




Pennsylvania
Department of General Services

MEMORANDUM

Date: January 22, 2026

Subject: Bureau of Procurement Policy Initiative 2026-01
Affordability Language and Budget Inclusion in RFPs

To: Deputy Secretaries for Administration
Procurement Directors
Procurement Policy Council
OGC Transactions Practice Group

From: Reginald B. McNeil, II 
Secretary of General Services

cc: Frank McNally Deputy Secretary for Procurement
Shawn Smith, Chief Counsel
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The Department of General Services Bureau of Procurement (BOP) is committed to purchasing materials and services in an efficient and effective way to deliver exceptional value for all Pennsylvanians. As budgets grow tighter, agencies must be mindful of the cost of projects as they issue solicitations. To further allow for efficiency, effectiveness, and value for Pennsylvania taxpayers, BOP is issuing this guidance to include, in certain instances, the budgeted amount for the project and the inclusion of either affordability language or firm project budget language in solicitations using the competitive sealed proposal method (more commonly referred to as a Request for Proposals, or “RFP”).

Affordability Language

Affordability language signals to offerors the amount the agency is anticipating spending on the project, without disqualifying vendors who exceed that amount.

To include affordability language in an RFP, agencies must:

- Request a [waiver](#) from BOP (see Procurement Handbook Pt I Ch 06, “agency should not disclose the amount of money available for a contract unless DGS has previously provided a written determination to allow the disclosure”). The waiver approved by DGS will act as the written determination.
- Conduct market research that includes contract(s) with similar scope and budget. The market research should be attached to the waiver request.
- While a Request for Information (RFI) is encouraged to ensure the project scope is in line with current offerings in the market, it is not required.

Sample Affordability Language:

“(Agency) anticipates spending \$(cost estimate) on this project over the initial (number of years) term of the contract. Offerors should not interpret this figure as a ceiling or floor, and cost proposals above or below this amount will be considered. A cost proposal above or below the Commonwealth-provided cost estimate is not in itself grounds to deem the proposal non-responsive. The cost shall be scored as described in (Section of the RFP). The offeror with the lowest total cost will receive the maximum number of cost points available.”

Firm Project Budget Language

Agencies may include language setting forth a firm project budget amount in the RFP. This is different than affordability language, in which proposals are still considered responsive even if the proposed costs are higher or lower than the affordability estimate provided by the Commonwealth. When using a firm project budget, proposals that exceed that budget are considered non-responsive and the proposal will be rejected.

To use a firm project budget, the agency must:

- Request a [waiver](#) from BOP to disclose the budget amount (see Procurement Handbook Pt I Ch 06, “agency should not disclose the amount of money available for a contract unless DGS has previously provided a written determination to allow the disclosure”). The waiver approved by DGS will act as the written determination; and
- The agency MUST conduct a Request for Information (RFI) to ensure the proposed project scope aligns with current offerings in the market. A summary of information from the RFI must be attached to the waiver request.

Sample Firm Project Budget Language:

“(Agency) has budgeted an amount not to exceed \$(Amount) for this Project over the initial (number of years) term of the contract. Offerors with cost proposals above this amount will be considered non-responsive, and (Agency) will reject any proposals in excess of the budgeted amount. The cost shall be scored as described in (Section of the RFP). The offeror with the lowest total cost will receive the maximum number of cost points available.”