SMALL BUSINESS ADMINISTRATION

ADVISORY COMMITTEE
ON VETERANS BUSINESS AFFAIRS

Wednesday, September 23, 2009

9:00 a.m.

Eisenhower Conference Room
Second Floor

PARTICIPANTS:

William D. Elmore,	Associate Administrator, SBA Office of Veterans' Business Development
Felix C. Vargas	Board Member
Frank Mancini	Board Member
Patrick J. Mackrell	Board Member
Stephen H. White	Board Member
Ron M. Miller	Board Member
John M. Garcia	Board Member
Scott Denniston	Board Member
Jathan Chicoine	Board Member
Billy C. Jenkins	Procurement Specialist SBA Office of Veterans' Business Development
Raymond B. Snyder	Deputy Associate Administration
Edward L. Ronders	Director, Michigan Veteran Business Outreach Center
Dr. J. Michael Haynie	Syracuse University Consortium Entrepreneurial Boot Camp for Disabled Veterans (EBV)
Ruth A. Fanning	Director, Department of Veterans Affairs Vocational Rehabilitation & Employment Service

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Michigan Veteran Business Outreach Center

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for Disabled Veterans (EBV)

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Department of Veterans Affairs
Vocational Rehabilitation & Employment Service

P R O C E E D I N G S

MR. VARGAS: Hi, good morning. Let's get started with the meeting this morning. What I would like to do is circulate some notes that I hammered out last night and this morning on what I thought were some highlights of discussions yesterday. And we can talk about these when we have our committee discussions later on. But I did want to make an effort to get these out.

If you think I have missed something -- which I probably did -- or misstated something -- which I hope I did not -- please feel free to pencil it in, or get it to me subsequently, and I will put it in. What I would like to do is include this in the minutes that will go out to the full committee, so that those members who are not present can see what it is that we discussed, or listened to.

And with that, I think we are on schedule here to listen to Mr. Edward Ronders, who is the director of the Michigan Veteran Business Outreach Center. Now, Ed is one of the eight veteran business centers that we hear a lot about: the five that Bill

has been supporting several years now, and three which he also has been supporting, but who were flailing -- not flailing -- who were lacking severely in resources last year. And, fortunately, they were able to get enough to continue on.

But they have struggled mightily with limited resources to do a yeoman's work in supporting veteran entrepreneurship. The focus of -- most of the discussions today will be on this important category of education and training for veteran entrepreneurs.

And I think -- I know -- that you will see here an excellent model, which really is another example -- we have heard from Arkansas on their particular model that they have through their veterans technology outreach center.

But, Bill, I don't know if you would like to say something about Ed. I have known him for a couple of years, and I know what he does.

MR. ELMORE: I think -- and I will share with you a little, I think, of what I was saying to Ed this morning, in that, first off, I am glad the committee asked him to come.

Second, I think I realize, as the manager of the aid centers, or the overseer, that he is probably in the toughest location in the country, just because of the economy.

So, I was urging him to share with you not just what he does, but sort of how he does that, what works, what doesn't work, how are his relationships with SBA and our other partner programs, how are his relationships with other parts of the veterans community, and how does that interplay and support his work, to give you sort of, I think, hopefully, a really good insight into not only the success that can come from this, but the struggles you have to go through to do it well.

MR. VARGAS: Absolutely.

MR. ELMORE: And I am just pleased that he is now a veteran business outreach center, and I wish we had more resources to provide him.

MR. VARGAS: Okay. Ed, welcome.

MR. RONDERS: Thank you, and good morning. For those of you who don't know me, my name is Ed Ronders. I am the executive director of a veterans

business outreach center in Flint, Michigan.

We are headquartered in Flint, in the State of Michigan, which, by the way, has 15.2 unemployment for the state. In the city of Flint, it's probably closer to 28 percent. It's just been devastated. It was a GM town, with the emphasis on the word "was."

But we serve 4.6 million veterans in the service, National Guard members, and their families, in a 6-state area. Our mission statement is pretty doggone simple: Empowering veterans to realize their entrepreneurial dreams one business at a time.

We offer a variety of services. And I want to take you back to how we started and what we do and what we see for the future. Among our services are counseling, education -- everything from starting a business to marketing, becoming eligible for government contracting -- growing your business. We have an incubator, in conjunction with Goodwill Industries of Michigan right in our office. Of course, we talked about government contracting.

And we also have Vet's Night Out. And that's something I am very proud of. Last June, we started

what we called Vet's Night Out. It's a networking opportunity. Once a month we go all over the state. Two hours, that's it. No agenda. Everybody introduces themselves, and then we just sit back and watch veteran business owners interact among one another.

Since that first one in June, we are probably closing in on 300 people who have attended this. In fact, we have one tonight in Lansing, Michigan. When I left, I think we had 10 people signed up. So we will get as few as 8, as many as 40, 45, depending on the event, the location, and other factors.

There were two businesses, one from the Detroit area, and one from Kalamazoo. This was probably last winter, I believe. They created a joint venture, secured a contract in Europe. So it works. People get ideas, people who get stuck get on the GSA schedule. I've got a couple of ladies that are whiz-bangs at that, and they are also very generous in donating their time to other veterans to help them out.

I want to break this down into two time frames: 2005 to 2008.

Before I go into that, a little history

lesson for those of you who are unaware. In the fall of 2004, the Veterans Corporation, a non-profit corporation chartered by Congress, came to Flint, Michigan. And they wanted to start a veterans business resource center patterned after the one in St. Louis and another one in Boston.

I was asked to get involved. We looked at the concept, we shook up the bottle, looked at it again. I thought, "This is a damn good idea, and we could use it." Well, as things went along, the Veterans Corporation -- how can I say this delicately? They had their own issues. And they --

MR. WHITE: You don't have to be delicate here, that's okay.

MR. RONDERS: They left us hanging on a limb, to put it mildly. They got us started, I will give them credit on that. But we moved along. And when we first started, we didn't even have a desk.

Well, guess what? You know who took us in, so we wouldn't be orphans? The local SBTDC, which was housed at the U of M, Flint -- University of Michigan, Flint. Gave us space, telephones, and expertise, and

encouragement.

The funding was uncertain throughout. But still, we began building a network. We started building two networks. More on that later.

In 2005 to 2008, we had 63 classes, workshops, had 780 attendees, 282 consults, 16 new business, and 48 new jobs created. As of last April, we came under the SBA. And since then, boy, Bill, you're keeping us busy.

MR. ELMORE: Sorry.

MR. RONDERS: I ask you to ignore this number. Somehow -- I don't know where that came from, but that's not correct. But we have had 26 classes in fiscal year 2009, 327 attendees, 6 start-ups, 19 new jobs.

This is the amazing thing. One of our networks I was telling you about, almost 3,000 National Guard soldiers that we have interacted with who have come home from deployment. The State of Michigan has, rough and dirty, 8,400 members of the National Guard. Over 10,000 have been deployed since 2003 or 2004.

And we've also -- from April, when we came on

board with the SBA, until the end of August, we've counseled 401 people. Our phone has been going off the hook, it truly has. Some of those are repeat customers, but we're working on it.

MR. CHICOINE: As you go through this -- and I don't want to interrupt you -- but if you can, share with us, you know, sort of why this dramatic growth in -- you know, if you have any insights into that, it would be helpful.

MR. RONDERS: Okay. I'm going to get to that, because we took a two-pronged approach to building this operation.

One of the approaches is what I call outreach. And it started, really, in 2005. I decided to take a road trip down to Lorain, Ohio. They were going to have a veterans conference down there, put on by the PTAP, the SBA district office out of Cleveland, and the SBDCs down there.

I would like to say I steal ideas, but really I borrow them. I give them back when I'm done. I went down there, and I found out that they had over 300 people attending this conference. More importantly, we

were an exhibitor. And there had to be -- in 3 hours time, there had to be 20 people from Michigan who came up to our table, and they asked, "Where the hell have you been?" And I asked them, "What are you doing here? Come and see us?"

Scott Denniston, at that time, was director for CVE, Center for Veterans Enterprise. And he made a statement that day. He said, "If anybody out there wants to have an event for veteran entrepreneurs, please call the center and we will come."

So, I thought, "Okay, I'm going to take you up on that." I called him, and he came the next year, 2006. The first one drew 112 people.

The following September, with a grant from Bill's office and from a bank, we put on Operation SAVE, Serving America's Veteran Entrepreneurs. We talked about starting a business, financing a business, and government contracting.

Part of our network -- the fellow there with the beard -- he is in charge of lender relations for the Michigan district office, and also he's the veterans rep on staff, Al Kirk. Behind him is Don

Morendini. There is myself, and the fellow next to me, Randy Hancock, he was the -- he was an officer at the First Citizen's Bank at Port Huron. They also put up some money. He is now working with the SBA.

Through that event, we printed a CD, 1,000 of them. We took the various speeches, presentations, and now we're distributing that to the National Guard, and to other veterans who come in. It's sort of a three-hour "how to," answer all your questions on veteran entrepreneurship.

But the biggie is coming up October 23rd. We moved that conference out of Flint, Michigan, and took it closer to Detroit, for a lot of reasons. We're having it at the Michigan State University Management Education Center, which is near the headquarters for the Big Three. That's what they used to do, is provide graduate training -- graduate education -- for mid-level executives.

And they have a center, there is two divisions to it. One is the academic side, the other is a physical side. In talking with the fellow about renting it for the conference -- he's a former

paratrooper. He's going to give it to us for next to nothing. I couldn't afford not to go there. And it's a beautiful, beautiful facility.

As of this date, we have nine federal agencies, signed up, including GSA, the VA, and we're working on the biggie, DoD. They may be there, they may not. I don't have a commitment yet. Four state agencies. We're going to have two tracks: starting your own business, and procurement.

We are going to have some folks there -- our greatest asset -- success stories. Overnight success stories, I call them. It only took about 5 or 10 years, but it's overnight.

Counselors, veteran service officers.

Here is another biggie I believe in, county purchasing directors. Everybody looks at the big kahoona, DoD, VA. But you know what? Your counties spend a lot of money. And that's something we've been looking into more and more.

Another highlight. When they rolled out the Patriot Express in June of 2007, Richard Temkin -- he's the director of the Michigan district office in Detroit

-- he called and said, "Hey, can we do this at your office?" And I said, "Absolutely." And we also brought in BG Carol Ann Fausone. She's the assistant adjutant general for veterans affairs for the State of Michigan.

Okay. Next, another element that we work on in kind of pushing behind the scenes is the State of Michigan, in the year 2004, spent about $11 billion on goods and services. Anybody want to take a guess how much money they awarded in contracts to SDVOBs out of $11 billion? You know the answer, I will bet.

You don't count, Bill. Okay, Bill, go ahead.

MR. ELMORE: Zero?

MR. RONDERS: You're close. $60. $60. And we don't even know if that went to veterans, because they didn't designate them as veterans, but just people with disabilities. So --

MR. ELMORE: Ed, you said that was out of $60 billion?

MR. RONDERS: Out of $11 billion.

MR. ELMORE: $11 billion.

MR. RONDERS: Approximately, give or take.

So we've got public law 90 and 91 passed, establish a supplier diversity department. And we set a three percent goal. First year, got up to 191,000, won an award.

Then the state, for whatever reason, was going to drop the program, just let it go away. Well, we weren't going to let that happen. We went back, folks went before the House and the Senate, and they said, "Here is a great opportunity. You can go from three percent to five percent, be one of the leaders in the nation." You know what? They did.

So, as you can see, it's grown from $60 to $29.5 million. But that is through August. These numbers are from the State of Michigan Supplier Diversity Office. And they have indicated to me that they could very well hit $40 million by the end of this month. So that's a heck of a growth.

MR. ELMORE: Any idea what that percent is, or might represent, approximately?

MR. RONDERS: It's less than one percent.

MR. ELMORE: Still less than one?

MR. RONDERS: But it's a heck of a lot more

than $60.

MR. ELMORE: Oh, yes.

MR. RONDERS: Success stories. How many of you know Frank Campanaro? Frank knows everybody, I swear. Frank Campanaro, Army major, president and CEO of Trillacorpe Construction. He also has a couple of other subsidiary companies. He is one of our very best clients. Two or three years ago he came to us, had some financial issues. Sat down.

Well, Frank moves so fast, the only way I could get to talk to him was to go with him to Lansing for a meeting and talk with him in the car as we're going back and forth. We dissected his problem, put him in touch with some folks, and he got it situated. He now has over $50 million in federal contracts -- and that might be a little bit low.

MR. ELMORE: Okay, can you back up for a second?

MR. RONDERS: Absolutely.

MR. ELMORE: Unless you're going to touch on this later. You just said something I think is really important, and that is you -- I don't -- it doesn't

sound like you had the expertise in your office about how to dissect the problem, but you knew where to go get that expertise.

MR. RONDERS: Absolutely, absolutely. That's one of our building blocks. You think I have all the answers? Uh-uh. And I'm not foolish enough to think I do. But if I don't have an answer, I'm going to find somebody who does. And that's a big strength.

Frank was named the Veterans Small Business Champion for region five last year. I'm a little prejudiced. I think he should have won the national award. But there are other years.

And one of the things that he does -- you talk about a network, this guy is a one-man network -- he started the Fallen and Wounded Soldiers Fund in the State of Michigan. I went to his dinner last year. I've gone for several years. But over 1,000 people were there, at $100 a pop. Two years ago he had Oliver North as speaker, pulled in over $200,000. I'm not sure how much he made last year. Next year he's going to have General Shinseki as his guest speaker, his keynote speaker. Like I say, everybody knows Frank.

MR. VARGAS: Ed?

MR. RONDERS: Yes?

MR. VARGAS: Would you allow me to say, also, that one -- another attractive aspect of what Frank Campanaro does is that he focuses a lot on hiring veterans and --

MR. RONDERS: Absolutely.

MR. VARGAS: -- particularly disabled veterans.

MR. RONDERS: Absolutely. In fact, I think maybe a year or so ago he implemented a policy for subcontractors that you will have at least -- I forget the percentage, three percent -- of veterans on your payroll, and you have to prove it to him. He's the prime, so he's the man.

Yes, he has helped a lot of veterans. I have sent people to him with questions on bonding, you name it, and getting through the procurement system. And Frank is eager to help them.

Another success story, one of our very first clients, Jorge Lecea. He and his brother, Oscar, were GM employees. They retired. Probably six months after

we started he came in. He was starting an LLC. I call it a staffing company. And he wanted to bid on contracts. I helped him apply for 8(a) status. That was denied. Too much money in his bank account, darn it.

But he pressed on. And he won. His first contract -- two contracts -- were over $3 million. Just talked to Jorge maybe a month ago. First contract has expired. He said, "But that's okay. I got another one to replace it." And he was looking for some job fairs, so he could find some veterans to hire. Just an outstanding person. And we helped him get financing with a local bank, gave him a line of credit.

So, as you can see, it's a work in progress. Here is the veteran population in our six states.

Finances. In 2006, $77,000, that's what we lived on. As you can see, it went up. But a year ago, a little over a year ago, we were so close to closing our doors. In fact, Goodwill Industries, the president called me and said, "Come on over, let's talk. I think we can collaborate." I had to call and cancel the meeting, because I thought we were done.

And then we had a story in the paper the following day, and that's when the president, Gary Smith, called me back. And he says, "Now I understand." He said, "Come on over. We'll talk, anyway." And he says, "What do you need immediately?" I said, "Pay my rent." And he says, "You got it."

And then Colonel Vargas, soon thereafter, he sent us an email or a phone call, and sort of took us by the hand, St. Louis, Boston, and Flint, and we went to Boeing Corporation and got a small grant to keep us going. That was in September of last year.

Then, in October, the Veterans Corporation evidently felt -- realized that, hey, they needed us to get more funding from Congress so they decided, "Well, we will send you some more money," and so on. But that's the way it went. We were -- believe me, within a week of closing. And I thank you for that, Colonel, I really do.

2010? Who knows? What we have done is we have built a two-track operation. One, I mentioned, was outreach. And we have incorporated a lot of partners and a lot of resources to help us, and we have

been very, very blessed. I kid about the district office in Detroit. They spoiled us. They have never turned us away if we've had a question, if we needed something, they're there.

The SBTDCs, extremely supportive. We're a one-man band. We were; now we have two people. But if I have a client I need to counsel in Lansing or Grand Rapids, I can get office space by calling the SBTDC, and they give me a place to come to, and I can meet somebody. That's just one fo the things they do for us.

Colleges. We're involved with the U of M, Flint. Baker College. And we're going to expand that. The PTACs, they've been wonderful. They're helping us put this conference on. They have a lot more contacts than I do.

And then we have what we call -- we just started this. It's coming together. It's called the E Team, a coalition of the Chamber of Commerce, SBTDCs, us, Baker College, U of M, Flint, and there is probably some others I'm missing. But we all deliver entrepreneurial services to people.

And if, for example, somebody goes into the Chamber and they're a veteran, and they've got some questions, they will send them to us. Conversely, if we have somebody who is not a veteran, we will listen to them and then we will try to send them to the most appropriate agency. And that's evolving. We set up a standard now for business plans and for counseling people. So that's another valuable, valuable resource.

