

ROADMAP OF THE FEDERAL PROCUREMENT PROCESS FOR INDIGENOUS BUSINESSES

STRATEGIC PARTNERSHIP INITIATIVE

Indigenous Economic Development
Organizations and Capacity Building

July 30, 2021



PURPOSE OF THIS DOCUMENT

This document is a roadmap of the federal procurement process for Indigenous businesses. The purpose of this document is to consolidate information and data around the federal procurement process that resonates with Indigenous businesses and in turn, enhancing engagement and capacity in doing business with the federal government. The roadmap is comprised of the following five (5) sections:

1 > Federal Government Procurement: The Opportunity



2 > How the Government Buys



3 > Policies and Programs to Increase Indigenous Participation



4 > What You Need to Do



5 > What You Need to Know When Responding to a Solicitation





ROADMAP OF THE FEDERAL PROCUREMENT PROCESS FOR INDIGENOUS BUSINESSES

Contents



FEDERAL GOVERNMENT PROCUREMENT: THE OPPORTUNITY

- Introduction
- Government Procurement Activity
- Small and Medium Enterprises
- Indigenous-Owned Businesses

HOW THE GOVERNMENT BUYS

- Introduction
- Methods of Solicitation
- Methods of Supply
- Prequalification Process
- Commodity Management
- Government Electronic Tendering Services
- Procurement Phases

POLICIES AND PROGRAMS TO INCREASE INDIGENOUS PARTICIPATION

- Procurement Strategy for Aboriginal Businesses (PSAB)
- Comprehensive Land Claim Agreements (CLCAs)
- Industrial and Technology Benefits Policy (ITB)
- Indigenous Benefits Plan (IBP)

WHAT YOU NEED TO DO

- Understand the Contracting Process
- Learn About Key Government Programs and Initiatives
- Search for Tenders to Find Opportunities and Learn About What the Government Buys
- Strategize on How You Enter the Market
- Learn How to Prepare a Government Bid
- Register to Become a Supplier in the SRI System
- Register in the IBD
- Network and Engage
- Get Pre-Qualified to Sell

WHAT YOU NEED TO KNOW WHEN RESPONDING TO A SOLICITATION

- Structure of an RFP
- Evaluation Process
- Technical Proposal
- Mandatory Requirements
- Rated Requirements
- Certifications and Other Information
- Security Clearances
- Audits



**FEDERAL GOVERNMENT
PROCUREMENT: THE
OPPORTUNITY**

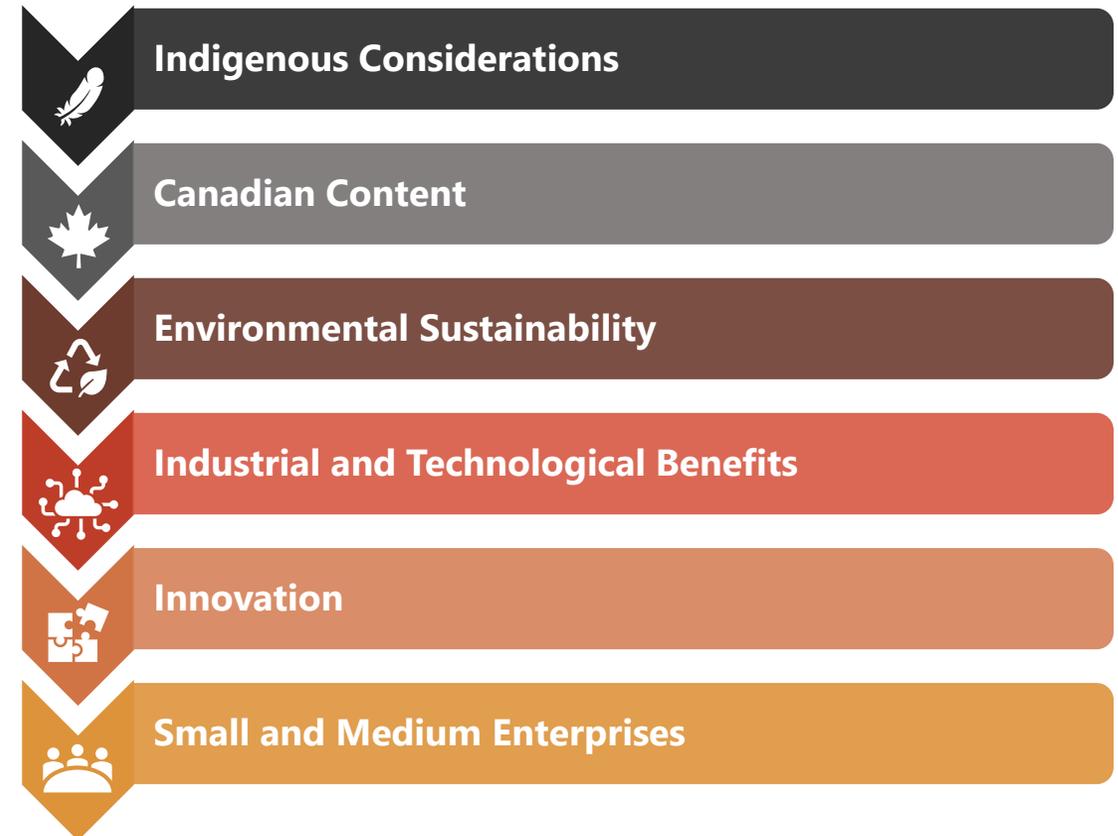


INTRODUCTION (1/2)

- **One of the most overlooked opportunities for small business owners is selling to government agencies:**
 - Process appears to be complex and laborious
 - Perception of stiff competition by larger and more established companies
- **Doing business with the Government is NOT just for large companies:**
 - Several policies and programs in place that incentivize the Government to purchase from small businesses
 - There are mandates that aim to ensure that the bid selection process considers potential benefits for Canada and all Canadians, ensuring taxpayer dollars contribute to the socio-economic benefit of the country (**Smart Procurement**)
- **Government procurement is carried out in a decentralized manner:**
 - Individual departments award contracts under their own authorities, which vary between the procurement of services, goods and construction
 - Authorities refer to the size and complexity of the procurement
 - Large and complex procurements are centrally managed by Public Services and Procurement Canada, while smaller, low risk procurements are managed by individual departments

Smart Procurement

ENSURES THE FOLLOWING CONSIDERATIONS ARE ACCOUNTED FOR IN THE PROCUREMENT PROCESS:



INTRODUCTION (2/2)

