



## Small Business Reserve Program (SBR)

*Pursuant to [Executive Order 2011-09](#), the purpose of the Department of General Services' (DGS) Small Business Reserve (SBR) program, formally known as the Small Business Procurement Initiative (SBPI), is to direct DGS to develop and implement policy initiatives to increase opportunities for small businesses to compete for award of Commonwealth contracts as prime contractors. While the SBR program aims to foster competitive procurement, it does not guarantee every properly certified Small Business will receive a contract.*

### Governor Wolf's Commitment

In his first year in office, Governor Tom Wolf signed [Executive Order 2015-11](#) to get the Commonwealth on a path of improvement in the quality and quantity of opportunities for small and small diverse businesses to participate in state government contracting and the Commonwealth's overall economy. In June of 2019 Governor Wolf announced, as part of the re-invigoration of the SBR program, that all Commonwealth agencies under the governor's jurisdiction are required to identify and target fifteen percent (15%) of their agency contract spend for SBR procurements.

### Small Business Eligibility

[§ 58.303. Self-certification of eligible small businesses.](#)

A for-profit business in the United States which is independently owned, is not dominant in its field of operation, employs no more than 100 employees and earns less than \$38.5 million in gross annual revenues<sup>1</sup>.

The Department reserves the right to alter revenue limits in the future, and any changes will appear in the Department's guidelines at [www.smallbusiness.pa.gov](http://www.smallbusiness.pa.gov).

### Small Business Certification

[Online self-certification for small businesses.](#)

### What is the Small Business Reserve (SBR) Program?

The SBR program enables businesses of similar sizes and resources to compete among each other for specific government contract opportunities as prime contractors. All Commonwealth agencies under the Governor's jurisdiction are being directed to identify and target 15% of their total agency operational spend for SBR procurements.

---

<sup>1</sup> Effective 11/2/2018, DGS altered the revenue limit to a three-year average of gross revenues of \$38.5 million. See, 4 Pa. Code § 58.303(b) and [www.smallbusiness.pa.gov](http://www.smallbusiness.pa.gov).

## Who can participate in the Small Business Reserve (SBR) Program?

Any business that meets the eligibility criteria and satisfactorily completes the DGS self-certification process will be deemed a "Small Business." Only Small Businesses will be eligible to bid or propose as prime contractors for procurements issued under this program.

## How can I find Small Business Reserve (SBR) opportunities?

Enter [eMarketplace](#), click on the Solicitations, and in the search criteria field, choose the option to "View Small Business Procurements." Check the box and select to either "View Current Records" or "View Archived Records" to filter the list of SBR solicitations.

## Scope of Work for SBR Contracts and Exclusions

Prior to considering a procurement for the SBR program, agencies must determine whether the goods or services should be procured through UniqueSource or Correctional Industries.

Agencies shall determine whether to include a procurement in the SBR program on a case by case basis utilizing the following criteria:

- A minimum of three (3) Small Businesses must exist in the appropriate geographical area that are qualified to responsibly provide the goods or services required to generate competition.
- The Small Businesses must be able to satisfactorily provide the scope of the supplies or services required (e.g., distribute goods across the Commonwealth, provide a specific expertise).
- The contract value for the initial contract term must be less than the Small Business definition for gross annual revenue.
- Any other factors that an agency deems relevant in determining whether a procurement is suitable for competition by, and award to, Small Businesses.

Agencies shall consider the practical severability of all contracts and may not bundle contracts for the purpose of precluding or limiting inclusion in the SBR program. Independent agencies shall utilize the criteria above to determine whether a procurement for supplies that has been delegated by DGS shall be included in the SBR program. Agencies shall document in writing their determination as to whether a procurement shall be included in the SBR program and shall maintain a copy of the written determination in the official contract file.

Contracts for small, no bid, emergency or sole source procurements - regardless of dollar value - are exempt from the requirements of the SBR program. However, agencies are encouraged to utilize Small Businesses whenever possible for small, no bid, emergency, and sole source procurements.