Goodwill Industries of Mid-Michigan. They're supplying our office. We have an incubator in there. We have had one veteran come through. He used it. Unfortunately, he didn't succeed, and there was nothing more we could do, really. But it's there, for people who want to use it.

On the other side of our operation, we have the veterans programs. We can find you veterans all day long. The veterans service organizations are wonderful to us: American Legion, VFW, management for the State of Michigan, the National Guard, the Yellow Ribbon, what they call the road to integration. They have kept us really busy on weekends for the past two years.

MR. ELMORE: I'm going to ask you about that. So they're asking you to come out to their Yellow Ribbon events?

MR. RONDERS: Yes.

MR. ELMORE: Okay.

MR. RONDERS: Yes. We haven't missed one yet.

MR. ELMORE: If you can, just send me something that demonstrates that. I'm on their national advisory board, and I will take that back to them as an example of a place where it's working.

MR. RONDERS: Okay. In fact, they had one this weekend in Lansing, Michigan. The unit had 44 people deployed; 9 are on leave, so we're going to have 35. Hopefully we will be there.

We have has as many as one show up on a Sunday morning for our class -- "Sit down, son, you're going to get real good instruction" -- to having classes of 40 or 50.

Rehab officers, we work with them. Because, you see, when you have this great support system out here, and then you have veterans coming in through the

TAC program, whatever, you have to look at the whole veteran, not just the entrepreneur.

Another success story -- I can use that as an example -- if he was here, he would tell you the same story, so I'm not letting out any secrets. Name is Dan. I call him Dan the Paint Man, one of our very first clients. Vietnam vet, he was a chaplain assistant in the Navy. And those guys didn't deliver too much good news in Vietnam.

So, he's having issues now, but he wanted to start a painting business. And when he came in to us, he was just getting his feet on the ground. "Okay. Have you looked into VOC rehab?" Went to VOC rehab. They helped him pay for getting his business plan printed, got him equipment. We convinced VOC rehab to -- a computer, his painting equipment, bought him a van, and he got up and running.

And Dan kind of jumped around a bit. Next thing you know he was painting parking lots. Helped him get a job with that, get some jobs, get some contracts. Then he decided he was going to go after government contracts with the VA. And that's what he

did, building ramps for the handicapped. And that's what he's still doing, although he's passed it on now to his wife. He is not able to do the physical labor any more.

So, he utilized contacts with the VA, we used contacts with VOC rehab, and contacts within our network of SBTDC and so on, and with the banks. So it works. And you just can't treat half the veteran.

And if somebody comes in with a question -- another example, an Air Force captain. She was discharged -- this is, what, September? I think the end of June. Medical retirement. She has already started two businesses. But she was having difficulty understanding the route to file a disability claim with military retirement. I don't even understand the whole thing.

But we were able to put her in touch with a veterans service officer in Lansing, because that was the best one I knew of. And they're helping her work her way through the system. And believe me, if she couldn't work her way through the system and have that peace of mind, her businesses would suffer. They

really would.

So, that's our holistic approach, bringing in resources, bringing in veteran resources, and trying to deliver our services. We've done this in Michigan, as you can see. We have had successful conferences, classes, counseling, mentoring, success stories, and we really, really -- we've been hit really hard.

But we're not going to give up. We're going to keep plugging. We're going to establish those same programs and those same networks in our other five states. And to do that, we have to have a physical presence. We have to go meet with the Veterans Affairs people. We have to go meet with the VSOs. We have to go meet, like we did in Michigan. We will go to the district, American Legion, go to their meetings, so I can hit 10 or 11 posts at once.

We want to partner with the same network that we have now, the VSOs, the PTACs, county counselors. They are invaluable. Some are better than others, and you learn that. Some aren't worth a hoot. Others are just -- you couldn't pay enough money for how much they care.

The National Guard, colleges and universities. And I forgot. One of the newest additions to our network, Student Veterans of America. Bill turned me on to that last year. It originated at the University of Michigan in Ann Arbor.

For those of you too young to remember, during the Vietnam War, that was ground zero for protests with SDX. Well, a little old thing called the new GI Bill came along. That kind of changed U of M's attitude a bit, because they saw dollar signs. Now, I'm being cynical.

But U of M, Flint, we have an Afghan and Iraqi vet -- and I've got to give this guy all the credit in the world. Jeremy is his name. He went in, and he wanted to know, "What is this university going to do for veterans?" He blew by the gatekeeper, the secretary, and went in, I think, to the provost's office. And he asked that question, "What the hell are you going to do for veterans?" And they said, "Sit down. Let's talk."

As fate would have it, they have started a veteran curriculum. They had a veteran's orientation

at the end of August. And the capper is I think later this month they are opening the veterans resource center on campus, which is going to be a place where veterans can go and hang out.

And we've been invited to bring in our program. We will go there on a regular basis -- I haven't figured it out yet -- but bring in VSOs, bring in the National Cemetery -- they should know what benefits are coming to them -- and just have a place where they can meet people. Yes?

MR. ELMORE: Yes, Ed, I understand that Student Veterans of America is up to about 200 chapters now. I don't know if you have any insight into that. But, yes, they're really the next -- they're the beginning to emerge generation.

MR. RONDERS: Exactly. And that's kind of -- we're kind of double-dipping here, because, A, we're getting into veterans here, which is a good thing -- we can help them -- we're getting into potential entrepreneurs -- Jeremy is going after his master's. The university has already offered him a job when he graduates.

But let's say we find a veteran, a student veteran, and they want to open up whatever, a business down the road. Sit down with us, and we also have the university. Maybe you need marketing. Maybe you need this. Work with them. It's a win-win. Yes, John?

MR. GARCIA: Is your state department of veterans affairs involved with you at all?

MR. RONDERS: Not really. I will be blunt. The state government, aside from OMB, Department of Labor, they're not very supportive.

MR. GARCIA: Why is that? I'm sure you met with them.

MR. RONDERS: Wish I could give you an answer. We had a -- the Joint Veterans Council of Michigan, which incorporated Department of Veterans Affairs, VSOs, us, OMB, and we were meeting, and I don't know what -- I think it was politics. And it just dissolved.

So, I am keeping my powder dry. There is an election next year, and we will go that route. We have been working through our legislators.

MR. GARCIA: To change the leadership there?

MR. RONDERS: Not to change the leadership, but if there are any veterans issues that come along, we get more response from our legislators in the House and the Senate than we do in Veterans Affairs. Wish I could tell you the reason.

MR. ELMORE: Another question. Was your state veterans affairs supportive of that procurement legislation at the state level? Have they seen -- I assume they know that's happened.

MR. RONDERS: Yes. They were really silent on the issue.

MR. ELMORE: Okay.

MR. GARCIA: Well, the only reason I'm asking, I'm the secretary of veterans affairs for my state. And I'm kind of curious why he isn't -- or they're not -- engaged in this stuff. Are they dealing with veteran -- there is just no interest? Or what?

MR. RONDERS: I think there is no interest at the administration level, to be very blunt with you.

MR. GARCIA: But if there was, this thing would just kick into high gear, wouldn't it?

MR. RONDERS: Absolutely. We had to beg,

borrow, steal, kick, shout to get anything about veterans on the state website.

MR. GARCIA: So, let me ask you this. If the SBA and/or the VA, or both together, sent down a mandate to the states to jump into this, would that help?

MR. RONDERS: I would hand carry that letter.

MR. JENKINS: In fact, that's what happened in Minnesota, you know. The governor and adjutant general, on a plane ride back, and on the back of an envelope, they drew up a plan for the veterans resource centers.

And then, next day, the governor sent a memorandum out that said institutions have 30 days, you know, agencies have 30 days to evaluate policies and procedures. It echoed all the way down from the top, and you --

MR. GARCIA: See, what you're hearing here is a great program that almost mirrors what we're doing in my state. But there is a key element that's missing here, and that is the state's engagement.

MR. RONDERS: Yes.

MR. GARCIA: It's crucial.

MR. RONDERS: It is.

MR. GARCIA: There has got to be this mandate from the SBA, the VA to governors and states. You've got to get before the National Governor's Association. Because his program, like ours -- and there are others very similar -- if you just connect the dots, and then put that mandate, there is this energy that develops.

MR. RONDERS: Sure.

MR. GARCIA: And you just stated it. If that would have happened, you would have big guns behind you, right?

MR. RONDERS: Yes, absolutely.

MR. GARCIA: Yes. It's crucial. Because they're out there by themselves, and they need the governor, the legislative body, and a mandate to come in from SBA and the VA. Otherwise, we're all in the dark like this.

MR. ELMORE: And even, arguably, DoD, because of the Yellow Ribbon --

MR. GARCIA: You see what I'm saying?

MR. VARGAS: Absolutely. I don't know if you

were here earlier. He said that he's got an excellent relationship with the SBA office director there.

MR. GARCIA: But when I'm hearing you, it's identical. I mean, I could just mirror this and say this is what I've got going on. My student vets, everything that we have been doing.

The difference is, I've got my governor, my legislative body, the SBA, the SBDC, all engaged in this thing. And I am funding the program, my agency, see? Because I go get legislative money to do this thing.

MR. RONDERS: Okay --

MR. GARCIA: And I'm just saying if I didn't have -- if I was out there on the streets by myself without my agency engaged, we would be struggling very, very hard.

MR. RONDERS: And you're so right, John. And when you look at the big picture at the federal level, the SBA has been wonderful to us. The SBDCs, the VA. Now, I can -- there is a lot of federal people that I can call on.

MR. GARCIA: State level you're having a

tough time. And you know what's funny is that in some states there is state engagement and not strong relationship with SBDCs and SBAs, or vice versa. Somehow we've got to connect all the dots, bring it together, and then push that mandate down.

MR. RONDERS: The state -- Michigan has what's called the Michigan Economic Development Corporation, which will be at our conference, by the way. And yes, one of their charges is to grow business in the State of Michigan. And perhaps some of that is my fault, that I haven't reached out more to them.

But, given that, we really -- we have reached out to the state. DOL, Department of Labor -- DLEG, as they call it in Michigan, Department of Labor and Economic Growth -- they have been good to us. But that got gutted, because of politics.

MR. GARCIA: Yes. Well --

MR. RONDERS: And if there is a state that needs economic development, it's the state of Michigan. So --

MR. GARCIA: Yes, yes.

MR. RONDERS: I couldn't agree more.

MR. MILLER: Bill, let me just echo that. And, of course, you have heard this so many times you don't want to hear it any more. But when I started that program in Georgia, I asked around, talked to some people, and they said, "Let me tell you who you need to go talk to first."

And I said, "Who is that?" And he said, "Commissioner Pete Wheeler of the Georgia Department of Veterans Affairs." And from there down, it worked perfectly.

MR. GARCIA: Yes, you have to. Like, Pete's the old man. But see, I was telling these gentlemen here, I've got to get you and/or the chairman of NASWA here. They have to hear this. They want to do it, I don't think they know how to do it. They are so engaged in dealing with homes, and making sure vets get their benefits, and the politics of things. But they've got to get -- they've got to hear this. You know?

You know, I know Ron, myself, others go before these guys. But, like, Wheeler -- we've got to push it, you know?

MR. ELMORE: It's been the same in Missouri, where I came from. We never could quite get the state veterans affairs department to really get on board with this thing. It was all cemeteries and old soldiers homes and benefits through the --

MR. JENKINS: In fact, a lot of our VSOs in our state of South Dakota are petitioning to have service split where veterans affairs are completely different from National Guard issues, because there is sort of like this real focus on a national -- and they're not thinking a lot about those that are getting out and enrolling in school. And it is an unfortunate sort of --

MR. GARCIA: You're absolutely right. You're right, absolutely right. And, you know, I know just in my state, I am even short of resources, because there is just so much. There is tons of stuff we've got to get done, you know?

And I just think your presentation is great. I think we need to take this -- and I think that's the missing key, honestly.

MR. VARGAS: I think I mentioned to you --

John -- yesterday that I had breakfast with the state director for veterans affairs at Washington. This was right outside of Takoma. And we talked a lot about what this committee is doing, and what more needs to be done in Washington State to, I think, have a more comprehensive approach on veteran entrepreneurship.

And he recognized that there was a lot that can be done in Washington. And he said, "Furthermore, we're in the process of drawing something up. So any and all ideas are welcome." I provided him a copy of Ron's brochures on what's happening with the Arkansas program.

MR. RONDERS: If I could tell you a quick story that maybe would put this into perspective, we have a joint veterans council. The goal was to help veterans who are coming back off of active duty, be they Guard or regular military.

Well, focusing on the guard, General Thomas Cutler, who is the head guy of the Michigan National Guard, he was at home one weekend when he got a phone call. And it was a lady saying, "You know, we have a group of folks. We really appreciate what the Guard is

doing, and we would like to make a donation to help them and their transition back into civilian life."

Well, what's a general to say? He says, "Well, okay, what did you have in mind?" She says, "Well, how much do you need?" He didn't know what to say. Finally, the woman offered $250,000. And it was from the Iraqi folks down by Detroit. They have the largest Arab settlement, I guess you could say, in the United States. And that was their way of thanking the troops from Michigan who had gone over there and helped.

That got the ball rolling, as far as the state having these Road to Reintegration weekends. And you always have the brass there to welcome home the people. Never saw the governor there. And finally, I guess they got more money out of DoD to keep these things going.

MR. GARCIA: He wasn't invited, or he just didn't want to go?

MR. RONDERS: Didn't want to go.

MR. GARCIA: You're kidding? I would move that guy out of there.

MR. RONDERS: It's a gal. Okay. Projections. We would like to have a onsite class in two states per month. These are just -- this is almost a wish list, but I feel it's also realistic.

The vet's night out, I'd like to get that going. That's a great ice breaker. Do that quarterly, on site counseling in three states per month -- we are woefully lacking in technology to have podcasts, web, so forth -- and to have one regional conference per year. We have already talked about teaming up with Chicago, because they have a lot of -- that's a regional hub. We have EPA coming out of Chicago next month for our conference, so we will see.

But those are some of our goals. I don't know if there is another one. Okay. We could put up the last slide, and then I will sit down and be quiet.

Some of our partners. Goodwill. Video professor donated to us a bunch of CDs to teach people how to use a computer. We have some guys who don't even have a computer or know how to use one. Again, the whole veteran.

DLEG, Labor and Economic Growth, PTACs,

MSBTDC, SCORE, Automation Alley, VetBiz.gov, our Center for Veterans Enterprise.

So that's what we've done. And you could take this template and apply it to other states.

MR. GARCIA: I've got to tell you, it's amazing. I was just telling Bill. These are the same partners we have, the SCORE, the PTAC, SBA. Goodwill, I just got off the phone with Goodwill yesterday. They're a tremendous partner with us. It's almost identical.

MR. RONDERS: Yes. And one of the good things is they're all over the country.

MR. GARCIA: Yes.

MR. RONDERS: So if I go into northern Michigan and I need contacts, one phone call does it. Same with the MSBTDC. They're all over the country.

And if -- and I have already been told by the state director, "Look, you go into other states, I can introduce you to the state director, and you go from there." So it works. We've proven it works.

MR. VARGAS: You want to see -- you want to hear what is missing up there, though?

MR. RONDERS: What am I missing, Colonel?

MR. VARGAS: And that is -- no, no, it's not your fault. It's because this particularly entity hasn't chosen to be involved, and that's corporate America.

You know, corporate America industry has a responsibility, in my view, to support you, and support veterans. And I have been saying this a lot over the last couple of years. They need to be engaged.

And that small grant that Boeing provided last year doesn't even begin to scratch the surface, you know? They can make all the tools of war and send our soldiers off to war with them, but their responsibility doesn't end there. It continues on with the return of these same soldiers who are now veterans, and who have a need to get the skills and training to pursue civilian endeavors. And I wish I could say that corporate America is interested enough to be a part of your scheme there.

MR. GARCIA: Well, you have to find corporate America's greed button. You know, if you can show them that veterans bought Anheuser Busch, or 65 percent of

their product is bought by vets, they will definitely jump on that thing.

MR. WHITE: Actually, they're talking to the military. They put $1 million right off the bat into the Intrepid Foundation.

MR. GARCIA: Yes.

MR. WHITE: They donated a ton of money for the hospital that they built.

PARTICIPANT: They did the same for Desert Storm.

MR. WHITE: They do, but they keep it very quiet. They have their own -- one of the guys running it, I talked to him -- was a guard, a Marine guard at -- when they took over the embassy in Iran. I keep busting his -- I told him if it was Army, they never would have gotten through the door.

MR. GARCIA: One of the things that we need to do -- and I'm just speaking up on the Hispanic affairs side -- Coca Cola has a director for Hispanic affairs to go and push Coca Cola in the Hispanic community. Maybe we need to push the corporate biggies to put director of veteran affairs or something --

MR. VARGAS: Well, I mean, absolutely. Corporate America has a lot of feel good programs. They do provide funding for specialized events. I know they provide corporate funding for conferences, veterans. They provided corporate funding for the event last week in Denver.

But what I'm talking about is something more structural, more in support of resources that include training and education.

MR. ELMORE: Ongoing?

MR. VARGAS: Ongoing.

MR. ELMORE: Well --

MR. VARGAS: It doesn't stop with $100,000 here.