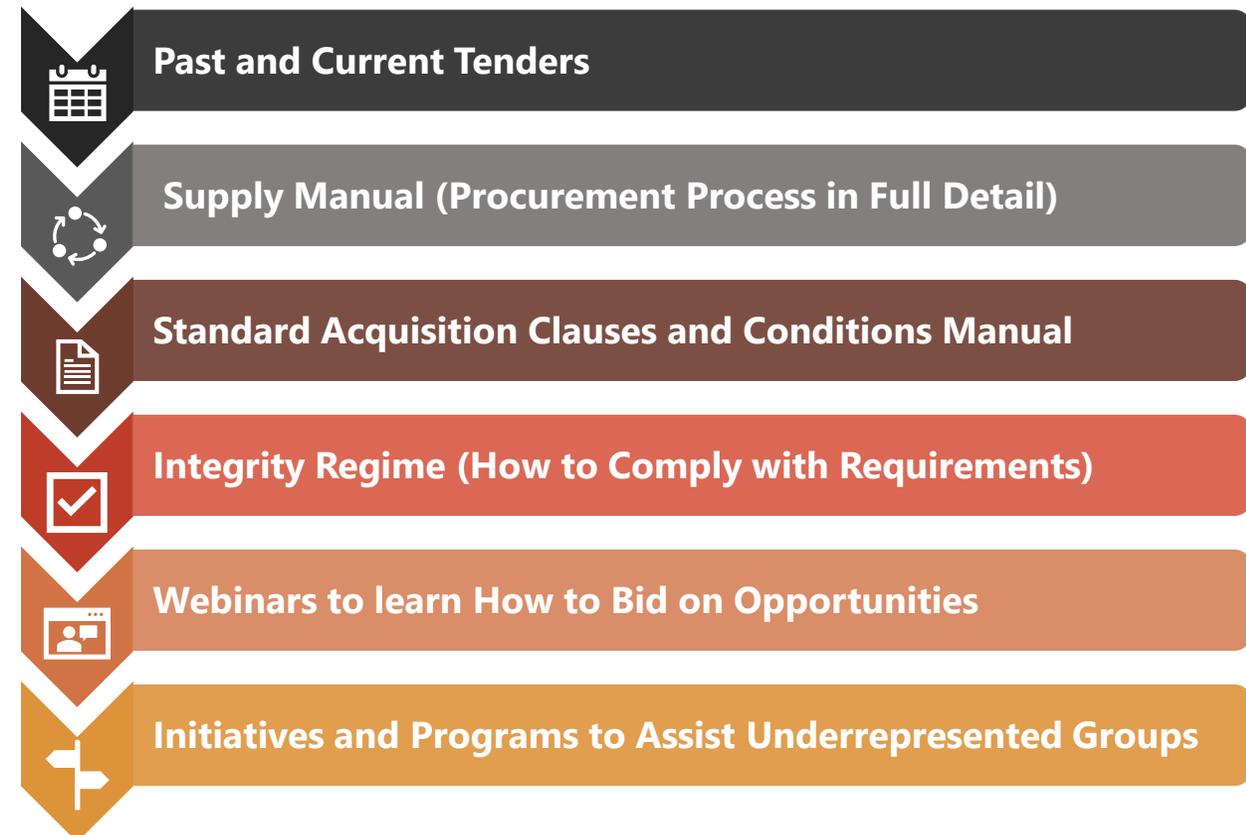
- **Overarching principle for government procurement is integrity:**
 - Procurement activities are conducted in an open, fair and transparent manner
 - The aim is for all suppliers to have an equal chance to be successful in the Government Market
- **The Government's purchasing approach strives to be transparent:**
 - Most often, government agencies buy the goods, services and construction they need from suppliers that meet certain qualifications (pre-qualification)
 - If a business is willing to spend the time required to familiarize themselves with the procedures, Government contracting can become a lucrative business

 <https://buyandsell.gc.ca>



Government's Electronic Tendering Service (GETS)

Is a one stop shop for federal procurement and offers various resources to help businesses navigate tenders and educate themselves on how to bid on opportunities:



GOVERNMENT PROCUREMENT ACTIVITY

- **Government sales can offer your company an important opportunity for growth and can provide access to a marketplace previously not considered:**

-  Solid, steady and reliable source of revenue → Government buys year-round and during economic downturns
-  Credibility in the marketplace → additional business opportunities
-  At approximately \$22 billion annually, the Government of Canada market is one of the largest in the country.
-  The Government Purchases over 70,000 types of goods, services and construction from private sector businesses.

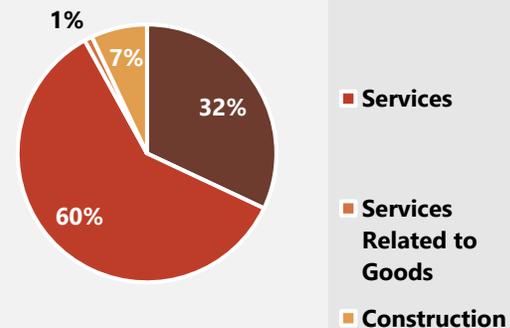
- **There are four (4) broad categories of commodity types that the Government procures**

-  Goods
-  Services
-  Services Related to Goods
-  Construction

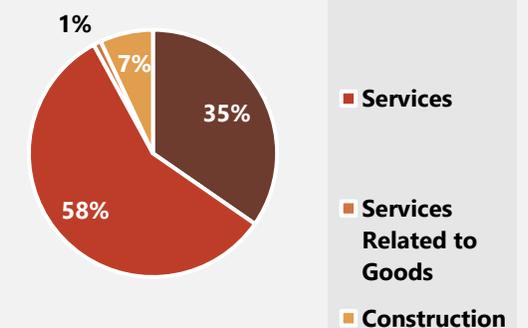
2020 – 2021 Government Procurement Activity by Commodity

Commodity Type	Number of Contracts	Value of Contracts
 Goods	7,612	\$5,836,363,586
 Services	13,970	\$9,756,386,991
 Services Related to Goods	168	\$26,182,055
 Construction	1,738	\$1,225,132,196
 TOTAL	23,488	\$16,844,064,828

Number of Contracts



Value of Contracts



SMALL AND MEDIUM ENTERPRISES

 Small and medium enterprises (SMEs) received almost **90% of the contracts awarded annually to suppliers in Canada** by Public Services and Procurement Canada (PSPC), the purchasing arm of the Federal Government

 There are additional opportunities for small and medium sized businesses to **provide goods and services as part of a larger prime contractor's supply chain**

 PSPC has a **division dedicated to the support of small and medium enterprises** in the federal procurement process – the Office of Small and Medium Sized Enterprises (OSME):

- Engage with SMEs to assist and inform them on how to sell their goods and services to the Government of Canada
- Reduce barriers to ensure fairness within the procurement process
- OSME has regional offices across Canada



[Office of Small and Medium Enterprises](#)



Additional Resources

The Government offers additional resources to help SMEs, which includes but is not limited to:

Financing Programs and Services

Digital platform that can match you with the best fitting programs and services

Starting Your Business

Tools and information on what to consider before starting a business

Growing Your Business

Information to help identify opportunities to expand

Financing Your Business

Learn how to fuel your R&D and innovation projects through various sourcing of funding

