



House Committee Questions Contract for Former Bush Appointee By [ELIZABETH OLSON](#)

WASHINGTON — The House Small Business Committee has asked for an investigation into how a newly retired Bush administration appointee with no experience in helping small businesses compete for government contracts received money from the [Small Business Administration](#) to do exactly that.

The \$1.2 million contract — 90 percent of the agency’s budget to provide advice and training to small disadvantaged businesses or businesses operating in high unemployment areas — went to the VBP Group, a company based in Paradise Valley, Ariz.

The company’s owner, Vernon B. Parker, served as assistant secretary for civil rights in the Agriculture Department from April 2003 to January 2006. The post was created by Congress to help address the department’s historic discrimination against black farmers. A month after Mr. Parker, a former church pastor who is also a lawyer and a civil rights consultant, left the Agriculture Department, he founded the VBP Group.

Certification by the S.B.A. to run one of its programs typically takes two years, unless the owner has prior experience in the area and receives a waiver. The VBP Group was four months old when it was certified.

Steven C. Preston, the S.B.A.’s administrator, was questioned about the contract award to Mr. Parker at a hearing of the House Small Business Committee on Feb. 7.

The next day, Mr. Preston reported that he had asked the agency’s inspector general, Eric Thorson, to look into the matter. “Based in the information provided by your staff, and some research conducted by my staff, I believe there is sufficient cause for concern over the events surrounding this contractor,” Mr. Preston wrote to Nydia Velázquez, Democrat of New York and chairwoman of the committee.

Ms. Velázquez said in an e-mail message on Friday that the S.B.A. has long argued that it has had to cut programs because “the agency just didn’t have the funds.”

She added: “It seems they only have money for Republican cronies.”

Mr. Parker, 48, said, in a telephone interview on Friday, that he had legitimately obtained the S.B.A. contract after winning a waiver to become a qualified training provider in June 2006. In addition to serving at the Agriculture Department, Mr. Parker said he had worked at the federal Office of Personnel Management, becoming its general counsel in the early 1990s, according to his official biography.

“My role is to teach businesses about civil rights issues and how the government views civil rights,” he said.

Mr. Parker, who said in a second phone call that he had been contacted by the inspector general’s office, said he was working with James E. Selmon III on the program. Mr. Selmon was associate administrator for the Agriculture Department’s Rural Housing Service for two years, starting in 2002.

Mr. Selmon, 37, said he had been conducting workshops in every state, “We instruct them on how to get government contracts,” Mr. Selmon said, by telephone from Houston, where he lives. “It’s everything from cost and pricing to administrative procedures and taxes.”

Mr. Selmon said he was formerly employed by a Houston computer business and had worked for Unlimited Services Systems Management and Consultants, a firm based in Largo, Md., which provided S.B.A. training for three years, 2004 through 2006.

Brenda Campbell, who owns Unlimited Services Systems Management, said she had won a fourth year of the training contract but that it had been rescinded without explanation.

The S.B.A., citing the inspector general's investigation, said it could not comment on Ms. Campbell's assertion or provide access to the contracting officials involved. The inspector general's office said it would not comment.

Congressional Democrats and small business groups have long argued for the importance of the training program, which is the only government-financed program that teaches owners of small businesses about the complex procedures and language involved in applying for government contracts. Those contracts are often crucial to the financial well-being of small businesses, particularly minority- and female-owned businesses. Groups like the National Small Business Association say such training is vital, especially in a declining economy.

“What we hear is that the reason more of our members don't participate in government contracts is because it's so confusing,” said Molly Brogan, the association's spokeswoman. “The program helps them figure out what the lingo means and what they need to do.”

The administration has asked for \$1.5 million for the program for the coming fiscal year, which begins in October. Members of the small business committee have urged that the budget be increased to \$2 million or more.

As recently as 2001, the program awarded \$3.2 million to a dozen groups, including well-known names like the Amos Tuck School of Business at Dartmouth.

Ms. Velazquez and the committee's ranking Republican, Steve Chabot of Ohio, have pledged to look “into the use of funds to ensure the program has qualified business advisers.”