

# *Your Guide to doing Business with the Government of Canada*



## *A 5-Step approach for small and medium enterprises*

Office of Small and Medium Enterprises



Public Works and  
Government Services  
Canada

Travaux publics et  
Services gouvernementaux  
Canada

Canada

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# *Your Guide to doing Business with the Government of Canada*

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# Introduction

If you own or operate a business and are interested in selling your goods or services to the federal government, it is essential to proactively promote your business as a supplier.

This guide will help you understand the basics of the procurement process and the steps involved in how to do business with the Government of Canada. It is one of several resources provided by the Office of Small and Medium Enterprises to businesses wanting to sell to the government.

The guide is divided into five steps:

- Step 1:** Understand the Procurement Process
- Step 2:** Register Your Business
- Step 3:** Promote Yourself
- Step 4:** Search for Bid Opportunities
- Step 5:** Bid on Opportunities

In addition to the basic information provided in this guide, there are many other resources that may help you with the process. You will find a list of resources and a glossary of key terms at the end of the guide.

## *Seminars*

The Office of Small and Medium Enterprises offers free seminars to explain the procurement process to suppliers and how they can sell their goods and services to the government. Seminar topics cover the five steps of this guide.

## Removal of Barriers

The Office of Small and Medium Enterprises works to remove barriers to competition and make it easier for small and medium enterprises to do business with the federal government.

This includes:

- eliminating the fees on MERX to access documents on all federal bid opportunities;
- simplifying the language in bid solicitations and contracts;

## Office of Small and Medium Enterprises - Other Services

The Office of Small and Medium Enterprises is a sector within Public Works and Government Services Canada. It provides information and advice to small and medium enterprises interested in doing business with the federal government by:

- Providing information and counselling services
- Helping reduce competition barriers and simplifying the government contracting process
- Working closely with the business community to ensure that their concerns and views are brought forward and heard

- educating procurement specialists on the concerns of small and medium enterprises and barriers they face;
- developing guidelines for creating procurement strategies that give small and medium enterprises fair and equal access to federal bid opportunities;
- ensuring that bid opportunities are available in both official languages.

system, and a listing of seminars across the country.

#### Questions? Concerns?

For more information about the services offered or to discuss barriers you are facing, contact one of the Office of Small and Medium Enterprises regional offices across Canada listed in Step 5 of this guide, or call the national InfoLine at 1-800-811-1148.

As well, the [buyandsell.gc.ca](http://buyandsell.gc.ca) Web site provides a single point of contact for small and medium enterprises and up-to-date information on how to navigate the federal government procurement

### Seminar Participant Feedback

“The seminar offered me a good overview of the wide variety of opportunities to sell to the federal government. It improved my awareness of the processes and tools for doing business with the government. The presenters were well prepared, organized and engaged well with the audience.

Attending the seminar was worth my while.”

# Step 1: Understand the Process

## WHO DOES THE BUYING?

Public Works and Government Services Canada is the main buyer of goods and services and construction services for the government. Public Works and Government Services Canada buys over \$15 billion a year of goods and services on behalf of a large number of federal departments and agencies.

Because Public Works and Government Services Canada is the largest federal buyer, it is a good idea to become familiar with its procurement process. This guide gives you an overview of the process; you can find more information about Public Works and Government Services Canada and its procurement processes on [www.pwgsc-tpsgc.gc.ca](http://www.pwgsc-tpsgc.gc.ca).

### Did you know?

The federal government is one of the largest public buyers of goods and services in Canada, purchasing over \$18 billion worth every year on behalf of federal departments and agencies.

It may surprise you to know that, besides goods and services like military vehicles, office supplies and consultant services, the government also buys:

Goods	Services
Ice cream	Window washing
Bug spray	Medical
Flowers	Film design
Lumber	Sculpture

## Other federal departments and agencies

Some goods and services, especially complex requirements, must be bought through Public Works and Government Services Canada.

However, many departments and agencies have the delegated authority to purchase their own goods and services valued at \$25,000 or less without Public Works and Government Services Canada involvement. Delegation of authority limits for goods and services valued at \$25,000 or

### Did you know?

The Government of Canada does significant business with small and medium enterprises.

Public Works and Government Services Canada has awarded contracts for an average value of 42 percent to small and medium enterprises located in Canada.