Regional Support

Programs and services available by region to help your business succeed

INDIGENOUS-OWNED BUSINESSES

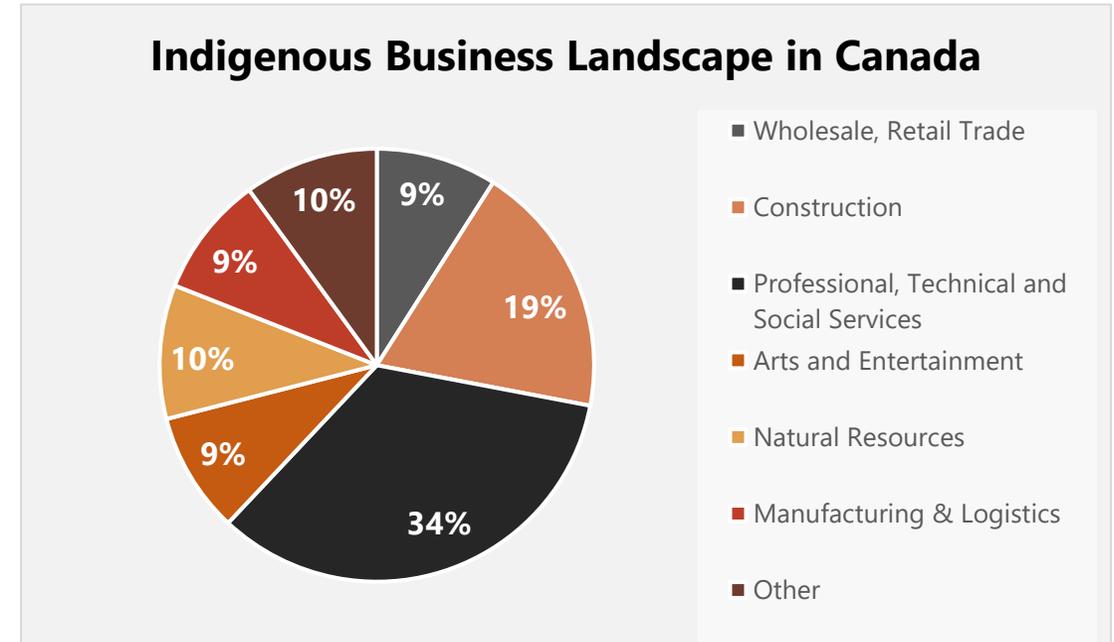
 **Indigenous businesses have the potential to significantly contribute to Canada's economic recovery and future growth**, but this can only be achieved if Canada works in partnership with Indigenous nations toward economic reconciliation

 Recently the Government of Canada specifically recognized the underrepresentation of Indigenous businesses in federal procurement – creating a new **target to have at least 5% of Federal contracts awarded to Indigenous businesses**

 According to a study by CCAB, **Indigenous businesses have the capacity to supply 24.2% of the goods and services purchased by the Federal Government** – far in excess of 5%

 There has been a positive trend in Indigenous procurement over the years

Indigenous Businesses Truly Represent one of Canada's Emerging Markets



Account for \$30 Billion of the Canadian Economy



Over 50,000 Businesses



Growing Five Times the Rate of Self-employed Canadians



**HOW THE GOVERNMENT
BUYS**



INTRODUCTION

- **Public Services and Procurement Canada (PSPC) is the department responsible for the vast majority of federal procurement**
 - PSPC also works with other departments to assist in their procurements
 - Facilitates an effective, open and transparent process that provides value for Canadians
- **Certain types of purchases are managed by the other departments where they have expertise**
- **All departments have the discretion to purchase goods and services themselves under certain dollar limits**
 - Generally, these limits vary between \$25,000 - \$100,000
- **Low Dollar Value Procurements represent a majority of government procurement**
 - Requirements below \$25,000 for goods and below \$40,000 for services and construction
- **Purchasing is generally completed through a competitive process, and a non-competitive approach is only used in special circumstances (i.e., pressing emergency)**

Guiding Principles to Competitive Procurement



METHODS OF SOLICITATION

Request for Quotation (RFQ)

- Used to solicit bids for low dollar value goods and/or services valued below \$25,000 for goods and \$40,000 for construction and services,
- Bids may be evaluated and compared based on price and delivery, or on the basis of the lowest-priced bid that meets the requirements.
- RFQs are not publicly posted and are by invite only.

Telephone Buy (T-buy)

- Form of Request for Quotation, where bids are solicited verbally, in-person or over the telephone, for requirements below \$25,000 for goods and \$40,000 for construction and services.
- A verbal contract may be entered into by telephone (and order may be placed) if the contracting officer has the appropriate authority.
- Written confirmation from the bidder is not required for bids received by telephone.

Invitation to Tender (ITT)

- Used where selection is based on the lowest price, and certain criteria is met
- Can be used to solicit bids:
 - Through public advertising on Government's Electronic Tendering Services (GETS)
 - Through direct invitation by a means of a source list
 - By invitation of one source if condition for non-competitive has been met

Bid Solicitation

- Used for low dollar value (Simple), medium complexity (MC) and higher complexity (HC) requirements. It can be used when the bidder selection is based on price or best value.
- A Request for Proposal (RFP) is a form of a bid solicitation
- Bids are evaluated and the successful supplier is selected in accordance with specific criteria and procedures set out
- Bids are solicited through the same methods as ITT (see ITT)

Request for Standing Offers (RFSO)

- Used to solicit proposals for standing offer methods of supply, which is one type of pre-qualified lists of suppliers that government departments can use to solicit bids:
- Can be used to solicit offers through public advertisement on GETS through direct invitation of selected suppliers by means of a source list or by invitation of one source only if conditions for a non-competitive has been met

Request for Supply Arrangements (RFSA)

- A Request for Supply Arrangements (RFSA) is used to solicit proposals from suppliers for the establishment of supply arrangements (SA), which is another type of pre-qualified list of suppliers that government departments can use to solicit bids (see more information below).

METHODS OF SUPPLY

There are essentially three (3) methods of supply the Government employs to procure goods, services, and construction, which are:

