-Disabled Veteran-Owned Small Business (SDVOSB) in the CVE Vendor Information Pages (VIP). On September 13, 2021, Appellant appealed the denial to the U.S. Small Business Administration (SBA) Office of Hearings and Appeals (OHA). For the reasons discussed *infra*, the appeal is denied.

OHA adjudicates SDVOSB appeals under the authority of 38 U.S.C. § 8127, and 13 C.F.R. § 134.102(u).

II. Background

A. CVE's Cancellation

On August 5, 2021, CVE issued an NOPC to Appellant. (NOPC, CF Ex. 75.) CVE noted that Appellant was a verified a participant in the VIP Verification Program, and Mr. Jason Haddad was Appellant's owner. While CVE confirmed Mr. Haddad's veteran status, it could not conclude Appellant met the regulatory requirements for inclusion in the database. (*Id.*, at 1.)

CVE noted that all applicants for the VIP Verification must be listed in the System for Award Management (SAM) prior to application submission. (*Id.*, citing 38 C.F.R. § 74.2.) On July 1, 2021, Appellant submitted to CVE a change request of its name, from Pro Gov Solutions, LLC to its current name. CVE attempted to review Appellant's SAM profile, but it appeared Appellant had not registered with SAM as Bravo Federal Consulting, LLC. CVE concluded that absent confirmation of Appellant's active registration with SAM, CVE could not reasonably conclude that the requirements of 38 C.F.R. § 74.2(f) were satisfied. (*Id.*, at 2.)

Further, CVE noted that a participant must maintain its eligibility during its tenure and inform CVE within 30 days of any changes that would affect its eligibility. (*Id.*, citing 38 C.F.R. § 74.15(b)). The regulation permits CVE to remove a participant from the database for good cause upon formal notice in accordance with 38 C.F.R. § 74.22. (*Id.*, citing 38 C.F.R. § 74.21(d).) One example of good cause is failure by the participant to maintain its eligibility for program participation. (*Id.*, citing 38 C.F.R. § 74.21(d)(2).) CVE concluded that because Appellant had not registered in SAM, it could not reasonably conclude the concern had maintained its eligibility for program participation pursuant to 38 C.F.R. § 74.21(d)(2). (*Id.*)

CVE then informed Appellant that the NOPC was an official notification that CVE was considering cancelling Appellant's verified status as an SDVOSB. CVE gave Appellant 30 days to provide sufficient evidence refuting the information identified and explaining why the proposed ground should not justify cancellation. CVE would then make a decision as to whether to cancel Appellant's status. (*Id.*)

On September 9, 2021, CVE issued to Appellant a Notice of Verified Status Cancellation. (NVSC, CF, Ex. 78.) It was further noted that Appellant had failed to respond to the NOPC. (*Id.*, at 1.)

CVE found it was unable to conclude Appellant satisfied the eligibility requirements. First, all applicants must be registered in SAM prior to submission. (*Id.*, citing 38 C.F.R. § 74.2(f).) CVE noted that Appellant had submitted a change request to inform CVE of a name change from Pro Gov Solutions, LLC on July 1, 2021. CVE attempted to review Appellant's SAM profile, but Appellant had not registered as Bravo Federal Consulting LLC with SAM. Therefore, CVE could not conclude Appellant met the requirements of 38 C.F.R. § 74.2(f). (*Id.*, at 1-2.) Further, CVE indicated that it may remove a participant for good cause upon formal notice. Good cause includes failure to maintain eligibility for program participation. (38 C.F.R. § 74.21(d)(2)) Because Appellant was not registered in SAM, it had failed to maintain is eligibility. (*Id.*, at 2.) CVE, thus, found it could not reasonably conclude Appellant has maintained its eligibility for program participation and therefore, it cancelled Appellant's verified status. (*Id.*)

B. The Appeal

On September 13, 2021, Appellant filed the instant Appeal with OHA. The full text of the appeal is:

I am writing this email as an appeal to the recent determination letter that was submitted in the VetBiz VIP portal in regards to Bravo Federal Consulting LLC. When the application was submitted to the department of verification and evaluation, Sam.gov and the IRS were not yet made aware of the amendment of the company's name. The correction was ultimately processed by the IRS, and subsequently Sam.gov around september 1st, 2021.

The company is now ready to be verified by the experts at the Center for Verification and Evaluation. Attached you will find the determination letter as well as the certificate of service. This email serves as the notice of appeal.

(E-mail from J. Haddad to OHAFilings@sba.gov (Sep. 13, 2021).)

III. Discussion

A. Burden of Proof

Appellant has the burden of proving, by a preponderance of the evidence, that CVE's cancellation of Appellant was based on a clear error of fact or law. 13 C.F.R. § 134.1111. OHA's decision is based on evidence in the CVE Case File, arguments made on appeal, and any responses thereto. 13 C.F.R. § 134.1112(c).

B. <u>Analysis</u>

Here, CVE cancelled Appellant's inclusion in the VIP database due to eligibility issues based upon the regulations. As a requisite, applicants for inclusion must be listed in SAM. 38 C.F.R. § 74.2(f). Appellant was not listed in SAM and does not refute CVE's finding that it was not. Sections II.A & II.B, *supra*. A firm must maintain its eligibility and inform CVE of any changes that would affect its eligibility within 30 days. 38 C.F.R. § 74.15(b). Further, failure by a firm to maintain its eligibility is good cause for removal from the database, which Appellant had failed to create and maintain its SAM listing. 38 C.F.R. § 74.22(d)(2). When CVE alerted Appellant to these grounds for cancellation in the NOPC, Appellant failed to submit any response to CVE or request for an extension of time. Section II.A, *supra*.

On appeal, Appellant fails to identify any error of fact or law in CVE's decision. An appeal petition must include a statement of why the cancellation is in error. 13 C.F.R. § 134.1105(a)(2). Appellant submits no such statement. Rather, Appellant simply announces that it is now ready to be verified. At the time CVE made its cancellation decision, Appellant had made no submission to CVE to establish that it met the regulatory requirements for inclusion. Section II.A, *supra*. As to Appellant's statement on appeal that it was listed "around" September 1st, Appellant cannot argue CVE was in error not to act on information never presented to it. *See CVE Appeal of David Han d/b/a Coresivity*, SBA No. CVE-140-A, at 4 (2019) (finding CVE would not have erred in concluding that appellant did not provide the information necessary to verify its eligibility when appellant did not submit the requested information to CVE at the time of the cancellation.) In this case, CVE properly identified Appellant's failure to comply with the regulation, gave notice and an opportunity to respond, and acted after Appellant failed to make any response. I find no error of fact or law in CVE's actions.

Accordingly, I conclude that I must deny the instant appeal.

IV. Conclusion

Appellant has not proven CVE's decision was based on a clear error of fact or law. 13 C.F.R. § 134.1111. I must therefore **DENY** the Appeal. This is the final agency action of the U.S. Small Business Administration. 38 U.S.C. § 8127(f)(8)(A); 13 C.F.R. § 134.1112(d).

CHRISTOPHER HOLLEMAN Administrative Judge