Source: PWGSC Customer Information System (data from 2007-2008 to 2009-2010 fiscal years).

more vary between departments and agencies. Requirements exceeding a department or agency's delegation of authority limits are processed by Public Works and Government Services Canada. Most departments and agencies have their own buyers and their procurement process may vary slightly from those of Public Works and Government Services Canada; nevertheless, they all have access to the Supplier Registration Information system, which is a database of registered suppliers.

Although departments and agencies can buy most of their construction-related supplies and services directly, Public Works and Government Services Canada currently buys a wide range of these services on their behalf.

There are different contracting limits for architectural and engineering services.

For more information on delegations for goods, services and construction, consult Appendix C of the Treasury Board Contracting Policy, available on their Web site: [www.tbs-sct.gc.ca](http://www.tbs-sct.gc.ca).

## HOW IS PURCHASING DONE?

Every purchase the government makes is subject to Canadian laws and regulations, government policies and/or trade obligations. Purchases must also align with the government contracting objectives, such as buying goods and services in a way that enhances access and competition, ensuring best value and treating industry fairly. In keeping with the *Government Contracts Regulations*, purchasing is done through a

competitive process whenever possible; the non-competitive process is only used in special circumstances as detailed further under “The non-competitive process” section of this guide.

## Framework for Procurement Activities

Public Works and Government Services Canada procurement activities are principally carried out pursuant to the following major statutes:

- Financial Administration Act
- Department of Public Works and Government Services Act
- Defence Production Act
- Federal Accountability Act

Other guidelines for procurement include:

- Government Contracts Regulations
- Comprehensive Land Claims Agreements
- Treasury Board Contracting Policy
- National and international trade agreements



## THE COMPETITIVE PROCESS

The competitive process aims to get the best value for Canadians while enhancing access, competition and fairness. The majority of contracts are awarded on a competitive basis, making it the most common process used by the federal government.

### *Requirements below \$25,000*

For requirements with an estimated value of \$25,000 or less (including all applicable taxes), the buyer may request quotations from suppliers directly. These requirements are considered by Public Works and Government Services Canada as low dollar value procurement. In this case, buyers will determine the most appropriate procurement strategy for each requirement to obtain best value and ensure the timeliness and cost-effectiveness of each contract. Buyers may use various methods to identify and select a supplier on either a competitive or non-competitive basis. Suppliers may be selected from the Supplier Registration Information system (elaborated in Step 2).

### *Requirements above \$25,000*

Many of the requirements over \$25,000 (including all applicable taxes) are posted on MERX, the Government Electronic Tendering Service.

Various databases (such as Professional Services Online and SELECT) allow the government to acquire professional services and real property consulting services up to \$76,600, and construction services up to \$100,000 without

using MERX. For more information on these databases, see Step 2.

### **Standing Offers**

A standing offer is an offer from a potential supplier to provide goods and/or services at pre-arranged prices with established terms and conditions, for specific periods of time on an as-and-when requested basis. It is **not** a contract. No contract exists until the government issues a call-up against the standing offer; and there is no actual obligation by the government to buy until that time.

Suppliers must meet the requirements of the Request for Standing Offers to be issued a standing offer. When more than one successful supplier meets the requirements, suppliers are ranked and/or allocated business volumes according to a predefined system (defined during the competitive process) that is transparent and fair. It is also possible for only a single supplier to qualify for a standing offer and receive all of the associated business.

When a requirement is identified for a good or service for which a standing offer exists, a call-up is sent to a supplier listed in the Standing Offer Index. Each call-up is a separate contract and does not involve any negotiations. You, as the supplier, and the federal government, as the buyer, are obligated to abide by the contractual terms and conditions of the standing offer.

### **Supply Arrangements**

Supply arrangements are similar to a standing offer in that they are non-binding agreements between

the government and pre-qualified suppliers to provide a range of goods and/or services, on an as required basis, at ceiling prices. The arrangement includes a set of pre-determined terms and conditions that will apply to the resulting contract; however, unlike standing offers, supply arrangements allow for variation, and elements of the resulting contract may be negotiated.

Like standing offers, supply arrangements are not contracts. When a requirement is identified for a good or service for which a supply arrangement exists, a second competition is held only among the supply arrangement holders. In this case, a specific statement of work is sent to pre-qualified suppliers and a contract will be awarded to the lowest-priced responsive bidder.

A separate contract will be awarded for each of these requests, and it will be formulated within the scope of the supply arrangements.