1

2

3

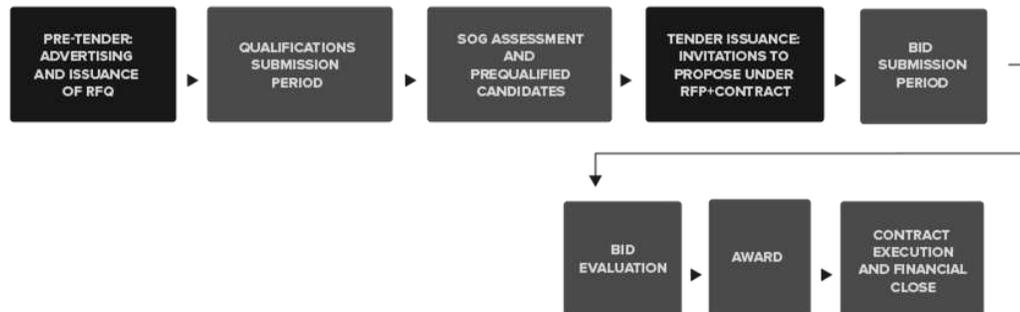
Method of Supply	Contract	Standing Offer	Supply Arrangement
Determining the Method to Use	<ul style="list-style-type: none"> A contract is a method of supply for good or services generally used to meet unique, well-defined requirements for a single client Unlike like standing offers or supply arrangements, the contract method is used for uncommonly purchased and unique goods or services 	<ul style="list-style-type: none"> The standing offer method of supply is used when it is possible to clearly define the requirement but expected quantities and timing are not known (e.g., level of effort or hours for the delivery of a service) It is used to satisfy the requirements of departments and agencies for commonly ordered goods and services 	<ul style="list-style-type: none"> This method of supply is used to establish a prequalified pool of suppliers to deliver a good or service that the government will require on a reoccurring basis, but where a standing offer is not suitable due to the inability to fully define the requirement in advance, and therefore there is a desire to compete the requirement
Solicitation Process and Evaluation Criteria	<ul style="list-style-type: none"> A bid solicitation is used to select one or more bidder(s) to establish contracts that will allow the goods or services to be carried out on a predetermined basis (scope of work, quantities, and timelines) Under \$25,000 (Goods and Services) Whenever possible, buyers obtain at least 3 quotes using an appropriate method of solicitation. However, these amounts may be a sole source contract at the discretion of departments and agencies Over \$25,000 (Goods), Over \$84,000 (Services) or Over \$100,000 (Construction): Contract Opportunities must be advertised via the tendering service 	<ul style="list-style-type: none"> A Request for Standing Offer (RFSO) is used to select vendor(s), who meet the stated evaluation criteria in the solicitation, to provide PWGSC with one or more standing offers for the provision of goods or services or both at predetermined pricing under set conditions. The quantity of goods or the level of effort for services and if applicable, the estimated expenditure specified in the RFSO is only an approximation of the requirements 	<ul style="list-style-type: none"> A Request for Supply Arrangement (RFSA) is used to establish a suitable pool of suppliers (source list) who meet the stated evaluation criteria stipulated in the solicitation and to establish supply arrangements An SA is an arrangement between Canada and pre-qualified suppliers that allows PSPC/departments to solicit bids from a pool of pre-qualified suppliers for specific requirements within the scope of a SA
Contractual Obligation	<ul style="list-style-type: none"> The contract creates a contractual obligation sometimes limited only by a minimum guarantee clause or by other considerations in the contract 	<ul style="list-style-type: none"> There is no contractual obligation on the part of Canada until a call-up is made. Each call-up is a separate contract and funds are committed at that time The standing offer is not a contract. The offeror is bound by its offer unless its offer is withdrawn 	<ul style="list-style-type: none"> There is no contractual obligation between Canada and the supplier to buy goods or services at the SA stage. There is a contractual obligation with the award of each contract

PREQUALIFICATION PROCESS

- In order to enhance procurement efficiency for complex projects of commonly procured goods or services, the government uses a prequalification process, sometimes referred to as Invitation to Qualify (ITQ)

-  Saves time and money
-  Enables entities or departments to acquire goods and services without having to run their own individual procurements
-  Established pool of suppliers who can fulfill specific requirements
-  Can be used not only for individual contracts but also on a more general basis, such as for standing offers and supply arrangements

- All suppliers must be treated equally and procuring entities cannot discriminate against suppliers for any reason.
- The Government must not require compliance with conditions and qualifications unless they are essential to ensure the supplier has the legal, financial, and commercial ability to undertake the procurement.



COMMODITY MANAGEMENT

- By establishing pre-competed instruments for commonly purchased goods and services, the Government can access goods and services more quickly while optimizing costs/costs of ownership.

Pre-competed Procurement Instruments (PCPIs)

-  Can result in but are not limited to, standing offers, supply arrangements, or various contracts
-  Put in place for the provision of a specific commodity over a specific period, after which they are re-competed
-  Standing offers and supply arrangements is mandatory for the following commodity groups:

Commodity Groups
Clothing, Individual Equipment and Insignia
Communication, Detection, and Coherent Radiation Equipment
Fuels, Lubricants, Oils and Waxes
Furniture
General Purpose Automatic Data Processing Equipment (Including Firmware), Software, Supplies and Support Equipment
Ground Effect Vehicles, Motor Vehicles, Trailers and Cycles
Information Processing and Related Telecommunication Services
Office Machines, Text Processing Systems and Visible Record Equipment
Office Supplies and Devices
Professional, Administrative and Management Support Services

GOVERNMENT ELECTRONIC TENDERING SERVICES

-  GETS is the Government of Canada's tendering system which allows suppliers to search for bid opportunities online. This service is available on the Tenders mini-site
-  Federal departments and agencies must use the Tenders mini-site to advertise their requirements subject to any of the trade agreements (some use it as well for other requirements)
-  Suppliers use the Tenders mini-site to view and access bid solicitations and search for bid opportunities

 [Tenders Mini-Site](#)



Quick Search

 New Today	 Amended Today	 Active	
 Closing in 24 Hours	 Expired	 Awards	
 Goods	 Services	 Services related to Goods	 Construction

PROCUREMENT PHASES

1

PRE-CONTRACTUAL

Includes activities related to definition and preliminary procurement planning up to issuance of bid solicitation:

- Verify the requisition form for goods and services, the funding and the security requirements
- Review the requirement and analyze options
- Verify the statement of work
- Identify environmental performance considerations
- Choose the appropriate procurement instrument
- Verify intellectual property considerations
- Develop the procurement strategy
- Review the non-competitive justification
- Develop the solicitation document
- Determine the appropriate contractor selection methodology
- Approval of procurement process

2

CONTRACTING

Includes all activities from issuance of bid solicitation to contract award and debriefing:

- Solicit competitive bids
- Publish an Advance Contract Award Notice and address statements of capabilities from interested suppliers
- Solicit a non-competitive proposal
- Respond to inquiries from potential bidders
- Hold Bidders' Conferences
- Conduct Site Visits
- Evaluate competitive bids
- Evaluate a non-competitive proposal
- Confirm security clearances
- Award a contract
- Debrief unsuccessful bidders
- Respond to challenges to procurement decisions

3

CONTRACT ADMINISTRATION

Includes activities such as progress monitoring, delivery follow-up, payment action, monitoring, exercise optional periods/quantity, etc.:

- 'Kick off' meeting (Meeting minutes)
- Task Authorizations
- Follow-up on the progress of the work
- Resolve disputes
- Amend the contract

4

POST-CONTRACTUAL

Includes final action and file closeout:

- Final amendment on contract
- Approval on last payment
- Final payments
- Proof of delivery
- Return contract financial security and holdbacks
- Initiate an audit of a cost-reimbursable contract
- Make sure that all Crown-owned Intellectual Property and Government Furnished Equipment are returned
- Address Contractor claims
- Receive the contractor performance
- Client satisfaction
- Ensure your file is properly documented
- Put away your file