MR. ELMORE: Well, and arguably -- you mentioned General Motors, for example, and I thought maybe you were going to go to either their membership organization or GM itself supported you to some degree. Apparently not, just sent you some of their former employees, but --

MR. RONDERS: The answer is yes, and no, and maybe. And the reason I say that, one of the key

reasons I moved the conference this year down closer to Detroit is to get closer to the corporate folks.

Well, you win some, you lose some. Raytheon couldn't give us the time of day. General Dynamics, they're on board with both feet. That's a start. We went to the local energy company, GTE. They weren't even going to look at us, until one of my PTAC people got on them, and now at least we have somebody coming.

I sent a letter to the three -- the big three supplier diversity folks, and invited them to get involved. Their answer was no, because of financial reasons. But -- they had a big but in there -- "We want to do something the first quarter of next year. When you get a chance, call us and we will talk."

So, we are starting to open those doors slowly. And it might take time. Going to be somebody who has more juice than I do. All I can do is what's there in Michigan.

MR. GARCIA: I want to ask you. Would you support, or are you aware of -- and/or supporting a national veteran business trade association, if --

MR. RONDERS: In what sense, John?

MR. GARCIA: Well, like, there is the elite, there is the Vet-Biz -- Ramirez's group, Vet-Biz of America, trying to form a national veteran business trade association like a national chamber, you know.

You know, a question yesterday was, like, how many veteran business owners are there? How many people do those Vet-Biz owners employ? What is their gross dollar volume? Once we gather all that, the legislative guys, their eyes will start popping out. That means big money.

But, then again, if we form, like, a veteran business chamber -- you know what I'm saying?

MR. RONDERS: Mm-hmm.

MR. GARCIA: That begins to start sending stronger messages out there, also. We don't seem to have that yet.

MR. RONDERS: I agree. If you have one strong voice, the folks on the Hill are going to listen to you.

MR. GARCIA: Right.

MR. RONDERS: But is the veteran community -- and I don't mean this in a negative way --

MR. GARCIA: No, right.

MR. RONDERS: -- but is it fractionalized in that you have elite, you have this, you have that? Well, okay. And they all do a wonderful job. But you don't have one voice speaking.

MR. GARCIA: Well, at this --

MR. RONDERS: So what do you do?

MR. GARCIA: -- conference that we were at last -- in June, the Vet-Biz conference they have every year out there in Vegas, 4,000 Vet-Biz owners showed up. And they had a panel discussion on that.

And there seems to be a need -- I think the vets are saying, "We need this voice," but they're -- like you just said, you rattled off four of them. They're all jockeying for that seat. And they're trying to gel together to become this national veteran business voice. Right now, the only voice I think the vets have that's any close to meeting with the guys here is this little group here can have some influence.

But you hear it, you've seen these guys all trying to come together and trying to be the national group --

MR. WHITE: John, the veterans service organizations can't even get together. They've been around forever.

MR. GARCIA: You know --

MR. WHITE: You know, the Legion --

MR. JENKINS: We just need to chunk up more.

MR. WHITE: They all have their own little fiefdoms, and it's money. And it's members, and they're competing for members and dollars.

MR. GARCIA: And I'm just wondering, would it be different if there was a veteran business trade association, like, modeled after a Chamber of Commerce?

MR. ELMORE: There is another group called that now out of Texas. There was one started --

MR. GARCIA: There was one started in Texas, right.

MR. ELMORE: -- in California.

MR. GARCIA: They are starting to pop up, Bill.

MR. ELMORE: Yes. In --

MR. GARCIA: Because there is a void there.

MR. ELMORE: Exactly. And El Paso has got

another group --

MR. GARCIA: Right.

MR. ELMORE: -- Ohio.

MR. VARGAS: And they will compete.

MR. GARCIA: And they are right now.

MR. VARGAS: Yes.

MR. GARCIA: At least fighting with this Vet-Biz group that Ramirez has got. He's got some power horses on his board. But you know, it's his own little group, you know?

MR. VARGAS: A couple of comments, John. One, organizations existing now could do some of this. I mean, there is nothing stopping it from doing that. So there are existing mechanisms that could be utilized. I would make that comment.

The other is perhaps a way to do what you're suggesting is to start at a state level, have a state begin -- a trade association -- and then it's --

MR. GARCIA: I know it will --

MR. VARGAS: And it grows.

MR. MANCINI: That's what we're doing right now in California. In California, we will be able to

do $50 million in contracting with a lot of the --

MR. ELMORE: From my perspective, because I think, you know -- if there is any last questions we want to give them to you -- is -- and this is how I think of it -- if we had, you know, 20 or 30 or 50 of Ed Ronders out there, putting these pieces together --

MR. RONDERS: There you go.

MR. ELMORE: -- now you've got people who don't just talk for a living. Now you've got people who actually run businesses for a living, who are beginning to step up and speak for themselves. Then you've got the basis for a real trade association, because this town is full of people -- me included -- who talk too much.

MR. VARGAS: Yes. We do have another speaker scheduled now. And there is so much to be said yet, Ed.

But let me ask you this one question. Do you feel you have the resources that you need to accomplish what you want to achieve on your projections? And, if not, what is the level of funding you think you need to operate on a yearly basis to do your program?

MR. RONDERS: Well, the answer is no. I don't think we have ever been adequately funded to achieve our goals.

To ask me how much I would need to do six states and to do it well, I haven't put pencil to paper yet, but I could sure take a stab. If it takes $150,000 a year to run our operation -- $150,000 or a little bit more to run our operation -- and for the State of Michigan, I know I wouldn't need that much for each state. But I would say $250,000 to $300,000 would do it.

MR. VARGAS: Okay.

MR. RONDERS: Probably closer to $300,000.

MR. VARGAS: Okay. And what do you have now?

MR. RONDERS: $150,000.

MR. VARGAS: $150,000.

MR. RONDERS: And we might make a few dollars on this conference.

MR. ELMORE: Ed -- exactly. I have one more question for you.

MR. RONDERS: Absolutely.

MR. ELMORE: There is legislation floating

through the Hill. And on one side of the Hill -- I won't mention which, because we're on the record -- they put in language that would require a veterans business center to go out and secure -- I think the first year was a 33 percent match, the second year was a 50 percent match, and only half of that could be in kind.

And my discussion back to the staff was that what you essentially do is you kill the program from the beginning, because you're not fund raisers. Corporate America has not stepped up in 10 years. And your focus should be on delivering and coordinating business access services, not trying to raise money to support that. Over time you might bring in some.

So I'd be interested in your take on what effect that would have, if I had to change my program to require, year one, that kind of a match.

MR. RONDERS: You can't do both. You can't be helping veterans and be out there, trying to raise money. When the Veterans Corporation came along, I had one question for them. I said, "Who is going to pay for this?" And they said, "We will. We're going to

get you grants. We're going to do this, we're going to do that."

I said, "Good, because I'm not into fund raising. If I wanted to fund raise, I would go back to my American Legion boss." And it's just been constant. And you want us to be fund raisers, we'll be fund raisers. You want us to be a business resource center, we can be a business resource center. But you can't be both.

MR. VARGAS: That's right. That's right. Okay. Any other questions or comments?

MR. ELMORE: I would invite Ed, if he wants to sit in for the rest of the day --

MR. VARGAS: Oh, you stole my thunder.

MR. RONDERS: I would appreciate that.

MR. VARGAS: Ed, we've got some excellent presentations which really relate and impact on what you do. You are more than welcome to join us, if your time allows that. Okay? Thank you very much. It was very informative.

MR. RONDERS: Thank you for inviting me.

MR. VARGAS: Thank you.

PARTICIPANT: Thanks, Ed.

MR. ELMORE: All right. I will do the basic introduction.

MR. VARGAS: Please.

MR. ELMORE: Next is going to be Mike Haynie, as you see on the agenda. Mike is the gentleman -- and he might say this differently than I will, but he is the reason that the entrepreneur boot camp at Syracuse University started. He put it together, he put it in motion. He is now up to five universities, and I don't know how much he will share about what he sees as his future growth from there.

And, for Steve White and Ron Miller, I think you will see in this, if you haven't already, it's real similar to the old vet entrepreneur training program. They just take a more contemporary approach to how to do it.

DR. HAYNIE: And we are trying to find my presentation, so --

MR. VARGAS: So keep talking, Bill.

MR. ELMORE: Okay. So, I am really grateful. Mike has asked me to present to his conference -- or

his training program -- a couple of times. I have also gone to Florida State University and presented down there a couple of times, and it's always been a privilege. It's always been an honor. And for me, as a guy who did the old vet program 20 years ago, the same energy that I know we all saw in our efforts is the energy that Mike generates when he brings these disabled veterans together and makes them focus on how they achieve success.

MR. VARGAS: Okay. I will throw in two bits here. I first heard about this program two years ago. It was May of 2007. And I found it online, and I thought this was of interest.

And I have not met this gentleman yet, but I was so interested in it that I called him and I spoke with him by phone. And after that, I was convinced that this is exactly the sort of thing that was needed, as far as university engagement. And I asked him to send me some brochures, and he did. He sent me about 20, 25 brochures, which I used, every single one, in handing out to different people, including folks I know in San Antonio, Texas, and elsewhere, to try to get

them interested -- in Oregon, in Idaho.

Since that time, we have seen programs start up in Idaho, and the University of Texas is -- not University of Texas. St. Mary's University in San Antonio is in active discussions with potential funders for this kind of program.

Well, welcome, Dr. Haynie.

DR. HAYNIE: While they are looking for my presentation, I will start.

I am thrilled to be here. Again, my name is Mike Haynie. I'm an entrepreneurship professor from Syracuse University. That's a second career for me. However, I am also a vet, myself. I spent the last 14 years as an Air Force officer. I left at --

MR. ELMORE: Mike, is it in Word, by chance?

DR. HAYNIE: No, it's a Power Point presentation. It should be on your drive there.

I left active duty in 2006. I was teaching at the Air Force Academy at the time. But the story I guess I'm going to tell you today is probably -- I am a different animal, compared to a lot of the folks you're going to hear from, because higher education, and

leveraging what we do well already, in the context of higher education, I think to serve veterans, and specifically to serve veterans in the context of small business creation and entrepreneurship, is something new.

I also think that is the interesting part of our story. I am an entrepreneurship professor, like I said. My Ph.D. is in entrepreneurship. I teach it. I research it. It's what I'm passionate about. And the -- sort of the genesis of this program that we created is simply leveraging something we already do very well in higher education, and specifically at Syracuse University -- they have one of the top-ranked entrepreneurship programs in the world -- to serve vets.

I am a vet. Like I said. My dean is a vet. And when I arrived at Syracuse, I was still very connected to the military. I taught at the Air Force Academy, like I said, so I was still very connected to those -- several years of students that I taught, who are now out in the military community, serving in Iraq, Afghanistan, et cetera.

And one of the things that struck me, you know, back now in -- this was 2006 -- and I am getting ahead of my presentation, so hopefully it will show up at some point -- is the rate at which specifically my program is designed for veterans with disabilities.

And the reason that is true is the rate at which men and women who have served in Iraq and Afghanistan -- we're up to about two million now that have been back and forth, several -- some multiple tours of duty. The rate at which those folks are returning home with disabilities is actually unprecedented in our history.

It's actually up around 30 percent of everyone who has served in Iraq and Afghanistan is returning with a service-connected disability, whether that be physical or psychological. But it's a very, very big number. If you do some quick math, 2 million, 30 percent, we're over just 600,000.

There was a recent Associated Press story that described that set of circumstances as a social and economic tsunami that we will feel for generations in this country.

For many of these folks, what we call traditional employment is going to be a challenge. If history tells us anything, that, in fact, is true. And we can also learn from history that entrepreneurship, self-employment, you know, going all the way back to World War II, is a very compelling path forward for transitioning veterans, transitioning service members.

You know, there are some statistics that I quote here in the absent presentation, but you know, I think it's somewhere upwards of five percent of all small business in the United States are veteran-owned. You guys know this stuff; I don't need to repeat it.

But the part that maybe you're less aware of that is important in the context of this presentation is that self-employment -- people with disabilities are more than twice as likely than the general population to be self-employed. And what's interesting about that is we all -- the tendency is to basically attribute that fact to their disability, the fact that a disability is preventing self-employment.

But if you actually dig into the origins of why veterans -- particularly veterans with disabilities

-- choose self-employment, it's less about a physical disability, and more about the idea of needing to feel autonomous, needing to feel that they're in control of their own future.

You know, for many of the guys and women that I work with, they spend two years in Walter Reed, for example, recovering from an injury, totally dependent on other people for everything, from, you know, simple things like eating and going to the bathroom to, you know, whatever it is. And that experience motivates a strong desire to, when those physical injuries have healed, to go out and feel like they have control over their future.

And I would suggest now, having worked with this group of folks for, you know, going on four years, that's a stronger motivation towards self-employment and entrepreneurship than actually writing it off to "because I have a disability, I can't go out and get a traditional job."

You know, corporate America -- and I'm going to talk about some stuff I heard in the previous presentation a little bit -- corporate America is

actually taking significant steps -- some forced -- but to put programs in place to hire people with disabilities.

But what's interesting, and especially when you're talking about veterans with disabilities, none of these large corporations ever hit their quota. They have jobs set aside for veterans with disabilities. And many veterans are not interested in going to work in a traditional fashion.

So, bottom line. All of this together sort of represented our opportunity. In 2007, I went to the dean of my business school, who is also -- is a Vietnam air veteran, and said, "Listen. Why don't we -- here we are, top-ranked entrepreneurship program in the United States. Why don't we take something we already do very, very Well, which is train folks in entrepreneurship and small business management, and develop a program to serve veterans?"

It was that simple. And you know, before I finished my pitch -- I had a pitch ready, and before I finished my pitch, my dean cut me off and said, "We're doing this." And then I said, "Well, but one more

thing. I want this to be a social venture. I want us to do this for free. I don't -- I want this to be something that we go out and raise the money to do, to be able to offer it to veterans for free." And he said, "Don't worry about it. We're doing it."

So, in 2007 we set about putting together what we now call the Entrepreneurship Boot Camp for Veterans with Disabilities Program. I like to describe it as the Harvard of entrepreneurship training programs. We describe it as a world-class program, and I think it truly is.

The program happens over three phases. And the first phase of the program is a distance learning program, an online program. The reason we do that is we realize very quickly that, in the population of veterans we're serving -- and I will talk about that in more detail in a minute -- a lot of variance in educational experience, background, life experience, et cetera. And it was important for us to be able to close some of that gap in experience, education, et cetera.

We have veterans who come through our program

who are, you know, 24-year-old kids with 4 years of high school. And we have veterans through our program who have master's degrees and even some who have Ph.D.'s.

The online course that we run basically takes them through Small Business 101, designed to get everybody sort of speaking the same language before they begin phase two of the program, which is a nine-day residency at the university.

We call it -- we don't use that term "Boot Camp" lightly. It's a pretty intense program, in that we start at 7:30 in the morning every morning, and go until 10:00 at night every evening. And through those nine days, we walk them through the steps and stages of new venture creation and growth, everything from opportunity recognition, through developing market strategies, marketing strategies, business planning, market plans, legal issues, supply chain issues, human resource issues, operational issues.

And what is interesting about our program is the curriculum -- our approach was to not necessarily define a specific curriculum, but instead identify

those content areas, those important objectives, those things that everybody must walk out the door with a solid foundation in order to launch a venture.

But instead of developing then detailed curriculum for each of these content modules -- for example, supply chain, or operations -- we develop a set of learning objectives, and then we go out and find the best person in the United States to come in and teach that particular block, whether that person is -- and these examples are not made up, these are real -- whether that person is a CEO of a Fortune 50 company, or the most renowned academic in a given field, or a -- in some cases, a public policy expert.

That is how our model works, in that we expose the students who come to our program to the absolute most exceptional people in the United States in all of these different areas.

We have, across -- and I will get to this in a second, in terms of expanding -- but our speakers include CEOs of Fortune 50, Fortune 100 companies, congressmen, senators, governors -- those guys are a different animal, and I will talk about that a little

later, too -- but academics from universities all over the United States, again, who are experts in these content areas.

And then, the third phase of the program is one that I think is particularly interesting and different, in the context of existing veterans programs. Because we do this program in a higher education setting, the third phase of the program is a year of ongoing mentorship for each and every graduate that comes through the program. We do several things for them.

We reach out into the local community, using the network -- and this is the important part -- using the network of the university alumni. And we find them a mentor in their hometown, a successful entrepreneur who is willing to be a local mentor, you know, whether that be, you know, really hands-on down and dirty kind of working with them and their business, or simply somebody that the vet can call when they have, you know, "I'm having a problem with a potential customer, or a partner." Or, "Hey, can we just have coffee once a month?"

We also assign them -- or not assign them, but we also make available to them -- content area experts back at the university. So we have a cadre of academics who are marketing professors, accounting professors, entrepreneur finance professors, supply chain professors, that all of the graduates then, as they face issues related to those different content areas, can reach back to and say, "Listen, here is my first draft of my marketing plan. Can we set up a conference call where we can talk through this marketing plan, see what I'm missing, et cetera, et cetera?"

And then we also have national partner mentors, and this is a new thing that we're working through. But within the last year-and-a-half, we have begun to sign on what we call professional service firms who are willing to work with our vets, as they're out there trying to grow their businesses.