### Mandatory Standing Offers and Supply Arrangements

If a standing offer or supply arrangement exists for goods and services that fall into a subcategory of one of the following 12 commodities, buyers **must** buy from a standing offer/supply arrangement holder:

1. Administration and Management Support Services
2. Clothing, Individual Equipment, Insignia, Footwear
3. Communication, Detection, Coherent Radiation Equipment, Audio Visual, Facsimiles

4. Fuels, Lubricants, Oils and Waxes
5. Furniture
6. General Purpose Computer Equipment, Computers, Printers, Toner, Software, Firmware
7. Ground Effect Vehicles, Motor Vehicles, Trailers, Cycles, Snowmobiles, All Terrain Vehicles
8. Information Processing and Related Telecommunication Services
9. Office Machines, Text Processing Systems and Visible Record Equipment
10. Office Supplies, Devices and Copy Paper
11. Personnel Recruitment, Temporary Help Services, Executive Search
12. Professional Services

If your goods and/or services are on the above list, you will need to become a standing offer/supply arrangement holder in order to do business with the government. To find out if there is a standing offer/supply arrangement for your goods and/or services and if they are mandatory, contact the procurement specialist. You can also consult the Procurement Allocations Directory (<http://pad.contractsCanada.gc.ca>) to find the Public Works and Government Services Canada commodity manager responsible for your good or service.

## THE NON-COMPETITIVE PROCESS

The non-competitive process is only used in certain special circumstances when:

- There is a pressing emergency, such as a life-threatening situation, a disaster which can endanger the quality of life or has resulted in the loss of life, or may result in significant loss or damage to government property;
- The nature of the work is such that it would not be in the public interest to solicit bids (for example, requirements dealing with national security, such as some military projects to ensure that future needs of government can be met);
- Only one person is capable of performing the work, such as when a supplier owns a copyright or a licence, in which case, an Advance Contract Award Notice is normally posted on MERX for 15 calendar days;
- The estimated expenditure does not exceed \$25,000 (or \$100,000 in the case of architectural and engineering services).

### What's an Advance Contract Award Notice?

An Advance Contract Award Notice is a public notice posted on MERX for a minimum of 15 calendar days, indicating to the supplier community that a department or agency intends to award a good, service or construction contract to a pre-qualified supplier believed to be the only one capable of performing the work, thereby allowing other suppliers during the posting period to signal their interest in bidding by submitting a statement of capabilities. If no other supplier submits a statement of capabilities that meets the requirements set out in the Advance Contract Award Notice, the buyer may then proceed with awarding the contract to the pre-qualified supplier.

If one or more suppliers meet the requirements, the buyer will then use the competitive process.

## Step 2: Register Your Business

There are three main on-line database systems operated by Public Works and Government Services Canada that allow you to register your business so that buyers can find you and invite you to bid on opportunities: the Supplier Registration Information system, Professional Services Online (information technology, human resources and organizational management) and SELECT (for construction and architectural and engineering services). You must register in the Supplier Registration Information system to obtain your Procurement Business Number before registering in Professional Services Online or SELECT.

It is **your responsibility** to register and to inform us of any changes to your file, such as address, telephone/fax numbers, emails address, contacts and/or commodity.

### SUPPLIER REGISTRATION INFORMATION SYSTEM

The Supplier Registration Information is a database accessible to all buyers in the federal government. Registering in this system is mandatory when doing business with Public Works and Government Services Canada and recommended when dealing with other departments and agencies.

To register in the Supplier Registration Information system, you must have a Canada Revenue Agency Business Number (or a Goods and Services Tax / Harmonized Sales Tax number) and your legal name. Your Business

Number is the first nine digits of this number: **123456789RT0001**. If you do not have a Business Number, contact the Canada Revenue Agency at: 1-800-959-5525 or visit their Web site at: [www.cra-arc.gc.ca/bn](http://www.cra-arc.gc.ca/bn).

Registration in the Supplier Registration Information system is free and only takes about 30 minutes. You can register on the [buyandsell.gc.ca](http://buyandsell.gc.ca) Web site.

### PROFESSIONAL SERVICES ONLINE

The Professional Services Online system is an electronic procurement tool that assists federal departments and agencies in the procurement of information technology services and professional services in human resources and organizational

#### Did you know?

When registering in the Supplier Registration Information system it is important to select the commodities (categories of goods and services) that relate to what you sell, because this is the basis for searches by contracting officers.