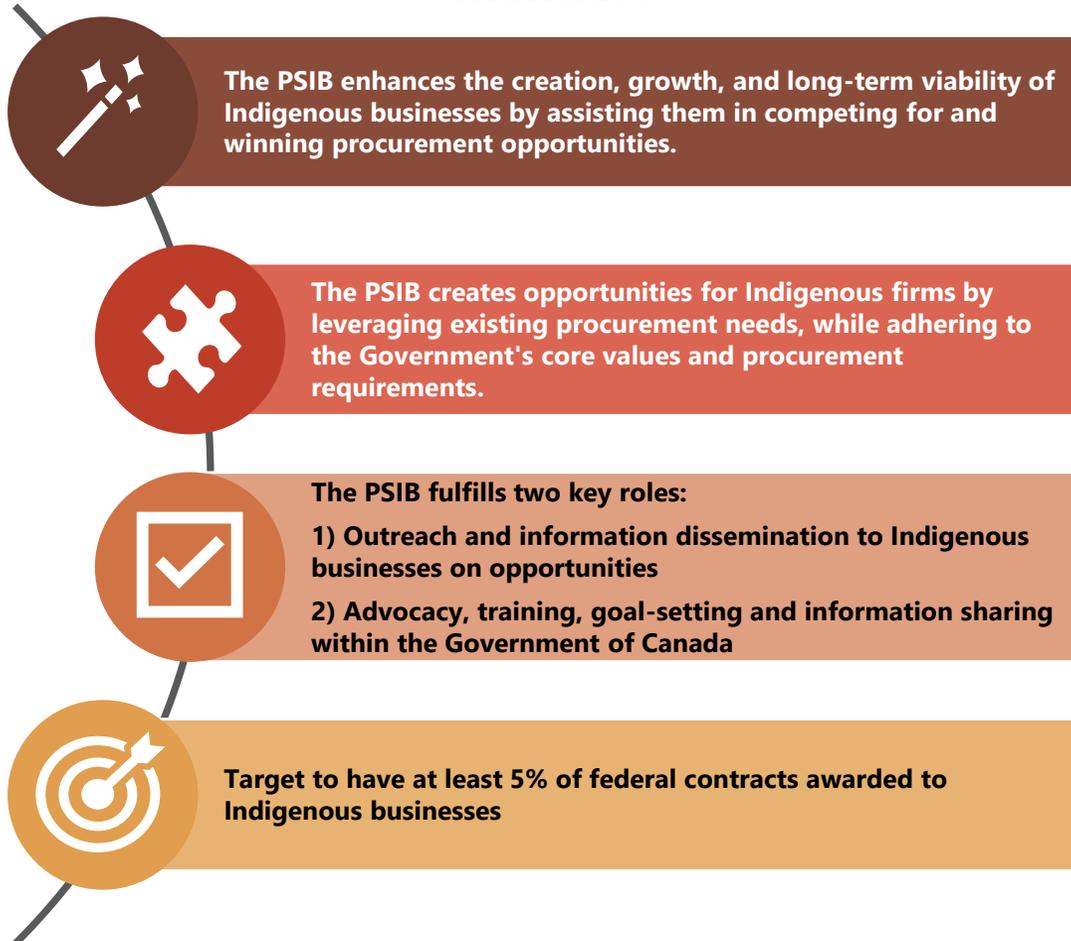
**PROGRAMS AND POLICIES
TO INCREASE INDIGENOUS
PARTICIPATION**



PROCUREMENT STRATEGY FOR ABORIGINAL BUSINESSES (PSAB) (1/3)

The federal Indigenous procurement strategy, launched as the Procurement Strategy for Aboriginal Business (PSAB), has been instrumental in encouraging Indigenous businesses to do business with the Federal Government.

Mandate



Benefits



PROCUREMENT STRATEGY FOR ABORIGINAL BUSINESSES (PSAB) (2/3)

Eligibility Criteria

To qualify for PSAB an entity must be sole proprietorship, limited company, cooperative, partnership, or not-for-profit organization in which:

- 51% Indigenous persons have majority ownership and control (meaning at least 51%)**
- 33% In the case of a business enterprise with 6 or more full-time employees, at least 33% of the full-time employees are Indigenous**
- As part of a joint-venture agreement:**
 - An Indigenous business or Indigenous businesses as defined above have at least 51% ownership and control.
 - Requirement that Indigenous content be at least 33% of the total value of the work to be performed
 - “Value of Work” is the total value of the contract less any material directly purchased by the contractor for the project.

Procurement Mechanisms

Mechanism	Description/Criteria
Mandatory Set-Aside	<ul style="list-style-type: none"> • Used for procurements over \$5,000 that are “destined for an area, community, or group in which Indigenous people make up at least 80% of the population and where the Indigenous population will be the recipient of the good, service, or construction” • Procurement is open for competition, but competition is limited to Aboriginal firms
Voluntary Set-Aside	<ul style="list-style-type: none"> • May be employed “if Indigenous capacity exists and operational requirements, best value, prudence, probity, and sound contracting management can be assured”
Conditional Set-Aside	<ul style="list-style-type: none"> • May be used when it is impossible to determine Indigenous business capacity • Procurement is open to Indigenous and non-Indigenous businesses; however, if two or more Indigenous businesses submit a bid, then the procurement is set aside
Incidentals	<ul style="list-style-type: none"> • Exists where a procurement has not been set-aside (i.e., open tenders where Indigenous businesses compete with non-Indigenous businesses) and where a self-declared Indigenous business (as defined by PSAB) wins the contract
Indigenous Participation Component (IPC)	<ul style="list-style-type: none"> • IPCs are different than the other PSAB approaches given that they encompass more than only procuring with Indigenous-owned businesses, they also include: <ul style="list-style-type: none"> ○ Indigenous hiring and training ○ Grants, bursaries and scholarships for Indigenous people and communities • A portion of the value of a contract (either percentage or dollar value) is set aside for Indigenous participation • Direct IPCs refer to Indigenous sub-contracting, employment, and training • Indirect IPCs refer to scholarships and bursaries • A prime contractor can achieve their IPC through any combination of direct and indirect IPCs, depending on the terms and conditions of the contract

PROCUREMENT STRATEGY FOR ABORIGINAL BUSINESSES (PSAB) (3/3)

PSAB Tools and Approaches

Tool/Approach	Description
Indigenous Business Directory (IBD)	<ul style="list-style-type: none"> The IBD is designed to assist and support Indigenous businesses in the pursuit of business opportunities, including federal procurement A profile in the directory can also allow businesses to compete for federal government contracts that are set-aside for Indigenous businesses Available to private industry, municipal and provincial governments Can also be used to seek out opportunities to form partnerships and joint ventures with other Indigenous businesses, as well as identifying potential subcontractors
Outreach	<ul style="list-style-type: none"> Industry days and supplier engagement sessions Training sessions for both federal departments and local Indigenous communities (in-person, webinar, video/teleconference) Conferences to engage and educate key stakeholders
Marketing Tools	<ul style="list-style-type: none"> PSAB website and online training video One-pagers, fact sheets, brochures, and business cards Social media presence
National Coordinators Network	<ul style="list-style-type: none"> To establish a closer and more customized relationship with the federal departments and agencies involved with the PSAB Coordinate and convene quarterly PSAB Coordinator Network meetings and the National PSAB Coordinator Network face-to-face meeting