For example, one of our national partners is a law firm called DLA Piper. I don't know if anybody is familiar with DLA Piper. They are actually the largest law firm on the planet, 4,500 lawyers across

the United States and on every major continent. And DLA Piper, they send their associates to our program to teach in our boot camp during the residency. But then, more importantly, every graduate of our program then has access to DLA Piper lawyers, on a pro bono basis, to do all of their legal work, as they're working through their venture.

We are working through -- we are working right now for similar arrangements with Deloitte and with Ernst and Young for financial services and consulting. And the other part of this sort of post-residency boot camp, again, that is different, I think, in the context of traditional approaches to veterans in small business, is we leverage very strongly the alumni network of our universities.

If, for example -- and this is a real example -- so I had a young Marine who came through the program last year. His name was Brian Visis. Brian is Marine Corps captain, three combat tours.

But he has an undergraduate degree in film from Temple University. And all this kid wants to do is make a movie. Doesn't want to be an actor, he wants

to make a movie. And he came to us with that entrepreneurial dream. But, to that point, had very little luck getting any kind of traction, et cetera. So, you know, okay. Who do we know?

(Power Point presentation begins.)

DR. HAYNIE: I want to talk about something here that I missed that's real important. It is not an anomaly or a function of simply me and my dean that this program started at Syracuse University. And since somebody is recording me, I want to give my school some props here.

Different from Michigan -- what I heard -- Syracuse University, in spite of the fact that it's a liberal, Northeastern school, has a very, very long tradition of supporting military veterans. At the end of World War II, the chancellor of the university at the time -- we were a school of about 8,000 students at the end of World War II. And the chancellor of Syracuse University, you know, basically, he was quoted as saying, "If a veteran doesn't go back to school now, when they're transitioning from military to civilian life, it's likely he never will." He said "he" at the

time, but likely he never will.

And this chancellor threw open the doors of Syracuse University, and literally put vets on trains as they were coming into port in New York City up to Syracuse. And in 1 year, we went from a university of 9,000 to a university of about 17,000. And they were all vets. Long history of supporting veterans at Syracuse University.

We also have, on our campus right now, several DoD programs. The Whitman School of Management has been training DoD comptrollers in a one-year MBA program for 32 years this program has been going on. So, at any given time, we have about 45 active duty Army officers going through this comptroller program.

The Newhouse School, which is the number one-ranked communications school in the United States, runs the advanced school for all DoD photographers and journalism folks.

And the Maxwell School of government, which is also the number one public policy school -- ahead of the Kennedy School at Harvard, by the way -- has the contract with DoD to do all of the senior service

training. So we have all of the newly appointed one-stars and SES's that come through our senior service school Maxwell.

And, as I said, Syracuse is ranked by every entity that ranks entrepreneurship programs, is one of the best in the country. Depending on what ranking you look at, we're anywhere from 1 to 12 in the nation.

And this was an important piece of this, too, when this launched. We have a new chancellor, who -- to her credit, in my opinion; not every academic agrees with me -- has made a big push for all of us who are academic scholars in a given field to find a way to make our scholarship, what we study, real in practical ways. So, that helped me a lot in politically being able to launch a program like this.

Now we're going to skip some stuff, we're going to skip some stuff. This is sort of what I talked through right here, and I got interrupted in my story about Brian when the slides came in. But basically, you know, the kid wants to make a movie. Well, who do we know that can open a door for this young man?

Well, we happen to know the former chairman of MGM, alumni network. Call him up. "Hey, what can you do?" Next thing you know, Brian has an apprenticeship, working for the CEO of a large, independent film company. He did that for six, eight months.

They turned around and helped him launch his own independent film company, and Brian set about, actually with a group of other young Marines, making their first film, which is a documentary, sort of along the same lines of Band of Brothers, if anybody has seen that. But they are focused on a very specific Marine Corps battle from Korea called Chosin Reservoir.

And they have spent the last -- Brian and his team have spent the last year-and-a-half traveling around the United States, interviewing the surviving veterans of that particular battle. And his film was just accepted at a very prestigious international film festival in New York City that has a less-than-five-percent acceptance rate.

But it was -- the important part of this story -- and that's 1; I could give you 25 stories like

that, where we're able, because of where this program is uniquely situated, in higher education, to reach out to a very, very powerful network, and a different network, importantly, than veterans traditionally have access to, and help leverage that, or use that network to open doors for these guys. And the consequences of that have been pretty profound. And I will get to some more of those in a second.

So, next slide. We launched in 2007. We brought 200 vets -- 200? We brought 20 vets into our first program. Again, as we discussed, all enlisted, all branches of the military service.

Importantly, the one thing all these vets had in common, beyond military service, was a passion for entrepreneurship. And that is our largest -- we are a competitive program. We have many more applications than we have capacity for right now. But we really select on one thing. Convince me that you were the kid, at 14 years old, that was out selling lemonade on the corner, and all you've ever wanted to do is own a business, and you're passionate about it.

And if you go to the next slide, I think

these -- this is a result of that passion. So, you know, basically -- oh, yes, sir?

MR. VARGAS: Mike, would you entertain a question?

DR. HAYNIE: Yes, yes.

MR. VARGAS: With respect to the 20 that you first took in, what kind of entrance requirements did you have for them?

DR. HAYNIE: Yes. As I said, it's a competitive program, and it has gotten -- the entrance requirements have now evolved over four years.

But it's a pretty substantial application, the process that we make them go through, that involves traditional application type stuff, but then also a series of essay questions, really getting at that passion thing. "Tell me about the most entrepreneurial thing you have ever done, tell me about where your desire to be a business owner comes from."

You know, is it simply that you don't feel like going out and getting a job, and you think you can make some money, or do you have it in you? Is it something that you're really passionate about?

MR. GARCIA: So it's not just because they're a vet.

DR. HAYNIE: No, absolutely not. Has nothing -- that --

MR. GARCIA: That helps, but --

DR. HAYNIE: When I -- when people ask me that question I describe qualifications, which -- to qualify for our program -- and I'm getting ahead of myself, but I will just bring it up here -- we're a niche program. We are focused on post-9/11 vets with a service-connected disability. That qualifies you for the program.

To get into the program is an entirely different set of criteria, really based on this one thing, this idea of convince -- I don't care if you have a high school education, college, all that stuff doesn't matter to me. What matters to me is that if you are going to accept my invitation, and take advantage of what we have built for you, I want to know that you're going to suck every last bit out of this experience and this opportunity. And that's how we make our admission to --

MR. MILLER: How do you determine disability?

DR. HAYNIE: What's that?

MR. MILLER: How do you determine --

DR. HAYNIE: We do -- I am not, nor do I want to be, in the business of making disability determinations. We work with the VA and the DoD --

MR. MILLER: You accept the VA --

DR. HAYNIE: Yes. If they identify someone as having a service-connected disability --

MR. MILLER: Okay.

DR. HAYNIE: -- they are eligible for our program. And we make no -- whether that disability is 10 percent or 100 percent, that has no bearing. It's a 1 or a 0. You're either -- have a service-connected disability, or you don't.

MR. MILLER: Okay.

MR. GARCIA: Well, what if you have veterans, OAF, that show up that haven't even filed for their disabilities yet?

DR. HAYNIE: We have dealt with those issues, and I will explain -- if you give me a second, I will get to some of that stuff.

But by -- you know, here is the result. About 18 months later, 65 percent of that group that went through the program has a venture up and running, generating positive revenue that is the sole means of support and sort of vocation for the veteran and their family. And other 11 percent of that group are back to school, where school wasn't necessarily in the plan for them when they came to us. Another 11 percent are employed. And, importantly, they are employed full time in the industries that they're interested in starting their business in, which I think is a pretty positive outcome.

To this day, we are still actively engaged in a mentorship role with 18 of the 20. So, in a sense, 2 of the 20 have sort of decided to take a different path, et cetera. And 3 of these first 20 today have ventures that in 2009 have revenues that have exceeded $1 million.

Here is a good part of the story. We started this at Syracuse, because we thought it was the right thing to do, and we can do it. We were very surprised when, after we launched this program, we had other

universities from around the country come to us and say, "You know, we saw what you did, this was pretty cool, and we would like to bring a program like this to our university."

That caused us to step back, think real hard. I was very -- and my dean, and everybody involved in the program, we -- if we were going to do this, we were going to do it right. And I was very concerned about having partners that want to do this for the right reasons. There are potentially benefits to universities for standing up and saying they're doing something for vets that really aren't about the vets.

And I was very, very concerned that growing this program might lead to, in a sense, abuses. We developed a world-class program, and we -- if we were going to grow it, we wanted to grow it in a way where we were very confident that we could maintain the level of quality at every school we took it to.

And, you know, what we ended up doing -- and I will talk about it in detail in a second -- was not recruiting any partner schools. And, to this day, I don't recruit partner schools. I am not also in the

business of convincing a university and the president of a university that they should be doing something for vets. I think you either have that in you, or you don't.

So, all of our partner schools are schools that came to us and, in a sense, convinced us, and lobbied to us, that they really want to do this for the right reasons. The list of schools that have come to us is much, much longer than what you see up on that board. But what you see up on that board are the schools that we are convinced, one, will deliver a world-class program.

Every one of the business schools represented on this list is one of the top 50 business schools in the world, out of a list of thousands and thousands of business schools. Every one of the schools listed up on this board has key champions within their leadership that are either veterans or have bene supportive of veterans in the past.

And every one of the schools up on this list, we are very confident, has, for example, the kind of network that we know will open doors for the vets, the

kind of panache, if you will, that will allow these schools to successfully launch this program, et cetera.

You know, and part of that is, did I mention this program is free? And did I -- and what I didn't mention -- and this is, again, something that's a little different about what we do -- I am a 100 percent private program. There is not a nickel of government money in what we do. It is entirely funded by the alumni of these universities, who have made gifts to this program, in order to cover all the costs of the program.

We do have a few corporate sponsors. We are just now starting to get into that. But, again, that was a very -- it goes back to some of what I heard previously about money and the veterans community and fragmentation, et cetera. I really wanted to rise above all that. And I think the way -- one of the ways, anyway -- to rise above all that was to stay out of it.

So, I was going to go tap an entirely different -- and maybe that's a cop out, I don't know -- but I was going to go tap an entirely different

network to raise the capital, in order to deliver this program.

And, again, it goes back to I also knew that the schools represented on this list had that kind of network that they could go to and say, "Listen, CEO So-and-So, we want to launch a program to support veterans and help them become entrepreneurs, and we need your help to do it," and the school had that kind of pull to be able to get that individual to turn around and write a check to help us do that.

The way the program is set up, in a sense it's a franchise model. Syracuse University is the national host of the program. All of the curriculum, learning objectives, et cetera, is developed at Syracuse University. We also are responsible for all the national marketing and recruitment for -- on behalf of all of our partner schools. So every application to this program actually comes to me at Syracuse University.

We run the admissions process. And then, based on where a veteran lives in the United States, they are assigned to one of our five partner schools to

actually go through the program.

And then, we also are responsible for all of the assessment of outcomes for the program. So we're tracking every one of our graduates, all the time, to begin the process of building a case for why what we do works so well.

The -- all of this is, you know, either done on behalf of or pushed out to the member schools. The responsibility of our partner schools is actually -- it's a big responsibility, but it's a simple one. They have to go out and they raise the money to fund the program on their campus, and they have to go out and deliver a world-class program, again, by leveraging their network, et cetera, to build a program that sort of rises to our level of expectation.

And there is a lot of both collaboration and oversight to ensure that, regardless of which one of these campuses a veteran goes to to attend this program, they get the same level of quality, in terms of their experience.

And, you know, let me talk about that experience thing for a second, as well. We do -- our

program is built around two very simple ideas. One is to provide world-class content, to be able to put tools in the tool box of every one of the guys and gals that comes through our program, that puts them in a strong position to go out and launch a venture.

Bu the other part is we want to inspire them. We want to blow them away. And we deliver a program that, if you ask anybody that's been through it, is truly over the top.

So, when the veterans arrive at, let's say Syracuse University, they're met in the airport by ROTC cadets from our university in their uniforms. They are escorted back to the campus, where they're met by a whole different team of people. We don't put students up in dorms, they stay in high-quality hotels. At Syracuse, it's the Sheraton. You know, a four-star hotel, right there next to our campus.

Within a couple of hours of them arriving on that first day, we have a white linen and china welcome dinner with 200 guests to welcome them to the campus. Those guests are governors, congressmen, senators, university presidents, the veterans community from, you

know, the region and the state. It is -- the look in their eyes on that first evening is pretty priceless, because it's something that they did not expect.

And the week proceeds that way. We bring in -- you know, I will bring in Jim Bay, our basketball coach, to sit down and have lunch with these guys and talk to them. And the football coach. And UCLA does the same thing. And, you know, UCLA has their opening there in the Reagan Library. And the first year, Nancy Reagan apparently popped in and, you know, welcomed them.

It truly is an experience. And the point -- and that experience is really important. Because what I am trying to do is get some young 24-year-old, you know, Army specialist there who is a little unsure if he or she can actually go out and do this, I want them to sit there and think, "Man, if, you know, the hall of fame basketball coach, or this super successful entrepreneur is sitting in a room with me and these other 20 guys, he must really believe I can go out and do this." And that's part of this experience that we are trying to create.

I talked about this already. We are focused on a very specific population of vets. This is one of those things that does get me in trouble with the veterans community. I get some phone calls that are, quite frankly, shocking, and emails that are just flat out nasty from people about why these guys get all the attention.

MR. GARCIA: Let me guess. The Vietnam vets.

DR. HAYNIE: Yes. And, you know, those are tough things -- those are tough phone calls to take, and tough emails to read. And because, on the one hand, I recognize the fact that maybe we didn't do that so well. I wasn't around then.

But I also, as an academic who now, in addition to delivering this program -- this has become the stuff I actually do academic research on, as well. And I recognize that the time for an intervention, if we don't want, you know -- a lot of you know the statistic, one-third of the homeless in the United States are vets. Shameful.

If we don't want to see that again, that same Associated Press story I quoted, the social and

economic tsunami -- it was about the fact that shelters around the country are seeing their first wave in -- big wave -- of OIF, OEF vets and their families showing up at homeless shelters. If we don't want to repeat that, everything we know, from an academic perspective, says now is the time for an intervention. Now is the time to help these folks, as they transition from military to civilian life, get on a path. There is lots of paths. This program is one of those paths.

You know, this is -- I recognize that this is not the be-all, end-all solution. But from a small business and entrepreneurship perspective, this is my path. This is what I can offer.

As I said, the program is entirely free. The program on each of our campuses costs about -- it's not a big number -- about $110,000 to run, all inclusive. When I say all inclusive, a vet can come to our program with $2 in their pocket and have a great experience. We do everything from --

MR. ELMORE: You even had a couple of those guys.

DR. HAYNIE: We did have a couple of those

guys. You know, we have had vets come through our program that were living in VA dormitories when they came to us. That's sort of how maybe down and out they were.

But you know what? Man, were they passionate about, you know, "I want to be a business owner. That's all I want to do, and that's all I need." So, we pay for their airline, all of their foods, all of their lodging, all the program costs, all of the books, et cetera. Everything is funded by us.

Right now, we offer our program only in the summer months. And that is one of the down sides of running a program like this in a higher-education context. It's very difficult for us to be able to offer this program, because it is so resource-intensive. It's difficult for us to offer this program during the academic school year, because of all the students back on campus, football games, so the hotels are all full, all kinds of little problems.

So, basically, across our five partner schools, we go from May -- and that's actually incorrect. Purdue University just wrapped up their

program about a week ago. So we go from May to September. Florida State kicks off the cycle in May, and we run -- we have programs running at these five universities throughout the summer, wrapping up in about September.

The -- we work on a rolling admissions basis, so we are always accepting applications to the program. We have a capacity -- based on what -- this presentation you have seen here, we only have the capacity to get about 125 vets a year through the full program. That is for two reasons. One, because of the summer cycle requirement that I described, but it's also because we cap each class at 25 students.

We want it to be -- back to that experience thing. I don't want the CEO of Xerox coming to speak in my program, and for a vet to feel like he is 1 of 100 in a big auditorium. I want -- this is the size of our classrooms, 25 guys and the CEO of Xerox right here, talking to them in a very intimate way.

So, those two things constrain our capacity a little bit. I am going to talk here in a second -- maybe it's on the next slide, of -- no, not quite yet.

To this point, we've put about 220 veterans with disabilities through the program, representing 40 states. Active duty, Guard, and Reserve. The program, within the last year-and-a-half or so, we worked very closely with the Army. I am over at the Pentagon pretty often, briefing this program to the staff assistants, the Secretary of the Army, as well as a guy named BG Cheek, who is the head of all wounded warrior programs for the Army.

The Army named us a national best practice. We're the only program in a higher education context that the Army has given that best practice designation to.

This was sort of interesting. This year my peers, the Association of University Business School Professors and Small Business and Entrepreneurship, named this program as the winner of this particular award for innovation in the delivery of entrepreneurship content. And that was actually sort of surprising to me, because again, academics don't often think about the practical applications of what

they do.

And then we're about to come out on the Department of Labor and VA list on programs to serve people, as a best practice, serving people with disabilities.

