

## COMMON ISSUES THAT SLOW APPLICATIONS DOWN

- **100% of Owners have not completed the VA Form 0877 electronic signature.** It is critical to enter correct information for each owner, including Social Security numbers of all Veterans, correct email addresses for each owner, and that the ownership percentages add up to 100%. Upon receipt, each owner will receive an email containing a link to electronically sign VA Form 0877. Immediately communicate with all owners in order to have them complete the eSignature. Advise owners to check their spam folder if they have not received the email. Once all the electronic signatures adding to 100% are completed and received, the application is electronically submitted for processing. If all signatures are not submitted within seven days, the process must be repeated.
- **The applicant does not upload all required documents to their VIP Profile and then click [SUBMIT].** The application processing does not start until the applicant clicks [SUBMIT].
- **The applicant does not provide complete documentation. (See Suggestion #5 in Components of Success)** The Examination cannot begin until all of the required documentation is submitted. In some cases, the Examiner requests additional documents and receives a nonresponsive reply, such as:
  - The applicant does not want to submit it. In this case, the application does not proceed until the applicant submits the requested document(s). After the 30 day deadline in the email request has lapsed, the application is forwarded for removal from the process.
  - The applicant sends documents that are inconsistent with each other and/or other information. In this case, the Examiner will ask for additional information and explanation. If those are not received within the time requested, the application will be referred to higher-level review and is likely to be denied by VA.
  - The applicant provides a response that requires the Examiner to resolve the issues. The applicant must provide their own documents and explanations in order to resolve any issues regarding ownership and control by the Veteran without requiring the Examiner to make any assumptions. All explanations must fully explain the deviation or the reason that the document is not being submitted. The applicant cannot assume that the Examiner will be able to fill in the gaps and resolve ambiguities or omissions in the applicant's favor; it is important for the applicant to provide a complete and factual response.

- **Non-Veterans appear to control the company. (See Suggestions #1 and #2 in Components of Success)** The Examiners will review all information to determine that the applicant conforms to the requirements in 38 CFR 74.4. In those cases in which the Veteran holds the highest officer position, is the highest paid employee, and manages the company on a day-to-day basis, the Examination is likely to proceed quickly. If the management structure deviates significantly, the Examination proceeds more slowly, and additional supporting documents will likely be requested. Review all agreements and policy documents to assure that the applicant controls the Company and the Board of Directors. In many cases, an Examiner is sent to the company's place of business to conduct an onsite Examination.
- **The Veteran is unavailable.** Generally, direct communication with the Veteran is the most productive means of resolving discrepancies or omissions in the record. Additionally, if the Veteran is unavailable, it implies that the Veteran is not managing the business on a day-to-day basis. An eligible Veteran owner will be required to explain how any outside employment affects their ability to control the Applicant. If the Veteran is a Federal employee, it is unlikely that the company can receive a Federal contract (See FAR 3.6).
- **The applicant has an unusual ownership or management structure.** Current practice is to conduct an onsite Examination of applicants with unusual ownership or management structures. Joint or co-management with non-Veterans will usually result in a finding of a lack of control and a denial. The Veteran must have full authority to control the concern, or adequately weighted voting rights to have final decision-making authority.
- **The applicant has affiliation issues.** Businesses are affiliates of each other if, directly or indirectly, one has the power to control the other. Based upon 38 CFR Parts 74 and 74.5, affiliation issues must be examined in more detail to assure that the applicant is not unduly dependent on other entities to the extent that those entities have the potential to control the applicant. Current practice is to conduct an onsite Examination of Applicants who appear to have affiliation issues.