

NOTICE TO PROPOSERS OF COMMITMENT TO SMALL DISADVANTAGED BUSINESSES:

Small Disadvantaged Business Participation

The Commonwealth encourages participation in Commonwealth leases by small disadvantaged businesses either directly as lessors, or through lessor contracts for services (such as design, construction, cleaning, repair, maintenance, snow removal or landscaping) or supplies related to the lease.

Small Disadvantaged Businesses

“Small Disadvantaged Businesses” are small businesses that are owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantages. The term includes: 1) Department of General Services Bureau of Minority and Women Business Opportunities (BMWBO)-certified minority businesses enterprises (MBEs) and women business enterprises (WBEs) that qualify as small businesses; and 2) Small Disadvantaged Businesses, as determined under the rules and regulations established by the United States Small Business Administration; and 3) United States Small Business Administration certified 8(a) Small Disadvantaged Business Concerns.

“Small businesses” are businesses in the United States that are independently owned, are not dominant in their field of operation, employ no more than 100 persons, and earn less than \$20 million in gross annual revenues (\$25 million in gross annual revenues for those businesses in the information technology sales or service business).

Factor in Proposal Selection

Participation by Small Disadvantaged Businesses may be an important factor in the Commonwealth’s selection of a proposal to provide leased space to the Commonwealth. The amount of consideration given by the Commonwealth for the Disadvantaged Business participation offered by a proposer will be based upon the following in order of priority:

Priority Rank 1	A proposal submitted by a proposer that is a Small Disadvantaged Business.
Priority Rank 2	A proposal submitted by a joint venture with a Small Disadvantaged Business as a joint venture partner.
Priority Rank 3	A proposal submitted by a proposer with contracting commitments to Small Disadvantaged Businesses. Proposers are encouraged to attain the aspirational goal of 20% participation by Small Disadvantaged Businesses.

<p>No Ranking A proposer that falls into this category MUST provide a written explanation as to why it has not made a specific percentage commitment to Small Disadvantaged Businesses.</p>	<p>A proposal submitted by a proposer that is not a Small Disadvantaged Business and that is not in a joint venture with a Small Disadvantaged Business and that makes no specific percentage commitment to Small Disadvantaged Businesses.</p>
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Each proposal will be rated for its approach to enhancing the utilization of Small Disadvantaged Businesses. Each approach will be evaluated, with Priority Rank 1 receiving the greatest priority for this factor, and the succeeding options receiving consideration in accordance with the above-listed priority ranking. For lessor contract commitments, the percentage commitment will be based upon the amount of the rent that the proposer commits to pay to Small Disadvantaged Businesses for services and/or supplies. The amount must be stated as a specific percentage of the total rent to be paid by the Commonwealth over the term of the lease, including any lump sum payments.

Disadvantaged Business Qualification

- 1) To receive credit for being a Small Disadvantaged Business or entering into a joint venture agreement with a Small Disadvantaged Business, a proposer will be required to provide proof of Small Disadvantaged Business qualification, as follows:
 - a) A proposer qualified as a result of MBE/WBE certification from BMWBO must provide a photocopy of its BMWBO certificate.
 - b) A proposer qualified as a result of certification from the U.S. Small Business Administration as an 8(a) disadvantaged business must submit proof of Small Business Administration Certification. The owners of such business must also submit proof of United States citizenship.
 - c) A proposer qualified as a “Small Disadvantaged Business” under the rules and regulations of the United States Small Business Administration must provide self-certification and the following:
 - i) The proposer’s attestation that the proposer has 100 or fewer employees.
 - ii) Proof that the proposer’s gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished by including a recent tax or audited financial statement.
 - iii) Proof of the United States citizenship of the owners of such business.

- d) In the case of a joint venture agreement, the proposer must provide a copy of the agreement, together with the documentation necessary to establish the joint venture partner as a Small Disadvantaged Business, as follows:
 - i) If the joint venture partner qualified as a result of MBE/WBE certification from BMWBO, the proposer must provide a photocopy of the joint venture partner's BMWBO certificate.
 - ii) If the joint venture partner qualified as a result of certification from the U.S. Small Business Administration as an 8(a) disadvantaged business, the proposer must submit proof of the joint venture partner's Small Business Administration Certification. The proposer must also submit proof of the United States citizenship of the owners of the joint venture partner.
 - iii) If the joint venture partner qualified as a "Small Disadvantaged Business" under the rules and regulations of the United States Small Business Administration, the proposer must provide the joint venture partner's self-certification and the following:
 - (1) The joint venture partner's attestation that the joint venture partner has 100 or fewer employees.
 - (2) Proof that the joint venture partner's gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished by including a recent tax or audited financial statement.
 - (3) Proof of the United States citizenship of the owners of such joint venture partner.
- 2) To receive credit for contracting with a Small Disadvantaged Business (including construction/purchasing supplies and/or services through a purchase agreement), a proposer will be required to provide the following information prior to award of the lease:
 - a) The name and telephone number of the person within the proposer's organization that DGS may contact regarding the proposer's Small Disadvantaged Business commitments
 - b) The company name, address, and telephone number of the prime contact person for each **specific** Small Disadvantaged Business included in the proposal. The proposer must specify each Small Disadvantaged Business to which it is making commitments. The proposer will not receive credit by stating it will find a Small Disadvantaged Business after the lease is awarded or by listing several companies and stating it will select one later.