Tool/Approach	Description
Interventions on Major Federal Procurement	<ul style="list-style-type: none"> Facilitate, intervene, and negotiate in the application of government procurement set-aside contracts for Indigenous businesses through various interventions (Standing Offers, Supply Arrangements, Procurement Review Committee) according to Indigenous business capacity, geographical location, length and size of contract.
Collaboration with Federal Partners	<ul style="list-style-type: none"> MOU with PSPC: <ul style="list-style-type: none"> To provide CIRNAC with comprehensive data on departments' procurement activity with Indigenous suppliers; gain access to contracting data to verify if businesses are eligible under the PSAB; and, collaborating on marketing/outreach. MOU with Innovation, Science and Economic Development Canada: <ul style="list-style-type: none"> PSAB registration that allows Indigenous businesses to self-register in the IBD and showcase their business information and capacity.
Federal Portfolio Management	<ul style="list-style-type: none"> Assist in matching departmental procurement needs with Indigenous business capacity through setting procurement objectives, assessing departments' past contracts (goods and services) and forecasting department's procurement needs.
Accountability and Integrity	<ul style="list-style-type: none"> Pre-award, post-award and random audits are conducted to ensure Indigenous businesses are registered in the Indigenous Business Directory (IBD) meet the PSAB criteria. Automatic pre-award audits on contract valued over \$2M.

OTHER PROGRAMS AND POLICIES

Comprehensive Land Claim Agreements (CLCAs)

- The Federal Government has negotiated several CLCAs
- Are modern treaties that are based on the concept on continued Indigenous rights and title to lands traditionally occupied by an Indigenous Group
- Obligations are legally binding because they are contained in agreements signed by Canada and backed by legislation.
- Aimed at enhancing economic development opportunities for Indigenous Group benefiting from the agreement, and include measures dealing with procurement
- Increase opportunities to compete for contracts in the settlement areas or participating in employment, training and/or subcontracting

Industrial and Technology Benefits Policy (ITB)

- launched in 2014 (replacing the Industrial Regional Benefits program)
- Defence procurement as tool to build capacity and help companies gain access to global supply chains
- Bidders provide economic (subcontracting commitment and Gender and Diversity Plans as part of their proposal for evaluation
- Resulted in \$1.75 billion being invested in 375 small and medium-sized enterprises
- Portfolio of 137 contracts valued at \$40 billion

Key Industrial Capabilities			
Advanced Materials	Electro-Optical/Infrared (EO/IR) Systems	Space Systems	Munitions
Artificial Intelligence	Ground Vehicle Solutions	Aerospace Systems and Components	Shipbuilding, Design and Engineering Services
Cyber Resilience	In-Service Support	Armour	Sonar and Acoustic Systems
Remotely-piloted Systems	Marine Ship-Borne Mission and Platform Systems	Defence Systems Integration	Training and Simulation

Indigenous Benefits Plan (IBP)

- Enhance economic development opportunities through increased possibilities of competing for contracts, or:
 - Employment and Subcontracting (Direct)
 - Training, Scholarships and Bursaries (Indirect)
- In tendering large and complex contracts, the Government may set-aside a portion of the value for Indigenous participation which can be direct or indirect
- Departments are encouraged with procuring more than \$1 million annually to find ways to include Indigenous participation



WHAT YOU NEED TO DO



WHAT YOU NEED TO DO (1/4)

1

Understand the Contracting Process

- Knowledge of the federal procurement process is necessary to be competitive in doing business with the Government of Canada
- There is generally a large pool of bidders, specific requirements that must be fulfilled, multiple procurement mechanisms and various policies governing how the Government purchases

Action Items



2

Understand the Contracting Process

- Understanding the various programs and initiatives offered by the Government of Canada is especially important for small or medium sized businesses who are newly exploring this market.
- Get a “foot in the door” and establish relationships that can facilitate doing business with the Government of Canada.

Action Items



3

Search for Tenders and Learn What the Government Buys

- When a business is considering selling to the Government it should research relevant previous and current opportunities to evaluate if doing business with the Government is a viable opportunity and worth the investment in time
- Like any business or organization, some goods and services are more prominent than others

Action Items



WHAT YOU NEED TO DO (2/4)

4

Strategic on How You Enter the Market

- Like any new business opportunity, a company must strategize on how to best pursue the opportunity, increase the value of its offering, and ensure it is able to deliver if awarded

Action Items

- 1 Ensure your business has all certifications and documentation required to do business with the Government, including security clearance
- 2 Consider certifications that your business is eligible for and will add value, but does not currently have (i.e., Certified Aboriginal Business, etc.)
- 3 Consider additional access to capital if required to cover operating expenses of potential opportunities
- 4 Ensure there are sufficient resources that are dedicated to bidding the process
- 5 Consider restructuring (if appropriate) (i.e., forming a joint venture) to increase competitiveness, broaden market access, and enhance resources.

5

Learn How to Prepare a Government Bid

- Preparing a bid for a Federal Government opportunity can be a material time commitment for any organization
- Often entails additional administration and/or process that needs to be followed to ensure compliance
- Failing to comply with any stated bid requirement may result in your bid being declared non-responsive

Action Items

- 1 Conduct primary and secondary research on how to prepare a bid
- 2 Take advantage of webinars and other tools offered: 1) Preparing to bid on an opportunity ([Reference sheet](#)) 2) Bidding on opportunities ([Seminar](#); see [Bidding seminar notes](#)) 3) Obtaining security clearance ([Seminar](#))
- 3 Engage with other businesses in your network who have experience selling to the Government
- 4 Consider leveraging a third party to assist in standardizing this process for your business

6

Register to Become a Supplier in the Supplier Registry Information System

- The Supplier Registration Information (SRI) system is a database of registered companies interested in selling to the federal government
- Your company's name and supply capabilities widely known to federal departments and agencies, who may use the system to identify sources of supply for the goods and services
- Obtaining your Procurement Business Number (PBN), is a mandatory requirement to do business with the federal government

Action Items

- 1 Create account and receive PBN
- 2 Complete all required registration steps

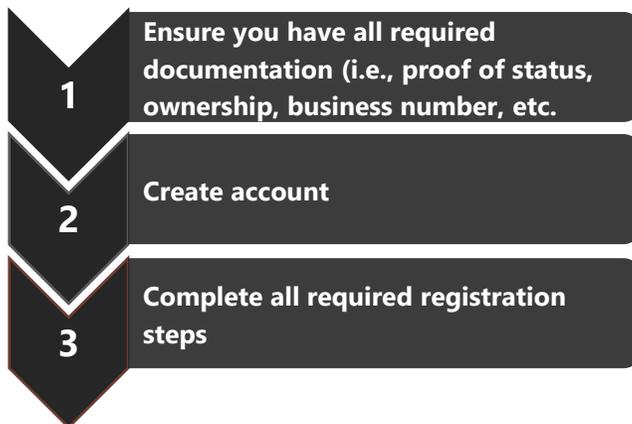
WHAT YOU NEED TO DO (3/4)

7

Register in the Indigenous Business Directory

- Designed to assist and support Indigenous businesses in the pursuit of business opportunities, including federal procurement
- Profile in the directory can also allow businesses to compete for federal government contracts that are set-aside for Indigenous businesses
- Available to private industry, municipal and provincial governments
- Can also be used to seek out opportunities to form partnerships and joint ventures with other Indigenous businesses, as well as identifying potential subcontractors

Action Items



8

Network and Engage

- Understanding the various programs and initiatives offered by the Government of Canada is especially important for small or medium sized businesses who are newly exploring this market.
- Get a “foot in the door” and establish relationships that can facilitate doing business with the Government of Canada.

