

Executive Order
Commonwealth of Pennsylvania
Governor's Office

Subject:
Small Business Procurement Initiative

Number:
2011-09



By Direction of: Tom Corbett, Governor

Date: November 21, 2011

WHEREAS, small businesses are the backbone and represent the fastest growing segment of the economy as a meaningful source of employment and a valuable training opportunity for entrepreneurs; and

WHEREAS, small businesses can play a significant role in revitalizing the economy by participating in state contracting; and

WHEREAS, *Section 2101 of the Commonwealth Procurement Code, 62 Pa. C.S. §2101*, provides that it is commonwealth policy to assist small businesses in doing business with commonwealth agencies; and

WHEREAS, *Section 2104 of the Commonwealth Procurement Code, 62 Pa. C.S. §2104*, assigns the Department of General Services certain duties to encourage procurement from small businesses; and

WHEREAS, *Section 2105 of the Commonwealth Procurement Code, 62 Pa. C.S. §2105*, permits purchasing agencies to relax bonding requirements and to make special provisions for progress payments to encourage procurement from small businesses; and

WHEREAS, this administration is firmly committed to promoting the prosperity and economic growth of all small businesses to enable them to successfully compete for commonwealth contracts on a level playing field; and

WHEREAS, formulation of specific policy initiatives to implement these important goals is assigned to the Department of General Services as the agency responsible for the formulation of general procurement policy under *Section 301 of the Commonwealth Procurement Code, 62 Pa. C.S. §301*.

NOW, THEREFORE, I, Tom Corbett, Governor of the Commonwealth of Pennsylvania, by virtue of the authority vested in me by the Constitution of the Commonwealth of Pennsylvania and other laws, do hereby designate the Department of General Services as the central agency to develop and implement policy initiatives to create greater opportunities for procurement from small businesses.

1. **Purpose.** The purpose of the Small Business Procurement Initiative is to direct the Department of General Services to develop and implement policy initiatives to increase opportunities for small businesses to compete for award of commonwealth contracts as prime contractors.
2. **The Department of General Services** shall:
 - a. Develop appropriate standards for qualification as a small business, including number of employees and dollar volume of business. The Department of General Services may develop tiers of participation for small businesses of varying size;
 - b. Establish agency goals for contracting with small businesses;
 - c. Develop specific guidelines for competition for those commonwealth procurement contracts identified for award to small businesses;
 - d. Develop policy that will provide for alternative and reduced bonding requirements and make special provisions for progress payments;
 - e. Develop and implement monitoring and reporting systems to measure the effectiveness of all small business procurement initiatives;
 - f. Implement enforcement measures to verify the eligibility of competitors and to investigate allegations of non-eligibility; and
 - g. Assist agencies in:
 - (1) Identifying procurement contracts suitable for competition by, and award to, small businesses;
 - (2) Identifying qualified small businesses to solicit for procurement contracts; and
 - (3) Assist in training agency personnel.
3. **Commonwealth Agencies.** Commonwealth agencies under the Governor's jurisdiction shall identify contracts for award to small businesses, pursuant to direction provided by the Department of General Services. Independent agencies are also encouraged to participate in the Small Business Procurement Initiative. For those contracts identified for award to small businesses, agencies shall seek competition only from qualified small businesses and shall award contracts only to qualified small businesses.
4. **Agency Heads** shall:
 - a. Ensure that the agency's small business participation goals are clearly understood and properly implemented by all agency employees;
 - b. Designate an appropriate employee to supervise the agency's role in implementing small business procurement initiatives and to ensure compliance with this Executive Order; and

- c. Prepare and submit reports to the Department of General Services, on forms and in the format requested by the Department of General Services, on the agency's progress in meeting goals for small business participation.

5. Effective Date. This Executive Order shall take effect immediately.

6. Termination Date. This Executive Order shall remain in effect unless revised or rescinded by the Governor.