You will notice that commodities have **Goods and Services Identification Numbers** associated with them. This is simply a code used by the federal government to identify generic product descriptions for its purchasing activities.

management. It is a form of supply arrangement and pre-qualifies you as a provider of these services. Buyers can use Professional Services Online to search for potential suppliers and then use the competitive process for requirements under \$76,600<sup>1</sup> (including all applicable taxes) **not** posted on MERX to quickly select a successful supplier.

To come up with the list of potential suppliers, buyers search Professional Services Online based on the skills/requirements set out in the Statement of Work. They then send the bid solicitation to at least three of the suppliers who match the skills/requirements and have the lowest per diem rates on the list.

If you use consultants and you receive the bid solicitation, it will indicate which consultant came up in the search. While Professional Services Online qualifies you as a supplier, buyers will still need to evaluate your consultant to ensure his/her skills meet the requirements before awarding you the contract. They will do this by reviewing your bid document and the consultant's resume or by meeting with him or her.

Professional Services Online covers the following professional services:

Categories Related to Non-information Technology (*there are various categories within each stream*)

- Human Resources Management
- Organizational Management
- Project Management

- Organization and Classification Services
- Change Management/Organizational Development Services

Categories Related to Information Technology

- Business Transformation Architect
- Call Centre Consultant
- Database Administrator/Analyst
- Enterprise Architect Consultant
- Information Architect
- Internet/Intranet Site Specialist
- Information Technology Project Executive
- Information Technology Risk Management Service
- Information Technology Security Consultant
- Information Technology Technical Writer
- Information Technology Tester
- Platform Analyst
- Programmer
- Programmer Analyst
- Project Administrator
- Project Leader
- Project Manager
- Quality Assurance Consultant
- Senior Platform Analyst
- Senior Systems Analyst
- Systems Auditor

<sup>1</sup>Threshold based on the North American Free Trade Agreement.

- Technology Analyst
- Technology Architect
- Technology Operator
- Web Accessibility Services
- Wireless Application Services Consultant

You can register in Professional Services Online at:

[www.tpsgc-pwgsc.gc.ca/appacq/sp-ps/fournisseurs-suppliers/index-eng.html](http://www.tpsgc-pwgsc.gc.ca/appacq/sp-ps/fournisseurs-suppliers/index-eng.html)

#### Other methods of supply for professional services

For information on temporary help services; cyber protection; task-based informatics professional services; task and solutions professional services and technical, engineering and maintenance services, visit the [buyandsell.gc.ca](http://buyandsell.gc.ca) Web site.

### Did you know?

Registering through Professional Services Online also allows you to better market your services to federal departments and agencies as you have been prequalified to provide those services. If buyers know you are registered in Professional Services Online and you or your consultants meet the requirements, they can select you as one of the potential suppliers to bid.

For information on **Translation Services**, contact the Translation Bureau either by phone at: 819-953-2588 or by email at: [ncr.trarepertoire@tpsgc-pwgsc.gc.ca](mailto:ncr.trarepertoire@tpsgc-pwgsc.gc.ca).

For information on **Communications and Printing Services**, visit the following Web site: [www.tpsgc-pwgsc.gc.ca/app-acq/communications-eng.html](http://www.tpsgc-pwgsc.gc.ca/app-acq/communications-eng.html).

To find out more about standing offers and supply arrangements for your goods and services, contact the Office of Small and Medium Enterprises InfoLine at 1-800-811-1148 (option 1) or by email at: [osmeclient@pwgsc.gc.ca](mailto:osmeclient@pwgsc.gc.ca).

### SELECT

SELECT is a database of approved suppliers providing construction, architectural and engineering services, as well as related maintenance and consulting services. By registering with SELECT, you become eligible to provide these services. It is used by Public Works and Government Services Canada to invite suppliers to bid, on a rotational basis, on real property consulting services below the North American Free Trade Agreement threshold (\$76,600), and for construction services below the Agreement on Internal Trade threshold



(\$100,000). If you are interested in these types of requirements, you must register with SELECT as they are not posted on MERX, unless the requirement is over the dollar thresholds detailed above.

The frequency of invitations to bid depends on the demand for the work and the number of registered suppliers qualified to perform the services.

You can register at:

<https://select.pwgsc-tpsgc.gc.ca>.