- c) The specific work, goods, or services each Small Disadvantaged Business will perform or provide.
- d) The location where each Small Disadvantaged Business will perform these services.
- e) The timeframe for each Small Disadvantaged Business to provide or deliver the goods or services.
- f) The amount of capital, if any, each Small Disadvantaged Business will be expected to provide.
- g) The form and amount of compensation each Small Disadvantaged Business will receive.
- h) The percent of the total rent that will be paid to each Small Disadvantaged Business.
- i) A signed contract or letter of intent must be included in the Disadvantaged Business portion of the proposal.
- j) If the contractor is a Small Disadvantaged Business qualifying as a result of certification from MBWBO, the proposer must provide a photocopy of the contractor's MBWBO MBE/WBE certificate.
- k) If the contractor is a Small Disadvantaged Business qualifying as a result of 8(a) certification from the U.S. Small Business Administration, the proposer must submit proof of such contractor's Small Business Administration Certification, and proof of the United States citizenship of the owners of such contracting business.
- l) If the contractor is a Small Disadvantaged Business qualifying as a "Small Disadvantaged Business" under the rules and regulations of the United States Small Business Administration, the proposer must provide the contractor's self-certification and the following:
 - i) The contractor's attestation that the contractor has 100 or fewer employees.
 - ii) Proof from the contractor that the contractor's gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished via a recent tax or audited financial statement.
 - iii) Proof of the United States citizenship of the owners of such contracting business.

Lease Obligation

The selected lessor's Small Disadvantaged Business commitment will be included as a contractual obligation in the lease.

Commitments to Small Disadvantaged Businesses made at the time of proposal submittal or during lease negotiations must be maintained throughout the term of the lease. This requirement also applies to any subsequent lessor who takes the lease by assignment. Any proposed change must be submitted to BMWBO, which will, along with the Commonwealth leasing agency, determine whether a proposed substitution should be approved.

Small Disadvantaged Business that contract with the lessor, and Small Disadvantaged Businesses in a joint venture, must perform at least 50 percent of the contract or Small Disadvantaged Business portion of the joint venture.

To the extent that a contract or subcontract is to be performed by a Small Disadvantaged Business, the Small Disadvantaged Business cannot enter into subcontract arrangements for more than 40 percent of the total estimated dollar amount of the contract.

The lessor shall complete the Lessor's Quarterly Utilization Report (or similar type document containing the same information) and submit it to the leasing officer of the agency occupying the leased premises and BMWBO within 10 workdays after the end of each quarter the lease is in force. If there was no activity, the form must also be completed, stating "No activity in this quarter." This information will be used to determine the actual dollar amount paid to Small Disadvantaged Businesses as lessors or contractors with lessors, and Small Disadvantaged Businesses involved in joint ventures. Also, it is a record of fulfillment of the commitment the lessor made and for which it received consideration for selection.

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF SMALL DISADVANTAGED BUSINESS STATUS OR ENTITLE A PROPOSER TO RECEIVE CREDIT FOR SMALL DISADVANTAGED BUSINESS UTILIZATION.

Questions regarding the Disadvantaged Business Program can be directed to:

Department of General Services
Bureau of Minority & Women Business Opportunities
North Office Building
401 North Street, Room 611
Harrisburg, PA 17120-0500

gs-bmwbo@pa.gov

Phone: (717) 787-6708

FAX: (717) 772-0021

Small Disadvantaged Business Program information and a database of BMWBO-certified minority-and women-owned businesses can be accessed at www.dgsweb.state.pa.us/mbewbe/VendorSearch.aspx. The federal vendor database can be accessed at www.ccr.gov by clicking on *Dynamic Small Business Search* (certified companies are so indicated).

Small Disadvantaged Business Commitment Form

The Small Disadvantaged Business Commitment Form, which is attached to this document, must be completed by the proposer and submitted with its proposal.