I mentioned some of our national partners. The partnership with DLA Piper is huge. These are -- not only is it the largest law firm, but it's probably one of the most prestigious in the world. These are $600 an hour lawyers who are doing all of the legal work for every one of our veterans that graduates from the program. And we have a process to manage that that comes out of Syracuse University.

I heard talk about supplier diversity. I also have had very little luck with -- I was an Air Force contracting officer for the better part of my career, and I figured the easiest thing that I can do in getting this program off the ground was call up my friends at Boeing and McDonnell Douglass. You know, "I awarded hundreds of millions of contracts to these folks. The least you could do is step up and" -- and guess what? I get form letters back that say, "While

your program is a good cause, we have many requests."

And that is with the exception of these two defense contractors, right here. Lockheed Martin has stepped up, both as a financial supporter -- not in as big a way as they could, or I want them to, but they're helping us out.

But, more importantly, the head of supplier diversity for Lockheed, a woman named Nancy Deskins, is very, very supportive of our program. She travels out to Syracuse every single year to actually speak in the program, and then she is very connected to all of our graduates, in terms of trying to get them -- to open doors for them, whether it be Lockheed's mentorship program, whatever.

And then, as I mentioned, we're connected very closely to the Department of the Army, and particularly their wounded warrior program. We have been named a priority transition program for all wounded warriors coming out of the Army.

General Cheek sent out a policy letter that basically opened the door for us, not only to take folks who have made the transition, but we now also

take active duty folks who are in warrior transition units being medically separated from active duty. They can come to our program, permissive to UI. So they didn't have to take leave to come, which has been phenomenal. That's the time to get them, you know, as they're making that transition. So, he is very, very supportive of the program.

I think this is my last slide, and then I guess we can just talk. We going to add 2 schools for 2010. I can't necessarily talk about who they are, but two more schools of the caliber that you see up there on the program. And that will increase our capacity by about 50 to 70 vets. And as long as we can find a way logistically, financially, et cetera, to support continued growth of the program in a higher education context, we're going to keep growing it.

The list, again, was much longer than the two we're going to add. But we have some classic entrepreneurial start-up problems, in that in three years we have gone from a nice little nice thing to do at Syracuse to this national program, and all of the problems and challenges of running a national program

that come with it. So, we're trying to grow in a controlled way.

We are still working on -- and we would like to aggressively work on -- bringing on more national partners. You know, as Bill mentioned, he and I have been talking now for years. But the SBA, honestly, isn't involved in any meaningful way, other than Bill coming out and speaking in what we do.

And I think that's a shame, and I think there are things that we could do to change that. And they don't have to -- it doesn't have to be financial. I will never stand up here and say I don't need money. But there are things I need more than money, honestly. There are, you know, simply statements of support in public forums, for example, would go a long way, because I am building my program based on partnerships with others.

DLA Piper is a great example. DLA Piper is comfortable being my partner because the Department of the Army does something that says, "Hey, this is a national best practice." Well, all of a sudden, my potential partners become much more comfortable, as

opposed to when it was just -- you know, if you look at an entrepreneurship professor knocking on their door.

So, I think there are things that we can do to more closely align the SBA with what we're trying to do with this program. And I still have to crack this supplier diversity, you know. I call the Haliburton guy and get nowhere. I call the Boeing guy and get nowhere.

And these are companies -- and I am glad this is being recorded -- these are companies who have not in years -- nor do they seem very interested in hitting their satisfied targets. And, again, I don't know how they get away with that. And here is a program where we are custom building potential service-disabled veteran-owned businesses to serve their needs, and I can't get them to return my phone calls. I still have to work on that.

Funding is a continued challenge. As I mentioned, my individual schools don't necessarily have a funding problem. The alumni at those schools have been very generous, and there is a strong commitment in those university communities to support the program. I

have a problem, however, not with delivering my program, but with -- because we are now a national program, there is a lot of expense that goes with all of those things that I rattled off before, in terms of national marketing. All my travel, I travel to Walter Reed transition units, Marine Corps transition units, spreading the word about my program.

There is an expense there that I can't exactly ask my -- you know, my donors at Syracuse gave money to put vets through the program, not to cover me. So I have an administrative expense at the national level which is, quite frankly, impacting my ability to expand this program in a bigger way than I can now. Because right now I am dipping into a kitty from my donors at Syracuse to pay for all of this national administration, and I can't do that much longer.

And then, you know, this is the problem for me, this is a problem for all of you. I can't tell you -- I have folks banging down the doors to launch a venture who can't get access to capital. And at some point, somebody smarter than me and with more pull than I do has to fix that problem.

That is it. So, there is my story. Yes, sir?

MR. WHITE: First off, after running entrepreneurial programs in the past for vets, I've got to tell you this is extremely impressive, what you've done. And, obviously, with the support of the university, it certainly makes life a little easier.

DR. HAYNIE: Yes, yes.

MR. WHITE: But the reality comes down to the fact that, you know, out of all the people, you know, you're working with 100 people.

DR. HAYNIE: Yes.

MR. WHITE: And they are some lucky bastards.

DR. HAYNIE: Yes, they are.

MR. WHITE: They are unbelievably lucky to get into this program.

DR. HAYNIE: Yes.

MR. WHITE: You know that, but you're not going to live long enough to have this treating 5,000 people a year --

DR. HAYNIE: Yes.

MR. WHITE: -- in this program.

DR. HAYNIE: Yes.

MR. WHITE: Right? Because your choice --

DR. HAYNIE: Well, I mean --

MR. WHITE: No, wait a minute. Let me just finish.

So, this is the top of the line. This is the --

DR. HAYNIE: Cadillac, yes.

MR. WHITE: What's the chance of getting a used Chevy model out of this that could get down to the small business development centers that would take --

DR. HAYNIE: This is --

MR. WHITE: That would take people not to the level that you can --

DR. HAYNIE: Yes.

MR. WHITE: -- but a scaled down version where they could still have a mentorship program?

DR. HAYNIE: This is where, when I start off the presentation, I describe myself as maybe a different animal, and maybe a model that hasn't been tapped before.

The -- in retrospect, I don't understand how

the -- whether it be the veterans community or generally -- that the small business community hasn't tapped more purposefully the resources and networks of higher education. Entrepreneurship is the fastest growing discipline in business schools today.

I just saw a story, for example -- and it's not even a U.S. thing, it's an international thing -- Oxford University, 10 years ago, had no entrepreneurship program. And, in fact, it was a -- entrepreneurship was a dirty word there, because you know, they have a very rich tradition in economics. Now, the largest student association at Oxford University, with 3,600 students, is the Entrepreneur Society.

At Syracuse University, we run -- this is one of a whole bunch of programs that we run, in terms of outreach for -- we do inner city training for small, disadvantaged businesses in the inner city of Syracuse. We run a statewide program called Start-Up New York, which is for people with disabilities who want to start businesses.

This is what we do well, and I don't

necessarily understand how and why that network was -- and that infrastructure hasn't been leveraged in the past to deliver the Cadillac and the Chevy. You know, because I think there are things that -- my university and most universities I'm talking about would be very happy for Bill Elmore to send $100,000 for them to develop a statewide small business whatever, rather than -- and I shouldn't say this now -- but rather than Bill Elmore sending $100,000 to start yet another government program or entity to do the same thing.

This is what we already do well. And it's just a matter of aligning the interest of the different stakeholder communities with that of the university. We would love those opportunities to, you know, develop a more broad-based, far-reaching training program. You know, maybe it's a series of three or four-day workshops, or whatever. That's what we do. And we can do that, it's just a matter of we can't pay for it, you know?

But we can do it really well. And I think that is a model that, moving forward, has to become part of the conversation, is bringing that

infrastructure and the resources of higher education to bear on some of these problems. Yes, sir?

MR. GARCIA: Just a comment. I hear what you're saying. I think something that this committee should also consider -- I agree it's a Cadillac program, it's great. But Chevy can get you there just as good.

And I think something we can also consider is working with the SBDCs. The SBDCs can do entrepreneurship training.

MR. WHITE: Well, there is the perfect opportunity.

MR. GARCIA: Yes, it is.

MR. WHITE: And it backs right up to what the administrator was asking.

MR. GARCIA: Yes. And see, with the SAA, the State Approving Agency, you could send a veteran through his entrepreneur program or an SBDC entrepreneur training program, an 18-week course, and it will pay for itself.

MR. WHITE: Well, one of the things that, within --

DR. HAYNIE: Yes, yes.

MR. WHITE: Within the training programs that I have seen, and everything else, there is always competition. You know, "I want you to come to my course," you know, and get the $50, whatever it is.

So -- and but one of the things that is always lacking is the consistency in the programs. You know, you can't make sure you have everybody that is as qualified as you to do an entrepreneurial training program.

DR. HAYNIE: Yes.

MR. WHITE: But there is a lot of really class people out there --

DR. HAYNIE: Sure.

MR. WHITE: -- that will volunteer their time, that would get involved with a good program. But you still need that consistency in a curriculum that has proven that it works.

I mean, I've developed one. Bill has developed one. Pat Ebey developed one. They're all similar, but we all learned and did our own thing. Mine was 12 weeks, somebody else might be 4 weeks.

Whatever it is, an approach like this, if it can be consistent with proven practices that work, followed up by mentorship and the alumni thing --

DR. HAYNIE: Yes.

MR. WHITE: You know, this is what -- you know, you need X number of mentors, you need X number of this, and here is a little -- you know, here is a model that works.

DR. HAYNIE: Yes.

MR. WHITE: Why not follow?

DR. HAYNIE: Yes. And, you know, and I have told people I am happy to share. There is no ego here. I am happy to share my curriculum, the model, the mentorship model. And if it can be sort of leveraged on a broad -- on the Chevy scale, you know, great. The more vets we can get through programs like this, I think, the better off we are.

MR. WHITE: But see, like, what we're saying is the small business development centers -- there is -- what is it, 600 across the country?

PARTICIPANT: Almost 900.

MR. WHITE: Nine hundred now. SCORE,

workshops, and training programs. But the small business development centers are all tied in -- the majority of them -- to universities already. They have a certain amount of that behind them.

DR. HAYNIE: You can maybe see by the look on my face I --

MR. WHITE: I understand.

DR. HAYNIE: They are -- I would make the suggestion that their tie to the university is more about a landlord tenant relationship than it is about --

MR. WHITE: I agree with you. But the fact is, they're still there.

DR. HAYNIE: Yes. They're there.

MR. WHITE: And it's the organization that this group can apply a certain amount of pressure through, because they get some of their funding from the SBA.

DR. HAYNIE: Yes, yes.

MR. JENKINS: One of the things that you said that I keep coming back to for, you know, wanting to have this accessibility all across the nation -- but

one of the things you said about not going out there and convincing anybody, that it's these universities that were doing it for the right reasons.

Because I find myself focusing on -- you know, we talk about a lot of best practices. But I am looking at, you know, South Dakota, or wherever, across the nation. I'm saying, "Look, universities that sometimes are getting involved in this stuff are doing it because it's a great business decision, and it sort of" --

DR. HAYNIE: Well, yes.

MR. JENKINS: I mean, where is their accountability?

DR. HAYNIE: Yes.

MR. JENKINS: So I appreciate that part that you said, and I don't know if there --

DR. HAYNIE: We have stepped out of discussions with some very, very big-name, significant schools, when it became clear that their motivation was, "Hey, if we bring this program here, a donor just told us they're going to give us $1 million," or, "We need this program here to solve a public relations

problem that we maybe have with the veterans community."

And that is not -- you know, that's not why you do it. And I, then, instantly think, "Well, the vet is not going to get a good experience, because they're going through the motions so they can say they delivered a program, rather than really committing to doing it for the right reasons.

MR. JENKINS: Yes.

MR. VARGAS: But, Mike -- I'm sorry, Ron, I cut you off.

MR. MILLER: Are you going to provide any kind -- or have you provided any kind of follow-on assistance after they graduate from this? Can they come back to you?

DR. HAYNIE: Oh, that's the whole -- we continue to work with them for years.

MR. MILLER: Oh, good.

DR. HAYNIE: Oh, yes. That -- we have a very robust -- we not only have a database with thousands of alumni from these universities who have volunteered to be mentors in, you know, real estate, or finance, or --

and the students can turn around and make a request to be matched to a mentor, whether it be for a transaction, like, "I need specific help on one thing," or, "I want a mentor that can be more of an ongoing big brother type relationship."

MR. MILLER: And have you ever tried to assist any of these graduates in arranging for capital?

DR. HAYNIE: Yes.

MR. MILLER: You have?

DR. HAYNIE: Yes.

MR. MILLER: Good.

DR. HAYNIE: Yes. One of the things we do is bring in -- to each boot camp we bring in a group of -- we run the spectrum. Even though VC is not necessarily on the horizon, we bring in VC's, we bring in investors, we bring in some of the largest small business lenders in the United States. You know, some of you might know Sue Maloney. You know, I think she's the second largest SBA Patriot Express lender. You know, she comes to all our programs and gives every one of these guys her cell phone number.

Yes, sir?

MR. VARGAS: Yes. Mike, I hear what you say about different potential partners coming in with mixed agendas about doing this. I would think it's kind of hard to determine what the real motivation is.

But if the interests coincide, and if they accomplish, at the end of the day, on a best practice model, to do what you're doing, isn't that what's really important?

DR. HAYNIE: It is, it is. But we spend a lot of time -- I don't care if you have a mixed agenda. But I need to know, you know -- I don't want to start naming schools to give you some examples --

MR. VARGAS: Yes, yes.

DR. HAYNIE: But, you know, if I had a dean that I'm sitting talking about this program to, and he or she says, "Well, you know, I don't really think any of these people can go out and actually start businesses, but you know, we will go through the motions," that's not -- I just don't want to be there. You know, I don't think that serves.

And, as I mentioned, the other side of the coin is I have a long list. I have a long list of

other schools who are interested in this program for the right reasons.

MR. VARGAS: Yes.

DR. HAYNIE: You know, with -- if I had the infrastructure -- and I include in that a little bit of cash -- I could have this program at 15 universities next year.

MR. VARGAS: Yes. Now, are you doing this full-time, or are you integrating your work on this with your professor --

DR. HAYNIE: This is my second job. I am, first and foremost, and entrepreneurship professor. I have to do research, teach my classes.

MR. VARGAS: Yes.

MR. WHITE: Didn't you see what the dates were on this? This is his "What I Did on My Summer Vacation."

(Laughter.)

MR. MANCINI: Is this part of your research, too?

DR. HAYNIE: It is. Matter of fact, I just completed -- and some of what I talked to you about in

the beginning about the motivation, why veterans want to go out and start businesses, is actually from a two-year study of the first group that we sent through this program, where we did long, long interviews with their spouses, the veterans, followed them over time.

And every one of them in that group was a -- had severe disabilities, severe combat trauma. And listening to them talk about why they wanted to go out and be an entrepreneur had -- and especially the ones that have been successful -- we look at a group that have been very successful and some less so -- they never talk about their disabilities. They never talk about their injuries. They talk about, "I want to go out and I want to control my life. I want to go out and be autonomous, you know, make my own path." And, man, that's pretty cool stuff.

MR. ELMORE: Mike, two things. The first is our office of advocacy has just let a contract to try to begin to take a look at what is it about veterans that makes them go to entrepreneurs.

DR. HAYNIE: You didn't send an RFP to me? I mean, this is --

(Laughter.)

MR. ELMORE: No. But what I want to do is I want to share -- I'm sorry I didn't do that.

MR. GARCIA: What makes them entrepreneurial?

MR. ELMORE: Yes. Well, what is it about military service that leads --

MR. GARCIA: It's the whole structure of the military.

MR. ELMORE: So I am going to share you with our office of advocacy.

MR. WHITE: Another contract, like the one you had yesterday, to find out -- adversely affected by losing an employee.

MR. JENKINS: It's a powerful reframe, too, you know. I mean, it's the -- I mean, takeaway -- people with disabilities --

DR. HAYNIE: The people at the Department of Labor are actually the ones most interested in this, because they can't understand why the Americans with Disabilities Act doesn't put veterans in jobs.

I mean, not only do a lot of these companies not hit federal targets for contracts, they don't hit

them for hiring people with disabilities. And they don't understand why. And it's not about the fact that they can't accommodate them in the office. It's about the fact that these people don't want these jobs, you know?

MR. GARCIA: Right.

DR. HAYNIE: It's as simple as that.

MR. GARCIA: One last question. You were talking about if you had more funding you could do more. That's sort of with everything.

DR. HAYNIE: Yes.

MR. GARCIA: Do you work -- or does your -- do you work with your legislative body and/or the state department of veterans affairs to try to get you the funding? And if you did, would that help?

DR. HAYNIE: I am from New York State, so I don't know if you heard about our senate, the New York State Senate. We couldn't even get them to talk to each other for about four or five months. I have had no -- I haven't had any luck at the state level.

MR. GARCIA: And why is that? Have you talked to the director or secretary of veterans affairs

at all?

DR. HAYNIE: Yes, and the deputy secretary. They love it. They love coming out to the program and getting their picture taken at our opening dinner.

MR. GARCIA: But no pennies.

DR. HAYNIE: Nothing.

MR. GARCIA: But if you had the funding from the state level?

