



**DEPARTMENT OF THE TREASURY**  
**WASHINGTON, D.C.**

SECRETARY OF THE TREASURY

September 7, 2007

The Honorable John F. Kerry  
Chairman  
Committee on Small Business and Entrepreneurship  
United States Senate  
Washington, DC 20510

Dear Senator Kerry,

Thank you again for your letter, dated August 13, 2007, regarding a recent Government Accountability Office review of five agencies', including this Department's, compliance with Executive Order 13170, which directs federal agencies to take an aggressive role in ensuring that small disadvantaged and minority-owned businesses have greater opportunities in federal advertising contracts.

As I outlined in my initial response, dated August 15, 2007, the GAO report took note of the actions that the Department had already undertaken to increase the number of Department advertising contracts awarded to small disadvantaged and minority-owned small businesses:

1. Building on existing relationships with trade associations and undertaking other outreach activities in order to identify capable small and minority-owned businesses;
2. Maintaining a public website for small business procurement opportunities that includes an annual forecast of procurement opportunities;
3. Publicizing available contract opportunities in the Commerce Business Daily and FedBizOps (an internet-based point-of-entry for federal government procurement opportunities); and
4. Issuing an acquisition bulletin in January 2007 establishing additional outreach efforts and reporting requirements.

Building on these actions, the Department's Senior Procurement Executive issued Acquisition Bulletin Number 07-06, dated September 4, 2007, reminding acquisition personnel of the importance of compliance with the Executive Order and instructing that:

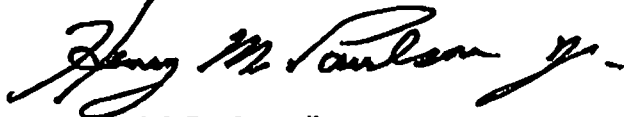
1. We must improve efforts to ensure maximum participation by small disadvantaged and minority-owned businesses in federal advertising contracting;
2. Capable small disadvantaged and minority-owned small businesses must be formally sought;

3. Acquisition plans must consider the information received in response to the sources sought notices, and to the maximum extent possible under FAR Part 19, attempt to secure participation by small disadvantaged and minority-owned businesses; and
4. Contract files must include documentation on the efforts made to identify 8(a)s, small disadvantaged, and minority-owned businesses and how the acquisition strategy is responsive to the Executive Order.

Bureau compliance with the Acquisition Bulletin for Fiscal Year 2007 and any needed corrective actions will be reviewed by the Senior Procurement Executive in January 2008.

I am confident that the Department has reminded acquisition personnel of the importance of compliance with the Executive Order, and instructed them on the additional actions necessary for this Department to improve its efforts to increase participation by small disadvantaged and minority-owned businesses in federal advertising contracting.

Sincerely,



Henry M. Paulson, Jr.