Action Items

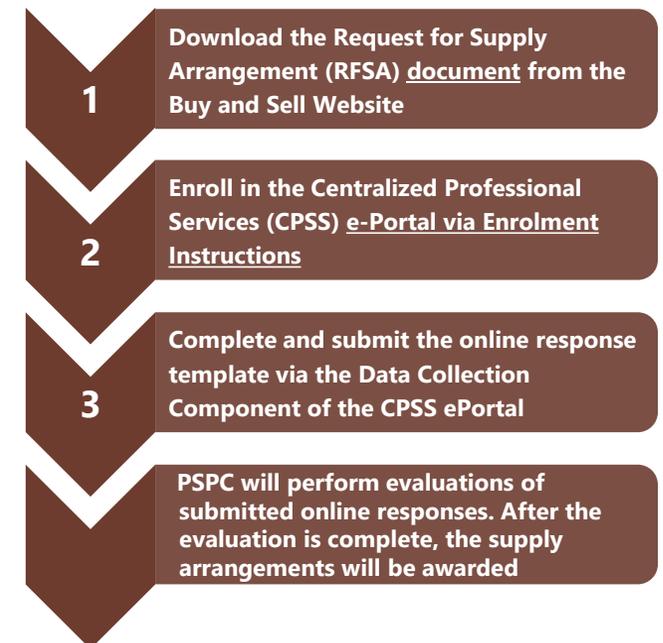


9

Get Pre-Qualified to Sell

- One of the best ways to sell to the Government on a regular basis is to get prequalified through a standing offer or supply arrangement.
- These agreements outline the terms and conditions that will apply to future requirements for goods and services that are ordered on an as-needed basis.

Action Items



WHAT YOU NEED TO DO (4/4)

10

Prepare Bids Relevant to Your Business

- Start identifying and preparing bids for which you are capable of offering the services or goods requested and meeting the evaluation criteria

Action Items

- 1 Follow the instructions and read all the terms and conditions thoroughly
- 2 Ensure you address ALL of the evaluation criteria.
- 3 Complete and sign each certification completely and accurately
- 4 Know the bid closing date and where and how to submit your bid
- 5 Ensure your proposal follows the format requested
- 6 Ask questions if you are unsure of something or require further clarification
- 7 Review your bid, then have a peer review your bid

11

Learn How to Prepare a Government Bid

- Finally, if you are not successful in winning a bid you can request a debrief meeting to understand why you were not successful and, importantly, how you can improve the quality for your bid moving forward.
- This is an important and valuable mechanism to improving your probability of winning government tenders.

- 1 Request and schedule debrief
- 2 Ask the right questions to understand where you can improve
- 3 Take thorough notes
- 4 Incorporate feedback into next bid opportunity

