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News Alert

VA Denies GAO Again

Aldevra Wins Again

(SDVOSB News Services, Washington, DC, March 14, 2012) — Today, the Government Accountability Office (GAO) again found the Department of Veterans Affairs (VA) guilty of breaking a law to give procurement preference to service disabled veteran-owned small businesses (SDVOSB). GAO sustained that VA improperly solicited an ice maker from a pre-selected group of government contractors instead of conducting market research for qualified SDVOSB.

PL 109-461, passed in 2006, mandates the VA to set aside all VA procurement opportunities and conduct market research to determine if two or more SDVOSB could complete the terms of the contract. VA must conduct market research BEFORE issuing a solicitation to any other pool of prospective vendors.

The VA blatantly ignores PL 109-461 with impunity, however, and purchases goods and services from the Federal Supply Schedule, GSA and Ability One before investigating if an SDVOSB can provide the deliverables of the solicitation.

The first VA rejection of GAO's decision came in late 2011, when GAO recommended in favor of Aldevra, Inc., an SDVOSB out of Portage, MI. Aldevra protested a solicitation for several small kitchen appliances. VA simply cancelled the solicitation and has not re-issued it. GAO again agreed with Aldevra last week after they filed a separate protest of an ice maker solicitation issued by the VA, and again VA did no market research.

The resistance of the VA to obey the law to the detriment of veterans is legendary, but this negative GAO recommendation prompted VA to send an official letter from Dennis Foley, VA General Counsel, stating flatly that the agency would not abide by the GAO decision. The VA has not responded to *VetLikeMe* to for an official statement.

Mr. Ralph Baxter, an SDVOSB from Frederick, MD noted: "The VA is supposed to be fighting for us, but they prefer to use FSS instead. The deal is simple, in my eyes. The VA doesn't want to eliminate the "Funding Fees" they charge FSS vendors for each contract. They continue to break the law."

Tim Power, an attorney currently litigating a similar case in CA, commented on the VA's latest display of bureaucratic arrogance: "Legal actions cannot change the attitudes of people. If the VA is not helping veterans I don't think [the VA] losing a lawsuit will change that bias and attitude. But, legal pressure combined with public outrage can bring about change."