DR. HAYNIE: I think --

MR. GARCIA: Or complemented, or matched monies?

DR. HAYNIE: Here is -- I would suggest it would have to be from the federal level, not the state level, because my funding problem, again, is not a local one. I can fund the program on my campus.

My funding problem is a national one. We're a national program drawing veterans from all 50 states, and have operating locations in, you know, what will be 6 or 7 different states by next year. My funding problem is supporting the national infrastructure. So I think the money would have to be federal money.

And it wouldn't be a big number: $100,000 a

year would make all the difference in the world for me.

MR. GARCIA: And do you team with the SBDCs?

DR. HAYNIE: We use them as a resource. We make sure that our graduates know where the SBDCs are. We have, in some cases, SBDC folks who come in and work with us.

And one last thing -- I know I'm over time, but you just brought up -- my program is not just an entrepreneurship training program. It's an entrepreneurship training program for veterans with disabilities.

We have developed a curriculum that weaves those three things together. So, we spend a lot of time and bring in a lot of experts to talk about the opportunities and challenges for veterans and small business. We also spend a lot of time bringing in experts on disability and self-employment, to talk about the opportunities and challenges.

You know, for example, we realized after the first year that there are some silly laws that, if some of our veterans become too successful, they put their military disability payments in jeopardy, or their

social security payments in jeopardy.

So now we bring in counselors. We bring in consultants to sit down with each and every vet, to talk about their specific disability package that they get, and how they can structure their business in such a way to protect those.

So, it's a very -- you know, it's a very niche program. I am the first to admit that. But it is very focused on veterans with disabilities.

MR. VARGAS: Mike, you've got to run, but just real quickly, this has been extremely informative. I, for one, would like to get an electronic copy of that. I --

DR. HAYNIE: Well, because I lost my jump drive, it's on Bill's. So he now owns the presentation.

(Laughter.)

MR. ELMORE: It turns out my drive is infected, so we borrowed -- Ed is up in my office right now, making copies.

DR. HAYNIE: Yes, you're welcome to it, that's fine.

MR. VARGAS: And the other thing is with respect to the question of, how many veterans are out there who would make themselves available for this kind of training?

DR. HAYNIE: Yes.

MR. VARGAS: How do you answer that?

MR. GARCIA: The only --

MR. VARGAS: We're talking post-9/11.

DR. HAYNIE: We had -- the number of applications for our program goes up every single year, as we become -- as veterans become more aware. We had 500-plus applications for 100 slots this year. I expect, absolutely, that number will double, if not triple.

The other thing about this program is it has gotten a fair amount of publicity. It's been written up in the New York Times, Entrepreneur Magazine. CNN just did a story on it a couple of weeks ago. CNBC did a -- so, as the visibility of the program increases, the number of applicants we get are --

MR. MANCINI: I saw it on CNN.

DR. HAYNIE: Did you? Yes.

MR. VARGAS: Okay. And finally, contact information, if any one of us would like to kind of follow up with you. Do you have cards, or --

DR. HAYNIE: I actually can do you better than that. I brought some packages on the program for everybody. They have cards in them, and --

MR. VARGAS: Okay.

(A brief recess was taken.)

MR. VARGAS: Next on our program, we have Ruth A. Fanning, who is a director of the Department of Veterans Affairs Vocational Rehabilitation & Employment Service. And, Ruth, we look forward to your presentation here today. Welcome.

MS. FANNING: I am really happy to be here. And I would love to know who is in the audience, so I have a little bit of context.

MR. VARGAS: Yes, yes, we can certainly introduce ourselves.

MS. FANNING: That would be great.

MR. VARGAS: My name is Felix Vargas. I am the chairman of this honorable committee. And I am a veteran, a Vietnam War veteran, and I have retired from

the U.S. government. I spent 31 years, both with the U.S. Department of State and the U.S. Army Reserve program.

I have lived and served in six -- in seven different countries, and have been a veterans advocate here, and have gravitated to the entrepreneurial side of things over the last couple years.

MS. FANNING: Okay.

MR. VARGAS: So, Steve?

MR. WHITE: I am Steve White. Was a Vietnam combat vet, and started -- was in banking, worked with the SBA for a couple of years. Have a publishing business that focuses mainly on small business, and also started the Veterans Business Network, which is an association of veteran business owners.

Started an entrepreneurial training program in Manhattan, worked with all kinds of veterans issues for the last 20 or 30 years. Every year it seems longer.

MS. FANNING: So I definitely already see I need some business cards. This is why I really wanted to know who I'm talking with. Thank you.

MR. QUINN: My name is Jay Quinn, I'm the younger guy of the crowd, I think. So, like a sponge, always learning here as much as I can. I run a non-profit at the resource center in the State of South Dakota. It was started as sort of a student movement, just -- it was a student movement, and just -- that's what I do. And I am a student currently, a graduate student.

MS. FANNING: Thank you.

MR. MANCINI: I am Frank Mancini. I am a disabled veteran, a business owner. Also, I lead an organization in Los Angeles for small businesses owned by veterans. And I represent veterans here at the committee, as well.

MS. FANNING: Thank you.

MR. RONDERS: My name is Ed Ronders, I am the executive director of VetBizCentral. We are a non-profit located in Flint, Michigan, funded through the SBA. It's a veterans business outreach center. And we have veterans in six different states with their entrepreneurial dreams -- realize their entrepreneurial dreams.

MS. FANNING: Well, thank you.

MR. MILLER: I'm Ron Miller, Jonesboro, Arkansas. I ran a statewide program in Georgia for about 13 years, small business employment and training, and I own my own company now.

MS. FANNING: Thank you.

MR. GARCIA: I am John Garcia, Santa Fe, New Mexico, and the secretary for Army veteran services.

MS. FANNING: Thank you. Well, it's such an honor to be with such an esteemed group. And one of the things that I have really been challenged with since I have come into D.C. two years ago now is getting to know where you are, and where the resources are in our community, both here in D.C., on a national level, and throughout the country.

So, I really would be interested, and I will be talking with Bill about getting contact information, and if any of you would be willing to talk with me as a follow-up. I know that I am not here to get information from you, so I won't take advantage of you today. But I would be interested in talking with you, if you're interested.

Just a little bit about me. I came into Washington as the director of rehab and employment two years ago. I had worked in the rehabilitation and counseling field since 1982 when I came to the VA 15 years ago. Prior to that, I worked out in the private sector. I actually was self-employed myself, in the rehabilitation field.

I learned about the VA program because one of my graduate school friends called, said they had a contract with the VA, they needed some help, and I worked as a subcontractor on a VA contract, and subsequently, started being recruited and saw just how robust and what a terrific program the VOC rehab program is.

And so, it really appealed to me to come in and work with veterans on a more permanent basis. So I came in about 15 years ago, and I worked as a counselor, and then ran the office in St. Petersburg, Florida, for the State of Florida. Went into the SES development program and ran a regional office up in Cleveland, Ohio for a couple of years, and then came into Washington.

So, that's just a snapshot of my background, and back in my -- before my VA days, I worked both in mental health and in rehabilitation.

I think we have a terrific program that is -- I'm not sure how familiar you are with it, but I'm going to just give you a little bit of background about our program before I talk more about self-employment. And I have given you a Power Point handout, so I'm going to just walk through that.

What I would hope is that you will feel free to interrupt me at any point. I think, for myself, it's better to, you know, have an open forum than to just listen to someone talk about something. So I want to make sure that I'm really hitting on the points that you're interested in, and digging in where that's really important to you.

So, moving to slide two, our program is basically developed into two different initiatives. The first -- I am not going to spend a lot of time talking about -- is Coming Home to Work. But it's extremely important.

Coming Home to Work is our early intervention

and outreach program. And through Coming Home to Work, we are embedded at 12 of the major military treatment facilities. We have 13 full-time counselors dedicated to this mission. And we have coordinators in every regional office.

Their mission is to reach out to service members who are discharging from the military because of medical issues, and the new veterans, to help them get started as early as possible with looking at their career goals, what they're going to do in the future, especially because they are dealing also with disability issues. That makes the transition a little more difficult.

We believe firmly that early intervention is key. We want to help veterans not become under-employed, get into the wrong business venture, wrong job perhaps for their disability, or simply not really fully utilizing their career potential. Any of us, including myself, who has done a career change later in life, you know that it's more difficult, it hurts you financially.

Bottom line, it will hurt your retirement

over the long haul. So we are trying to reach out to service members and veterans as early as they are willing and interested in being engaged. And, at the least, making them aware of the services that we provide.

The second program, Vet Success, is the VR&E program. And Vet Success is the brand name that we're using for voc rehab. Our current goal is to make our program even more accessible to veterans and service members, help them understand what we offer -- especially with the new GI Bill -- what are the differences between the various options they have, as they're exiting and using benefits, so that they can make an informed decision for themselves about what is best for them.

For some veterans, even with disabilities, the GI Bill will be their choice. And that's fine. But we want them to know what voc rehab offers, in addition to that, that may be beneficial.

That success provides services to a couple of categories of individuals, first for service members who are still on medical hold, as long as they're

within six months of discharge, and we can establish at least a memorandum rating for VA purposes -- which means that there is -- it's anticipated, based on their medical issues, that at least a 20 percent service-connected disability will be established. This allows a jump start while the disability rating process is ongoing.

That opens the door for voc rehab, and we can begin providing training and other assistance to service members while they're still active duty. We can't provide monetary assistance, but we can pay for tuition. We simply can't give them a subsistence allowance, because they're already receiving a salary from the military.

We also provide services -- and our core group is to veterans -- after discharge to help them return to employment, whatever the employment looks like for them -- that's suitable, given their disabilities, and also is career-oriented, building on the skills that they developed through their prior work history, through their military work history, their educational preparation, and helping them compete in

the labor market.

My main focus for the program is not just helping veterans get into a job, but helping them get into the right career that mitigates their disability, and helps them catch up with their peer group.

An individual who goes into the military and sacrifices -- in general, on average for our population -- four years of their life to the military before transitioning out is already four years behind their peer group, meaning their peer group may already have a degree, may have started a graduate degree, or is at least a rung up, maybe, on the career ladder. So we want to help them catch up. I think that's what they deserve.

We provide an extensive amount of training. And our core program is training. And our economy, whether the individual is going to end up in a traditional, competitive job, or self-employed, a bachelor's level degree is entry level for many positions, and very necessary. So we do provide just over 82 percent of individuals in our program with some kind of college education.

We also provide services on campus for individuals to help them successfully transition from military into that campus environment, to succeed, to stay in school, to finish their degrees. We go out to the campuses themselves and provide onsite assistance.

And we have just started a pilot program that is geared not toward the GI -- not toward chapter 31 participants, veterans with disabilities, but toward the general GI Bill population. We pilot at the University of South Florida, in Tampa, Florida, which is a very veteran-friendly campus, has a high population of veterans, about 1,000, and has a very already robust program of services for veterans.

We have stationed a full-time voc rehab counselor there to work with veterans on campus to provide them general benefits information, referrals, if they have symptoms of PTSD or traumatic brain injury, or other issues, and really, to be the face of the VA on campus. And the goal is retention and graduation leading to suitable employment in whatever form that would take.

And, finally, we provide services to

individuals who have disabilities that are so severe that employment is not a current option. And those are independent living services for veterans who need assistance being as independent as possible in the community, least reliant on others, or able to live in the least restrictive environment.

And that's a small number, but extremely important group of individuals. If we can help them live in an assisted living or with a family member, rather than a nursing home, that's a real plus.

Eligibility and entitlement for our program. I just mentioned open to active duty, as well as veterans with that memorandum rating. For a veteran, they have to have a 10 percent or more disability rating established. So it's a relatively low bar to qualify for voc rehab employment services.

Once they meet the eligibility criteria, then we make what's called an entitlement decision. And the entitlement decision is based on need. For an individual with an orthopaedic injury as an example, who has an established military career, management experience, a college degree already, and maybe even

comes to us with a very good job, we may find that they are not entitled or in need of services.

The same disability, but a young individual who was an infantryman, who had been a roofer before they went into the military, comes out with a knee injury, probably needs services and retraining in order to be competitive in the labor market. So that entitlement decision is based on the need of the veteran, not just specifically on what the disability or what the rating is.

Each veteran -- and I am on slide four now -- is entitled to up to 48 months of entitlement under voc rehab under the typical education program -- that's 36-month entitlement. But, as you probably know, 48 months combined, so a veteran could use chapter 30 and chapter 33 for a combined up to 48. So, our program is a little more generous, in terms of the total entitlement. It's used within the 12-year date, which starts on the date they are first notified that they have a disability rating.

But both the 48 months and the 12 months can be extended for veterans with significant disability

issues. So if a veteran has what we call a serious employment handicap, we can go beyond 48 months, and we can go beyond that 12-year period, and that's specific -- really important for veterans who are older, who may have a new presumptive disability.

Perhaps their first rating was 10 percent for a minor orthopaedic injury. Now, years later, after the 12-year period has expired, they are now rated for PTSD or some other significant disability. That means that we can still provide services to that individual. The 12-year is not going to be a barrier for them.

Just jump in if I am -- if you have any questions.

On slide five, it gives you a kind of an overview of the basic services we provide, once that entitlement decision is made. We provide services, basically, through five different tracks.

The first is re-employment. This is for veterans coming out of the Guard or Reserve, who want to go back to their prior employer. And I'm going to go into more detail on the next slides with these. Rapid access to employment is an individual who already

has job skills, but may need additional assistance to get that job.

Of course, self-employment.

Employment through long-term services.

College education, apprentice programs, OJT programs, certificate programs, any kind of training there.

And then, independent living, as I discussed earlier.

The next few slides just walk through these tracks. And I am going to spend most of my time talking about self-employment, and I want just to give you a familiarity, if you're interested in the other tracks.

The first track on slide six is re-employment. And re-employment is where the individual is separating from active duty, Guard, or Reserves, is -- are using their USERRA rights to return to their prior employer. This is particularly important for the Guard and Reservists, whose employment may have been interrupted when they were recalled into active duty.

Services that we can provide include job

accommodations, modifications to the job, training to help an individual catch up if they missed out on some training while they were deployed, work adjustment assistance, which may be especially important for individuals who are adapting to a new disability that impairs their mobility, or it's a neuropsychiatric disability that may affect how they deal with coworkers or supervisors, and consultation with the employer.

When it comes to the point of advocacy and an employer being unwilling to accommodate a job, or unwilling to take an individual back into their employment, Department of Labor does that adjudicative portion of USERRA. So we are actually providing the supportive services. We work hand in hand with the Department of Labor.

The next slide talks about rapid access to employment. And this is really the track for individuals who have very good job skills, but may need additional assistance. I think a really good example of this is during military -- and this is something that I am really wanting to change in working with DoD, and talking a lot about.

During military careers, veterans will receive excellent training. It doesn't always correspond, however, to the civilian labor market. And, as an example, we see many veterans with just tremendous IT skills. But they may not have the certifications that private sector employers look for. So they may actually have skills in A+, but not the certification that they need to put on their resume.

So, we can provide the additional training to fill that gap, so that they can truly use those transferrable skills and get the best job, not starting at the bottom of the ladder, but using the skills that they could start higher up in their market.

Help them develop resumes and learn how to compete in the private sector. For those of you who were in the military -- I have seen some military-oriented resumes. They can be Greek to an employer. And it doesn't necessarily get the message across of all the highly developed skills that veterans bring to the table. So we help veterans translate into what civilian employers understand, the kind of technical terms.

Integrating skills, training, accommodations, really, the full gamut. And the, really, beauty of our program is it is individually tailored to each veteran's needs. It's not a one-size-fits-all program. Veterans work with a counselor from the very beginning to the very end, until after they are suitably employed or have their own business established. And each service is tailored to their needs. And I think that's what makes the program so appealing to veterans. I know that's what made it appealing to me, as a professional, to work in it.

The next slide, employment through long-term services, is really where the bulk of our services are provided. These are services for veterans who have -- may have -- very good skills, but either their skills are not up to date, in terms of what the civilian market requires -- many of our veterans come to us with some college, but not a completed degree. In the old days, an associate's degree could get you in the door for many jobs. Now that's not as much the case. So, we do provide a tremendous amount of college education. Some graduate school, as well.

Unlike the GI Bill, we can provide training at any institution that's appropriate for the veteran. So we don't need a Yellow Ribbon agreement. If the veteran has the skills, the intelligence, and can get accepted at Harvard, we can support Harvard. So we don't have as many constraints.

Obviously, we're still accountable to the taxpayer, so we have certain bars that we have to cross to support a private versus a public institution. But it really is mostly about what the veteran's needs are, in terms of meeting those criteria.

We provide on-the-job training. We have a very highly developed program with disabled American veterans. We provide the OJT for all of their service officers. And it's a very successful program. It's a really good fit for many veterans who we see, career-wise, come out of the military wanting to still be in some kind of public service position, helping other veterans, or being in a position where they are in a helping kind of a mode.

And, likewise, we provide anything that goes along with that training, whether it's computer tools,

books, equipment, special accommodations, either at home, in order to be productive, or on the job eventually, tutoring, and we provide a small monthly stipend during training.

MR. VARGAS: Ruth, a question on that. On equipment that you provide. You provide them access to a computer, or do you provide them a computer?

MS. FANNING: We provide a computer.