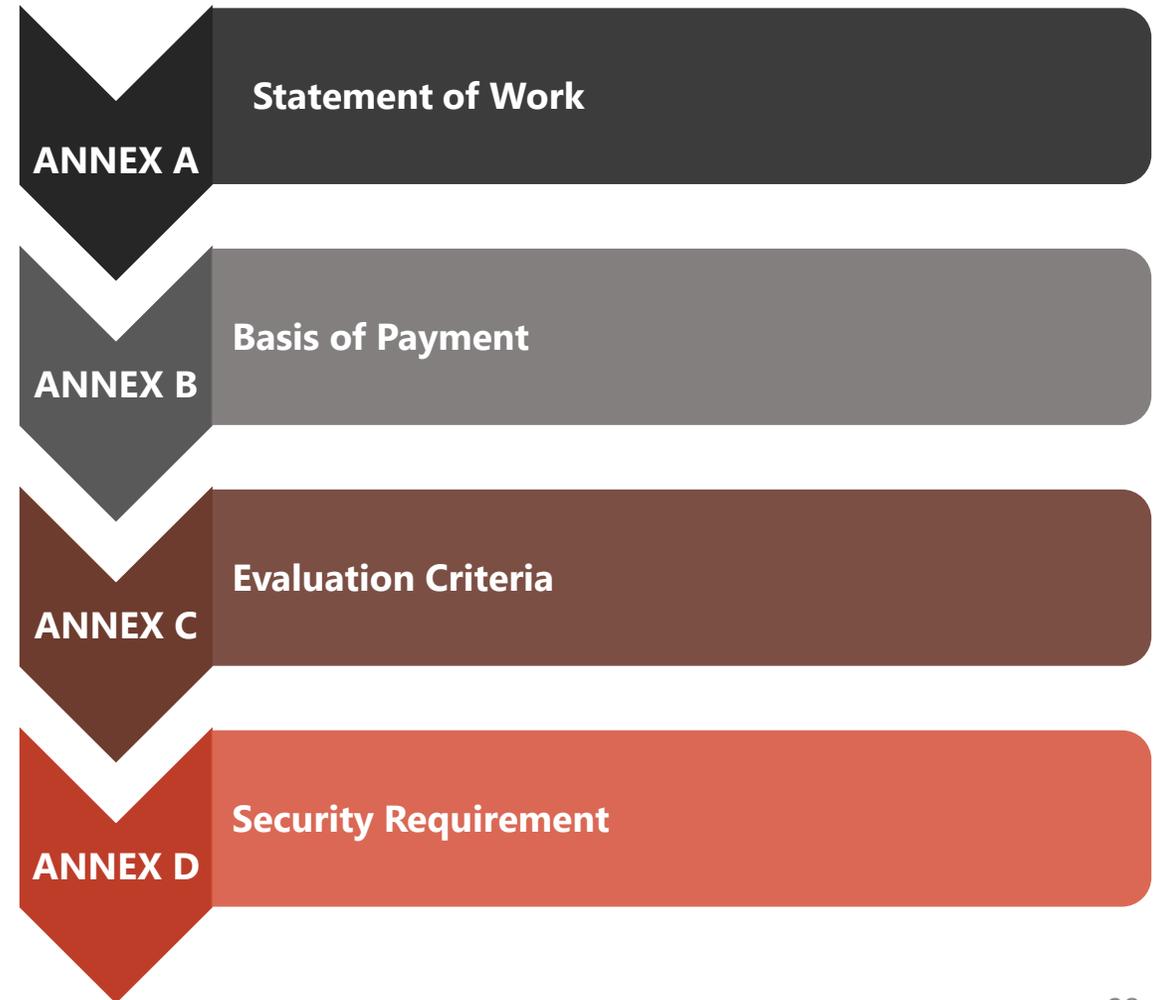
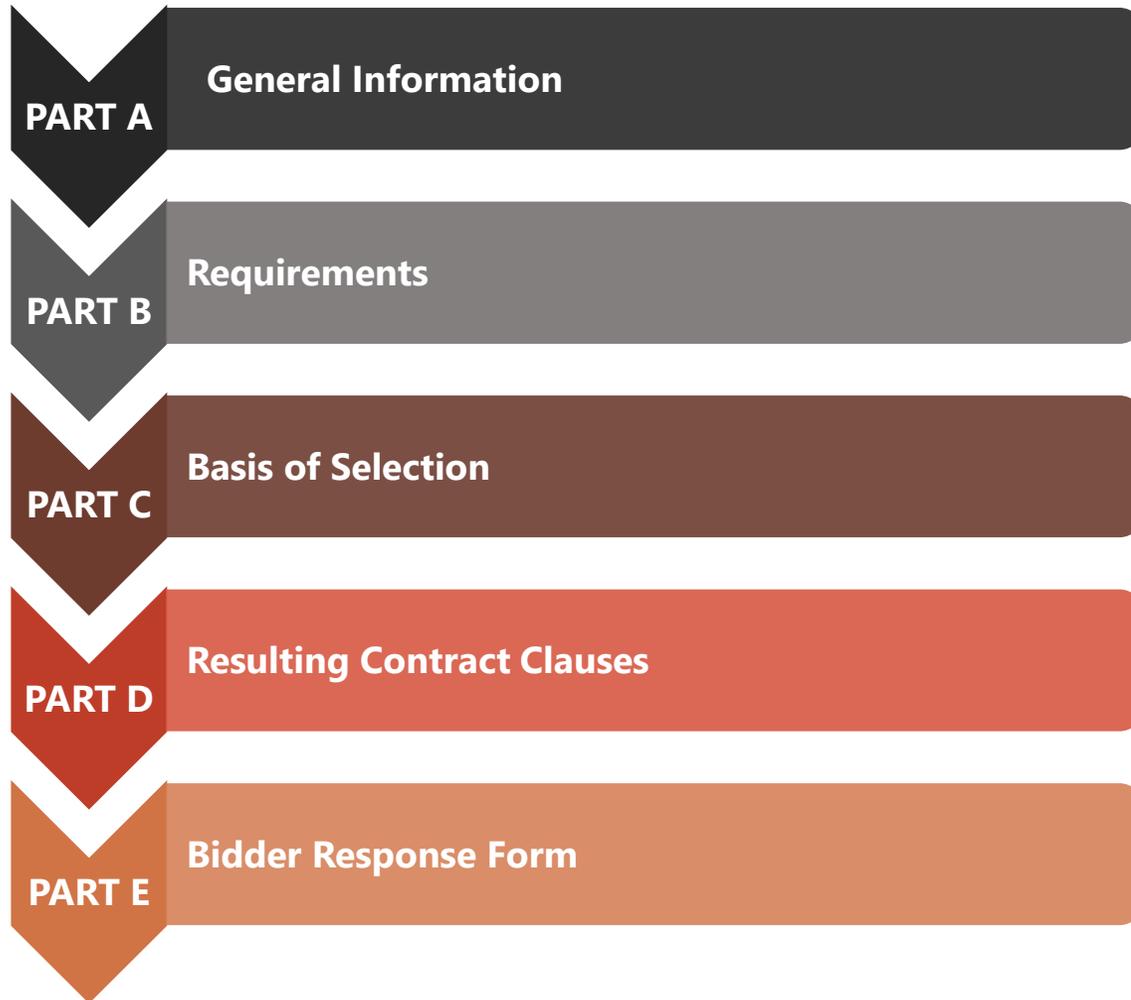


**WHAT YOU NEED TO KNOW
WHEN RESPONDING TO A
SOLICITATION**



WHAT YOU NEED TO KNOW WHEN RESPONDING TO A SOLICITATION

Structure of an Request for Proposal (RFP)



WHAT YOU NEED TO KNOW WHEN RESPONDING TO A SOLICITATION

Evaluation Process

- The evaluation process and the method of selection, such as lowest price, best value, etc., is clearly described in the solicitation documents
- Often it can be a combined price and value score.
- Make sure you understand the method of selection and tailor your bid strategy accordingly.

Technical Proposal

- Your technical proposal should address each of the elements specified in the RFP in the order of their appearance.
- Technical proposals are compared against the evaluation criteria identified in the RFP and in conjunction with the accompanying Statement of Work.

Mandatory Requirements

- Mandatory evaluation criteria identify the minimum requirements that are essential to the successful completion of the work
- Mandatory criteria are assessed on a simple pass/fail basis
- Bids that fail to meet any of the stated mandatory criteria will be considered non-responsive
- Be explicit in demonstrating that you meet mandatory requirements.

Rated Requirements

- Rated requirements are used to assess various elements of the technical bid/offer/arrangement so that the relative merits of each bid/offer/arrangement can be compared, evaluated, and ranked
- When point rating is used, bids/offers/arrangements may have to achieve a minimum number of points overall to be considered responsive

Financial Proposal

- This section of the proposal includes a price summary of the services required.
- This can be in the form of a firm fixed price, or a firm per diem rate(s) for the proposed resource(s)
- Price is most often evaluated independently of the technical bid.
- Pricing should not appear in any other area of the proposal other than the financial proposal section.

Corporate Proposal

- The Corporate Proposal provides information on the prime contracting company and any subcontracting companies.

WHAT YOU NEED TO KNOW WHEN RESPONDING TO A SOLICITATION

Proposed Personnel

- The information most often required for the proposed resource(s) is the Curriculum Vitae (CVs), including security clearance status
- Bidders should identify the applicants demonstrated relevant experience and education and the include the following:
 - Demonstrate required experience and skill sets
 - Detail individual resumes
 - Brief description of relevant projects and role
 - References which may be contacted

Certifications and Other Information

- A requirement for certifications must be included in all solicitation documents
- Suppliers must provide the required certifications to be awarded a contract or issued a standing offer or supply arrangement
- The bid non-responsive if the required certifications are not completed
- Be diligent in identifying all information required to be submitted as part of the bid

Security Clearances

- When security clearances are mandatory, they must be obtained before the commencement of any work

Audits

There are 3 types of audits conducted by PSAB: pre-award audit, post-award audit and random audit:

1. **Pre-award Audit** - A pre-award audit is mandatory for PSAB set-aside requirements valued at, or greater than, \$2 million. However, pre-award audits may be conducted for requirements below the value of \$2 million when a need is identified.
2. **Post-award Audit** - A post-award audit is conducted to verify if the Indigenous business meets the ownership, control, and employment criteria as well as the Indigenous content criterion.
3. **Random Audit** - An audit for compliance can be performed on a random basis. It is not related to any pre- or post-awarded requirement.