MR. VARGAS: A computer. So it's theirs to keep?

MS. FANNING: Mm-hmm.

MR. VARGAS: And on the subsistence allowance, in the case of a young soldier with a family, who has to relocate to go through the training or education, does the subsistence allowance -- is it sufficient for them to cover housing, this kind of thing?

MS. FANNING: The subsistence allowance is one of our biggest challenges right now.

You know, before the new GI Bill was passed, it was still a challenge. But it still set the program apart, because at least we were providing some support.

1 For a single veteran, it's less than $700 a month.
2 So, what we see is that most veterans in our
3 program need some sort of transitional employment while
4 they're in training, unless they have a spouse or
5 family situation that allows them to pursue voc rehab
6 without working.
7 In general, they can't pay their bills, just
8 based on that subsistence. It is a help. But,
9 obviously, even in the deep south that wouldn't pay
10 rent, let alone other bills. Now, the new GI Bill
11 housing allowance ranges from $700 to $2,700 a month.
12 So there is quite a difference there.
13 And, just since you asked the question --
14 it's something that we're working very hard on -- three
15 different bills have been introduced in Congress to
16 address the subsistence allowance for chapter 31 -- 2
17 on the House side by Congressman Buyer and Filner, and
18 one by Senator Akaka. All of them, in some way, bring
19 the subsistence in line with the new GI Bill housing
20 allowance, to varying degrees.
21 MR. MANCINI: That was a major problem for
22 me, when I was in chapter 31, was you couldn't pay -- I

accumulated $40,000 in student loans going to UCLA. Although the chapter 31 was incredible. They paid for everything, computer system --

MS. FANNING: But our concern is that you either have to take a loan, or work.

MR. MANCINI: Right.

MS. FANNING: And if you work, then a four-year degree becomes a six-year degree.

MR. MANCINI: Exactly.

MS. FANNING: And it's particularly challenging for a single parent, someone who has other family responsibilities.

So it is something that I am, you know, very much invested in. Obviously, it will take legislative change to address this issue. But I think veterans with disabilities deserve at least as much, if not more, than their counterparts without disabilities.

MR. VARGAS: Can a soldier receive both funding under the GI Bill and voc rehab?

MS. FANNING: No, they can't. And under the chapter 30 GI Bill, title 38 does allow a veteran to be enrolled in chapter 31 and elect payment at the chapter

30 rate. However, the same is not the case with chapter 33. That was not included in title 38, when the bill was passed.

MR. JENKINS: Isn't there a program, though, if you're finished with your GI Bill, you've done that, and then you can enroll in voc rehab or not?

MS. FANNING: You can. Unlike -- with the education benefits, once your months are gone, they're gone. But if a veteran comes to us and needs additional training, we can restore months used under the education programs, any of them. And that is a big, big help.

MR. JENKINS: Yes. You talked also a little bit about eligibility, you know, and -- and I don't even want to get into that, because that's a whole other thing. But I can remember some instances with student veterans, that -- where universities were saying, "Well, this doesn't count towards your degree program," and, you know, not being funded.

But do you -- can you speak to that a little bit, in terms of -- you talk about how it had to be kind of aligned with their training, or what not. Are

there cases where voc rehab says to that, "Well, we can't really fund that?" Or are there some issues there?

MS. FANNING: There are issues.

MR. JENKINS: Does that make sense, that question?

MS. FANNING: What we do at the beginning, after that entitlement decision is made, is develop a rehabilitation plan, and try to make that as comprehensive as possible.

So, if a degree in business administration is being approved, then the expectation is, when we authorize the school, that only courses that relate to that degree would be included, because we want the individual to focus on their program and complete the degree, not be, you know, kind of going into other areas and -- other than electives, you know, that are required for their degree program.

MR. JENKINS: Is that --

MS. FANNING: However, we can approve additional courses. And when I was a voc rehab counselor, as an example, I always looked at the

individual, where they were in terms of how long were they in the military, what is their age, where do they need to into this career market?

So, back at that time, I remember an individual I worked with. He was a great guy, I remember his name still. And he was training as an accountant. And accountant -- just an accounting degree would have made him employable. But I had authorized additional course work, so he could complete through the CPA. Because that would help him get into that labor market at a higher level. It would make him more competitive in a labor market.

So, counselors do have that ability and authority to approve additional courses, or additional certifications, or whatever the case is, to make the individual as employable as possible. And, obviously, in the current economy, that's particularly important.

MR. WHITE: So you could have had that --

MR. JENKINS: Yes, exactly.

MS. FANNING: Did I answer your question?

MR. JENKINS: Well, yes. But the other question on that is that voc rehab counselor coming --

tell me, that's through the voc rehab program or the university will provide -- have kind of a voc rehab at the university? I was confused on that.

MS. FANNING: It's through the voc rehab program.

MR. JENKINS: Yes, okay.

MS. FANNING: But we actually send out counselors out to the schools.

MR. JENKINS: So it's not a case of where a university could interpret what --

MS. FANNING: No.

MR. JENKINS: Okay, that was my question. Because that's where -- if you --

MS. FANNING: Yes, but of course the university -- one of the reasons we go out to the schools is we want to have a good rapport with the university officials.

MR. JENKINS: Sure.

MS. FANNING: So if they think this is really necessary, they can pick up the phone and say, "We really advocate for this." And we hope that that relationship is there everywhere.

MR. JENKINS: Yes, yes, thank you.

MR. VARGAS: I have another question. I assume this covers also training at trade schools. I mean, if a young man or woman wants to be a mechanic or a welder, or --

MS. FANNING: Yes. Absolutely.

MR. VARGAS: -- a lumberman?

MS. FANNING: Yes.

MR. VARGAS: Okay, good.

MS. FANNING: I didn't bring -- I don't think I brought this slide, but the majority of our veterans -- it's in the 80 percent range, but I can send you this data, if you're interested.

MR. VARGAS: Okay.

MS. FANNING: Are employed, ultimately, in the professional, managerial, or technical field. A smaller percent go into trades or into clerical or support kinds of positions. But we really are a career-focused program.

Entry-level earnings for this last year -- I was just given updated data -- last year it was $36,000 a year for that professional, technical, managerial,

just starting out. This year it's up to $38,000. There is about a $7,000 to $8,000 reduction if it's clerical or support kind of work. So we are trying to get veterans the training that they need to compete at the highest level.

Now, $36,000, $38,000 isn't a lot. But for entry level, coming out with a new degree, it's not bad. And it compares very favorably to the general population.

MR. VARGAS: Thank you.

MS. FANNING: Moving on to slide nine, independent living. I touched on this. And, basically, any services that individual needs to be able to ambulate in their home, to use -- get out in the community, not to be isolated because of their disability, to live in that least restrictive environment, those are the kinds of things we can provide, the goals still being: help the individual adapt, be independent, and then, hopefully, be able to look at employment or self-employment.

And then, 10, looking at self-employment, this is where folks who are -- have limited access to

traditional employment need flexible work schedules or more accommodating work environment, due to their disabilities. Obviously, some folks just have that naturally kind of focus and may have the interest, in addition.

The services we provide include analysis of the business concept, development of business plans, training and operations, marketing assistance, guidance in obtaining resources. We are really relying heavily on SBA, on SCORE, on experts in the community. We don't have the expertise, particularly as self-employment experts, but what our case managers and counselors are trained to do is have expertise in where the resources are, where the experts are, and help veterans connect. Yes?

MR. RONDERS: You talked about the expert resources. Do you know, as a rule of thumb, do the voc rehab counselors refer people to the VBOCs from the SBDCs?

MS. FANNING: They do. But, you know, one of our challenges is that, because this is a smaller group of veterans, just like with independent living, is

getting their information out to the counselors, and making them aware of those resources.

So, we think that it really, you know, varies too much on the counselor's experience and expertise. For that reason, we have on our training agenda this year -- and if any of you are interested, and want to plug in in being a speaker or rep, or recommending some speakers, we're doing a week-long training that is focused on self-employment and supported employment. It's focused on services particularly for the veterans with the most serious disabilities, but self-employment will be a broader portion of that training.

We will be bringing in counselors from around the country, and doing a train-the-trainer kind of a workshop, so that they go back and train all their colleagues. And the main focus will be on where are the resources, how did they locate them, how do they really access this, and how -- veterans who are interested in these kinds of programs.

Moving on, the next slides talk about these are the principles that we train our counselors on when they are looking at self-employment as a goal.

First of all, enhancing vocational opportunities for veterans. Self-employment is the most viable option for them. Assisting them to identify self-employment potential and candidacy, based on our eligibility criteria, helping them coordinate and contract for preliminary evaluation of their potential.

So, we're not just -- you know, as you all know, I mean, you know this better than I. Self-employment can be risky. You really do need to have a viable business plan. There needs to be a market for what that individual is doing. They need to have certain skill sets that will make them be successful, as a self-employed individual, and have some expertise that is really viable and marketable in the community.

I know that when I became self-employed, I didn't do that fresh out of school. I had worked in rehabilitation as a subcontractor. I had a following in insurance, and with attorneys, and so forth. I was generating all my own referrals, and I knew that that was something that I could go out on my own and do and succeed. And even then, it still took some time to

build up, you know, my market so that I was comfortable.

So, we want to ensure that veterans who go into this route understand that, that we connect them with folks who have been down the path before them, who can really help them with all of those questions, help them make realistic determinations. And also, look at whether they do need to work for a while first, while they develop their plan, to get that experience and following, so that when they go out as self-employed individuals, they are maximizing their potential for success.

Moving to the next slide, again, that feasibility analysis, extremely important, establishing a realistic goal based on sound business research, looking at viability, looking at the impact of their disability in terms of the -- how could that affect their success or non-success. And are there ways to mitigate that, to help them overcome it? Monitoring, evaluating, measuring.

Basically, the whole focus in developing a self-employment plan and helping a veteran is probably

one of the most labor-intensive programs that we could develop in voc rehab, because it does take so much consultation with experts. There is a lot of work that we ask veterans to do, in partnership with our staff, in working through their business plan, and really fleshing it out, and doing a lot of homework, meeting with consultants.

Because we want them to know what they're getting into. We want it to be successful. We know what a high failure rate there can be for small business in its first year. And we don't want veterans to have failure experiences. We want to help set them up for success to the maximum extent possible.

Now, success, obviously, can be measured in different ways. So we're not necessarily measuring success on income. Although, to me, that's one of the -- you know, one of the -- high on the list. For some veterans, income isn't as important as productivity and having a part, you know, in society.

For a very seriously disabled veteran who has military retirement, and perhaps a good income from compensation, it may not be as much about the money as

having that ability to fulfill themselves in society. So we recognize that. And, again, our program is very individually tailored to address that issue.

The next slide, again, some other services that we provide. I have already discussed some of these. Also, marketing assistance, guidance to obtain resources. We can purchase -- I see that we missed a bullet there -- some equipment, inventory, and supplies for start-up.

We can provide training that's necessary. And sometimes that is more the hard core training: accounting, some business concepts that you need, really, to be successful in running your own business, licenses, permits, some limited funding.

What the services don't include, and we can't pay for full or partial purchase of land or rental, or lease of land. We can't purchase cars, trucks, or other vehicles, and we can't stock a farm. We can't buy animals or fish or that kind of thing. And that's -- a lot of folks do want that, you know.

Especially we see in remote areas -- and this is particularly true in the Hawaii jurisdiction, some

of the -- it's a cultural issue in owning certain animals. It elevates the status in the community, and many folks want this kind of program, and we have that constraint right now, that we can't provide --

MR. WHITE: So if I wanted to start a business in Hawaii and have a pig roast party, you couldn't buy any pigs?

MS. FANNING: Can't do it, no.

MR. MANCINI: Some of the services that you do provide, though -- small business owners, for example, can you tell them that they have access -- aside from the usual access to the SBA and to the counseling, you also provide -- I see permits, for example.

MS. FANNING: Yes.

MR. MANCINI: So, can you give me an example of licensing permits? Let's say --

MR. RONDERS: Food vendor.

MS. FANNING: Yes, a food vendor, I think, is a good example. I know when I was employed in private rehabilitation, self-employed, there were certain licenses I had to have from the State of Florida to

practice. It really just depends on what the operation is.

But it is something that can be a -- some of the licensure can be quite expensive. I think food vendor is probably a good example of that. A pretty good cost associated, and it could be the difference between whether an individual could start the business or not.

MR. MANCINI: But it's the start-up level, right?

MS. FANNING: No, we have veterans who come to us and who have already started kind of dappling in self-employment, but they are really not succeeding, because they don't have a good business plan, or they are lacking that appropriate inventory. Or they just don't know how to market themselves.

So, we can provide assistance to individuals who already developed somewhat of a shell of a small business that they are really just not getting off the ground.

MR. MANCINI: Okay, so let me give you an example. Let's say you have a small business that's a

painting contract. And they don't have enough money to buy the -- to pay for the city license, because they have to perform in each city and get a business licenses for each city.

MS. FANNING: Right.

MR. MANCINI: You will assist in --

MS. FANNING: Yes. And, obviously, they've got to meet the criteria.

MR. MANCINI: Right.

MS. FANNING: We would have to evaluate that. But that is something that we can support.

MR. MANCINI: And make sure that they don't have access to any money to pay for that license, for example.

MS. FANNING: We're not evaluating their -- it's not a means-based program. So it's not that we will provide services if you are below a certain income threshold. What we are evaluating is the viability of the business and the need for support, in order for the business to succeed.

MR. MANCINI: Okay.

MS. FANNING: So -- you know, but if a

veteran comes to us, and they have a small business that's extremely successful already, chances are we would identify that there is a need. So it wouldn't just be that we are a funding source, if that makes sense. Yes?

MR. WHITE: What about under, I guess perhaps marketing or equipment? If a person has to start a business, one way of marketing it is with a website. Is there help available to help them develop a website and get it up and running?

MS. FANNING: Yes, absolutely. Our services, overall, are limited to 18 months. But I can tell you that part of the services -- that is in the employment status only. So if training is needed before the business really gets off the ground, those months are not included in the 18 months. It's really once the business is viable and gets started, and we're really focused only on the employment, not on the training portion, that the 18 months becomes an issue.

Once a veteran has established themselves, we've done all the work, we're supporting their self-employment plan, and they're starting to work their

business, we follow them for a minimum of one year.

So, our traditional program, if you get a job at IBM as an IT specialist, we will typically follow for 60 days, to make sure that there aren't any problems on the job, that the individual is well adjusted in their position. But self-employment is riskier. Sixty days really isn't long enough to evaluate success. So we follow for a minimum of one year. And if more than a year is necessary, we will do that.

The next couple slides talk about our services, in terms of the categories of services. We do have two categories of services. And there is some restriction on when we can provide the full gamut of support to self-employment.

For category one, this is the most generous category and this is for veterans who are determined by the VA to have the most severe service-connected disabilities. So when the self-employment program was developed, it was conceptualized that this would be an option for veterans who were very seriously disabled.

And you may or may not agree with this

philosophy. I am not certain, you know, that I do. But I am just telling you how our program is designed now, and I am certainly open to any feedback you have, or -- this is something that I am interested in taking a bigger look at.

So, it was designed for the most seriously disabled veterans, and veterans who we determine have employment limitations so severe that self-employment is the only vocational option. All other reasonable employment goals needed to be ruled out for someone to be considered in this category.

So, for category one, we determine this veteran has a significant disability. They can't work in competitive employment. And self-employment is the only option. To me, that raises some issues, because there are also going to be challenges, then, for self-employment that really will have to be addressed. But then we can provide the full gamut of services: training, stocking, some minimal stock-up, inventory, expendable items, equipment, so forth.

For category two, we can still provide self-employment services. This is for any veteran who can

establish an employment handicap, but not so serious as those in category one. But the training is more restricted. It's limited to training, licensure, fees, and tools and supplies. So we're not able to fund inventory, those expendable items, for daily operations, et cetera. It's less generous, in terms of what we can support.

And this is something that I am interested in taking a look at, because I think if self-employment is a good option, it's a good option, regardless of disability. And I see more and more of that, you know. More and more individuals really want to start their own businesses. I think in our current economy it's an option that more folks are taking a look at, as an alternative with so many layoffs and so forth in some parts of the market.

So, I would be really interested in any feedback you have about this. It's not something that I can just go back with a pen and change, because this is embedded in, you know, some law, some regulations. But if it's in law, of course, we can make legislative proposals for changes that you may see would be

important. If it's in regulation, that's still a long process, but we can make changes more easily.

Do you have any feedback or thoughts about that? Any concerns?

MR. MANCINI: Well, my concern is I had no idea this existed. And we can spread the word with our constituency down -- for example, I'm from California. And I counsel several small business owners.

MS. FANNING: Okay.

MR. MANCINI: And I had no idea these services were available to us.

I would like to understand the services a bit better. I mean, within the context of the presentation, they are very clinical -- meaning some examples of -- for example, is it incidental services? Now, what's the definition of incidental services?

In a real -- in a workable scenario, if I could get an idea, so that when I counsel other small business owners, I am able to articulate this message in a way that they can take advantage of these services, because I --

MS. FANNING: Well --

MR. MANCINI: And also, my next question would be, have you seen other -- do you have a matrix of how many veterans are taking advantage of these services, and if that is very low, it's acceptable, or --

MS. FANNING: It is low.

MR. MANCINI: It's very low?

MS. FANNING: Only about five percent of the individuals who are on a track are in a direct employment track. And only a percentage of those are looking at self-employment. And you can see the criteria is a bit stringent for that most generous category. And I think that is, you know, part of the issue.

But I think a big part of the issue is our marketing. You know, that's the whole purpose between our Vet Success project, to market the five tracks of services we provide, to increase veterans awareness.

You know, the fact that you went through chapter 31 and didn't realize this existed, that's the reason that we need to market and do a better job of getting the word out.

MR. MANCINI: But existing small business owners can have access to these services today?

MS. FANNING: Yes, under certain considerations.

As I said, if they have a viable, very successful business, we may not find them entitled to be in need of services. So it's really going to be dependent on their individual circumstances. And I want to make sure that I don't, you know, mislead you in any way.

MR. MANCINI: No, no. There are several that can qualify right away.

MS. FANNING: Okay.

MR. MANCINI: I am going to already qualify them, because they are struggling.

MS. FANNING: Sure.

MR. MANCINI: And they're struggling with --

MR. WHITE: What about the time they have been out of the military?

MS. FANNING: I'm sorry?

MR. WHITE: What about the time out of the military? When does that run out?

MS. FANNING: Well, there is that 12-year date. But we evaluate anyone who applies. Because, as I said earlier, if we find a serious employment handicap, we can waive the 12 years. So anyone who is interested should apply, and not assume that they don't qualify because of any date.

MR. MANCINI: How --

MS. FANNING: We have information on our website. We actually have videos that describe each track. And I would recommend that you refer folks to go and look at that, or they can view only the self-employment portion, if they choose to. We are trying to get the information out everywhere that we can. And your help in doing that would be greatly appreciate.

And to answer your further question, incidental -- an example of incidental -- which really basically means it's kind of a one-time, not a frequently occurring kind of service, but maybe for that individual who needs assistance with how to market themselves. So we may, you know, hire a marketing consultant to work with them and sit down and map out a strategy of how they can grow their business, how they

can effectively market it. So, that would be an example of an incidental service.

MR. MANCINI: And as far as budget concerns, you have no concerns with -- I mean, the budget is set at a figure that you -- of course you know -- you have any budget constraints, basically?

MS. FANNING: Well, you know, we are in America. I mean, there are always budget constraints. But any self-employment plans, once they're developed, they come into Washington for approval and concurrence. So all the costs need to be spelled out. And as long as the costs are reasonable, and they make sense in accordance with the service we're providing, we can approve them.

We don't have a cap. And we don't have a cap where we say, "We can only support this program up to this limit," but there are approval processes in place so that we make sure we're making good decisions, that it has been thoroughly evaluated. And for that reason, setting up the program may take a little longer than the traditional program. But I think we all agree that that's prudent, and it makes sense to have those

additional reviews.

MR. MANCINI: Thanks.

MS. FANNING: Sure.

MR. RONDERS: What about if you combined the two? I think back to a client that we had a few years back, who was into outdoor landscaping. And for medical reasons, he had to give it up. So he was going to do indoor landscaping. So he went to see a veteran service officer who was so moved by the experience he said, "That's what I want to do, I want to counsel veterans."

So, he went back. He had done two years to get his undergrad degree, and he went into voc rehab. Now, when he gets out of college, and he wants to start his business now -- hang his shingle, so to speak -- can he then get some of those expenses paid to get that business up and running?

MS. FANNING: Probably. I mean, again, it's going to depend on his individual circumstances. It's not a one-size-fits-all. But it sounds, from what you described, that he would. It is not a one-time service.

So, you know, veterans -- any of us who have disabilities, it's a continuum over our lifetime. You know, we may start out very well adjusted. I think diabetes is a good example. You could control that very easily when -- if onset typically young in life. As a person ages, the complications start to occur. Their medical situation could change. They may, at that point, need rehabilitation to readjust, to get into a different occupation, or to adapt their occupation, going from outside to inside, as an example.

So, they can always come back to us. And that's -- you know, one of the good things about the program is it is generous. We can -- if the needs dictate, you know, we can provide those additional services.

MR. RONDERS: What about someone who has applied for this and that case is pending. Do they have to wait until they have a ruling?

MS. FANNING: They have to wait until there is at least a memorandum rating. And, you know, you should always encourage veterans to apply also for that

memorandum rating, or apply concurrently for voc rehab. Because if we get the application for voc rehab, and we know that -- and we can access medical data, we can hand carry that application to the service center, to C&P, and ask them to expedite it with the memorandum rating. If there is adequate medical documentation to establish at least a 20 percent rating, that can be done very quickly. Whereas the actual rating may take time.

So, if you look at a really serious disability -- I will just use a visible, very obvious one, a below-the-knee amputation. Well, it doesn't take any rating specialist with any experience to know that's going to be at least 20 percent or more. So some disabilities are so easy with minimal medical documentation to at least establish the memo rating, while the C&P process continues and they determine what the actual rating will end up being. Yes, sir?

MR. JENKINS: Just to follow up on Steve's question about the time limit, I do know of one case where a Vietnam vet ended up -- you know, he was incarcerated for some time, and ended up doing the voc

rehab right now, and it's a really good program for him.

MS. FANNING: Good.

MR. JENKINS: So I'm grateful for the program. Do you have kind of an idea of how many people who pass that window are actually applying for voc rehab?

And then the second question I had, which I've forgotten at this moment, but maybe you can speak to that and I will remember it, I'm sure.

MS. FANNING: So how many folks are applying for voc rehab?

MR. JENKINS: That are past that 12-year window. I mean, are you getting a sense that there are quite a few veterans that are --

MS. FANNING: Well, in terms of how many are applying past the window, I don't know. I mean, I know that last year, just over 400 applied who were past the 12-year delimiting date who were not found to have a serious employment handicap, so we could not provide services to them.

MR. JENKINS: Okay.

MS. FANNING: But in many cases, veterans apply past the 12 years. And if we find they have a serious employment handicap, it's really not an issue for us --

MR. JENKINS: Sure.

MS. FANNING: -- that we need to continue to pay attention to. And perhaps we should collect data on it, and you know, look at that.

MR. JENKINS: Yes. My other question was -- I don't know if I missed it in the presentation, but you talked about voc rehab counselors at the universities.

MS. FANNING: Yes.

MR. JENKINS: Which I think is a great idea. But is there some place that I can get where those voc rehab counselors are, and do you have a sense of how many numbers are out there?

I know the university I am affiliated with does not have one, but I also know that --

MS. FANNING: Well, two things. First, we are doing a pilot. If you're referring to the pilot I talked about at the University of South Florida --

MR. JENKINS: Oh, okay, that's --

MS. FANNING: -- we are only at that school.

MR. JENKINS: Oh, I got you.

MS. FANNING: In terms of serving the GI Bill population. But one thing that we're looking at right now are what other universities would be interested in a similar situation. So, let me know if the university you're affiliated with would be interested in talking more with you.

The pilot has just launched, but we already are seeing what a need there is, and how well it's being received.

But our counselors around the country were stationed in every state. So, 57 regional offices, over 100 outbased offices from those ROs where voc rehab counselors are. Because our goal is to have counselors in the communities where veterans are.

We don't want a veteran to have to drive more than 50 miles. In general, in a Metro area, it's much less than that. If they're in a rural area, you know, it may be up to 100 miles. And in those areas that are so dispersed, like the Dakotas, as an example, we use

contracted staff to help bridge the gap, so that we can get folks where veterans are, instead of making veterans travel to us.

MR. JENKINS: Sure.

MS. FANNING: We have about 1,100 staff in voc rehab around the country, so it's a pretty robust, you know, program.

MR. VARGAS: Is this all on your website?

MS. FANNING: It's not all on our website, in terms of the number of counselors we have, but the locations --

MR. VARGAS: The locations and all?

MS. FANNING: Yes.

MR. VARGAS: Yes?

MS. FANNING: Yes. I'm out of time, so I will speed up. I trust that you will tell me to shut up, too, if I need to.

I have already talked about we're reliant on our partnerships with SBA, with VA Center for Veteran Enterprise, with SCORE, private business consultants, anyone that we can identify. A lot of the programs that you mentioned earlier I would really love to get

more information about, the programs you are affiliated with.

As we put together more training and more resources for our staff, our main concern is that they know the resources in their communities. Our program is very much community based. And just like small business is, you know. We contract ourselves for counseling business. Our focus is on using small business. Rehab is typically more of a small business, mom and pop, like I was when I was self-employed. And the value of using contracted counselors in small businesses is they are familiar with the resources in their communities.

So, it is very much of a priority for us. But I think, in terms of our veterans we're serving, we really want to focus on helping more of them who are interested, have the viability for self-employment, to get into these kinds of situations.

MR. VARGAS: On the partnerships, why could we not expand that list to include other stakeholders? We talked a lot about the states, their engagement on this. Why couldn't we get the state veterans affairs

organizations? Why couldn't we get organizations like Ed's here, the veterans business centers engaged in this?

MS. FANNING: We can. And we want to.

MR. VARGAS: Okay.

MS. FANNING: So any feedback you have about that --

MR. VARGAS: The Department of Defense, I would think -- it's in their interest to ensure that their exiting military members have a place to go for some of this assistance.

Industry. Corporate -- we've talked about corporate America and the imperative to get it more engaged in this. So these are things -- these are additional partnerships that you would be open to having?

MS. FANNING: Yes, thank you. And this wasn't intended to be an exhaustive list.

MR. VARGAS: Okay.

MS. FANNING: But any suggestions you have.

MR. VARGAS: Okay.

MS. FANNING: Our goal is to build a page on

our VetSuccess.gov website to provide that self-service aspect for veterans, too, who want to come into our page, who want to go and explore on their own, as well as giving the counselors that information.

And the last slide that I prepared for you is just a snapshot of our VetSuccess.gov website. It's an Internet site. It doesn't have the long government address. It simply is VetSuccess.gov. Easy to find.

Already has a lot of resources, including a job bank that we incorporated with partnership with NASWA, which the National Association of State Workforce Agencies, and a group called Direct Employers, who is a group of Fortune 500 companies who decided they didn't want to post their job openings with expensive companies like Monster, or -- not that Monster is not great, they're just looking to save money. And they developed this collaboration called Direct Employers. Job Central is the database that resulted. It's got over a half-million job postings on it. And that's incorporated into our website.

We also post job openings that -- for employers who come directly to us who want to hire

veterans. So we've got a separate board just for veterans within the site.

And as we build this over the next coming months, we want to incorporate many more resources about each track, including self-employment, and the other tracks -- the campus life, independent living -- so that veterans can have more of that one-stop. So, posting information about partners, such as you mentioned, will be extremely important to us.

The last thing I included for you at the back of your book is just some of the resources that our counselors use in the counseling process: a fax sheet about self employment, which goes more into the category one, category two; an orientation to self employment the case manager uses when they talk with the veteran in this process; some of the questions that the counselors look at when they're evaluating self employment interest; and a business plan review guide.

Not meant to be exhaustive, again, these are just quick guides for the counselors to help them focus and be more knowledgeable about some of these issues.

So, I hope that this addressed some of the

issues you are interested in. Do you have any other questions?

MR. VARGAS: Excellent. No, this is great. Frank?

MR. MANCINI: Yes, I have just a quick question. The preliminary self-employment questionnaire, do you have a similar questionnaire for existing -- for self-employed --

MS. FANNING: We don't. But I think that's an excellent idea. And, I mean, it goes along with a lot of the questions that you asked me today. You really got me thinking. We provide the services we discussed, but we need a little more structure to make that obvious to our counselors, as well as the veterans.

MR. MANCINI: Yes, because we can market this for you, and spread the word.

MS. FANNING: Okay.

MR. MANCINI: Because I would tend to believe that these services have been underutilized.

MS. FANNING: I believe they are.

MR. MANCINI: And, I mean, I could have used

these services four years ago, five years ago. Were they around, these services, five years ago?

MS. FANNING: Yes.

MR. VARGAS: Frank, you missed a lot of this stuff. Where were you, man?

MR. MANCINI: And I didn't know the VA provided assistance to self-employed veterans.

MS. FANNING: Well, I apologize that you didn't know. And we are working to fix that. You know, we really want veterans to know exactly what we offer, so they can make a choice for what is best for them.

MR. MANCINI: I'd like to pass this along to as many veterans as possible. I mean, 20 percent of our members are probably that severe disability. And they could use -- they could definitely benefit from this.

MS. FANNING: Good. Thank you.

MR. JENKINS: You mentioned training. You were getting ready to do some training, or what not. What training is available, for those that are working with veterans? You know, there is some -- because that

is a great way to get the word out, too, you know. Like Frank works in the community, I work in the community. Like, that's one of the things -- like, what is available for training for us to even know this better?

MS. FANNING: Training for you?

MR. JENKINS: Yes, so that that can be spread out --

MR. WHITE: Train the trainer?

MR. JENKINS: Train the trainer.

MR. WHITE: Yes.

MS. FANNING: And our training is primarily focused on training our staff throughout the country.

MR. JENKINS: Sure.

MS. FANNING: As opposed to training business partners. But, you know, one thing that I have focused on since I have been here -- and I have had a lot of help with this -- is getting groups of people together, roundtables.

You know, this isn't really a roundtable, because I'm here for you. But a similar setting where, really, we're just talking about, okay, this is what

you need to look at, this is where you really need to go, this is how we can help you, you know, if this group, or if you could recommend other folks who would be a good part of that group who would be available, I would love to do that.

I work with a lot of the service organizations. There is a group called Veterans Innovations Center, who helps me kind of get together business people, or different folks from DoD who are interested in the same issues I am interested in, and working on, likely early intervention, or employment for the most seriously disabled, or self-employment, and really start learning where the resources are, how can we all work together.

You know, the real success for a rehabilitation counselor is they have to know who is out there, and what's available, and how they can work, collaboratively, with a community that's already in existence, you know?

Obviously, we know, you know, probably the highest level with SBA and SCORE, and so forth. But -- and some of the community resources you mentioned. But

when it gets down into some of the groups that you represent, I mean, I have to be honest. I didn't know about some of the groups that you represent, and I think that's our challenge.

Maybe some of our counselors in the areas where you are know about you. But we want to make that very transparent and easy. The easier that we can make it for our staff, then the more likely that veterans are going to get access to those same resources. Yes?

MR. RONDERS: If I could say, we've been really fortunate in Michigan. We have had a couple of really, really good voc rehab counselors that, when you pick up the phone and you have a question, they will answer it. They have helped our clients. They have gone above and beyond duty.

MS. FANNING: Good. That's a good office.

MR. RONDERS: I'm sorry?

MS. FANNING: It's a great office.

MR. RONDERS: Oh, it is. And I think if we can establish a line of communication between what we offer and the counselors themselves, if we could tell the counselors, let them know that, "Hey, we're here,

here is what we do" --

MS. FANNING: That would be great. And if you would be willing, or if any of you would be willing to be a part of our training that we're planning, I would, you know --

MR. VARGAS: Oh, yes.

MS. FANNING: -- very much welcome hearing from you. And I gave you my card. I don't have all of your cards, so I can work with Bill to get a list and contact information if you're open to that.

MR. VARGAS: Yes.

MS. FANNING: I don't want to bother any of you.

MR. VARGAS: Ruth, I thank you very much. This has been very, very enlightening. I mean, I, like Frank, learned a lot today from -- about what you do.

One question I would have is whether we can get an electronic copy of the presentation?

MS. FANNING: Oh, Absolutely.

MR. VARGAS: Because, you know, in terms of disseminating information on what you do, it would be useful to have this, so we can refer people too.

And then a substantive question. If you had to improve something in your program which required additional resources, what would it be?

MS. FANNING: I would have to say the first thing really would be the subsistence allowance. I would really like veterans to be able to come in, get their rehab done as quickly as possible, and move on with their lives, so that they're not losing time.

I am concerned that some veterans may not come into us because they simply can't afford not to work, instead of working on their future. And I don't want to see anyone under-employed. So I think, really, that's the primary --

MR. VARGAS: Okay.

MS. FANNING: The thing that I would look at. I mean, there are many things. I mean, as I mentioned earlier --

MR. VARGAS: Okay.

MS. FANNING: -- outreach, and early intervention, and making sure veterans know about all the services can provide an extremely important --

MR. VARGAS: Thank you very much. Any other

questions before we --

MR. MANCINI: But as far as funding, your agency, you have a lot of constraints on funding?

MS. FANNING: We don't have constraints on --

MR. MANCINI: Some agencies, for example, don't have enough funding to fund their missions.

MS. FANNING: No. We can provide whatever services veterans need. We're not -- like, state voc rehab has certain eligibility criteria, order of selection because of budget constraints. We can provide the services that veterans need.

MR. MANCINI: That's very important.

MS. FANNING: It is very important.

MR. VARGAS: Ruth, again, thank you very much. Those of us who are so interested, please provide her your cards.

And we are going to break for lunch at this particular point. I am suggesting that, if you wish, we can reconvene at either 1:30 or 2:00. What is the consensus here? An hour or an hour-and-a-half? An hour is good.

(Whereupon, at 12:28, the meeting was

1 concluded.)