## OTHER REGISTRATION SYSTEMS

In addition to the Public Works and Government Services Canada databases, departments and agencies may use their own lists of suppliers.

Contact the appropriate materiel manager (see Step 3, A Checklist for Research - Departmental Materiel Managers of this guide) of the department or agency you are interested in to make sure that you are maximizing your opportunities.

### *Industry Canada - Aboriginal Business Directory*

Aboriginal businesses can register in the Aboriginal Business Directory through the Canadian Company Capabilities database. To be included in the directory, businesses must meet Procurement Strategy for Aboriginal Business eligibility policies.

You can register at: [www.ic.gc.ca](http://www.ic.gc.ca).

### **Procurement Strategy for Aboriginal Businesses**

The Procurement Strategy for Aboriginal Businesses is designed to help Aboriginal businesses do more contracting with all federal departments and agencies and assist them in gaining access to the overall procurement process. The Procurement Strategy for Aboriginal Businesses, while led by Indian and Northern Affairs Canada, is a Government of Canada initiative.

For more information, visit their Web site at: [www.inac-ainc.gc.ca](http://www.inac-ainc.gc.ca).

## Step 3: Promote Yourself

### WHO SHOULD I TALK TO?

Contact the people in the organizations, directorates and divisions within the departments and agencies that need your goods and services. This is particularly important for requirements under \$25,000, which are often procured directly by departments and agencies. Take the time to find out about their needs and let them know that you have the goods and services they are looking for. If the end user or buyer knows of your business, it is more likely that you will be contacted – even by telephone – to provide a quote for your goods or services.

In the case of low dollar value requirements, buyers can use a range of sources (Public Works and Government Services Canada and/or departmental databases, telephone or trade directories, etc.) to identify and select suppliers. If you are registered in the Professional Services Online as a prequalified supplier or have a standing offer or supply arrangement, you can market this fact.

Find which departments and agencies are likely to want to buy your goods or services:

- Departmental Materiel Managers:** This directory lists the materiel managers responsible for procurement in federal departments and agencies. Most departments and agencies will designate one person as a technical authority or coordinator for a particular good or service. Ask for the names of people who have the financial authority to buy.
- Government Electronic Directory Service (GEDS):** This directory provides access to public servants' names, titles, telephone and facsimile numbers, departmental names, and office locations within the government.
- Procurement Allocations Directory (PAD):** This is a list of key purchasing contacts in Public Works and Government Services Canada offices. You can search by commodity description or by organization name.

### Environmentally friendly?

Federal departments and agencies are establishing procurement practices to make government procurement more environmentally responsible. You should ask end users and supply specialists what environmental attributes they will be asking for in their upcoming bid solicitations. You should also research the environmental practices and benchmarks in your industry to ensure that your business remains competitive.

For more information, visit the Office of Greening Government Operations Web site at:

**[www.tpsgc-pwgsc.gc.ca/ecologisation-greening/index-eng.html](http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/index-eng.html)**



- **PWGSC Regional Offices:** Public Works and Government Services Canada maintains regional offices, to provide you with information about selling opportunities in your specific area.

When you contact buyers, keep some of the following questions in mind:

- What is the government procurement cycle for your good or service?
- How does the department or agency buy your good or service? Do they use PWGSC's services, or do they buy on their own?
- What method or tool is used for buying your good or service? Is there a standing offer or supply arrangement? Is it mandatory? When will it next be up for competition?
- Does Public Works and Government Services Canada buy on behalf of other federal departments or agencies? Which ones?

### Did you know?

As the main federal government supplier resource, the Office of Small and Medium Enterprises is a very important point of contact for general procurement questions. Their InfoLine **(1-800-811-1148)** is an excellent starting point. Agents are on hand to answer your questions and to direct you to the right area and buyer. The Office also has regional offices across Canada that can provide you with information and advice. For information on these contacts, please see Step 5 "Still Have Questions?" of this guide.

The [buyandsell.gc.ca](http://buyandsell.gc.ca) Web site has a wealth of information on doing business with the federal government. From key contacts, tips for getting security clearances and information on seminars in your area, this Web site is an important resource and great place to begin your research.

## A Checklist for Research

### Previous Award Notices

- Learn more about federal purchasing activity in your industry including contract values and successful bidders
- Find out which departments and agencies are likely to want to buy your goods or services
- View previous awards on:
  - MERX  
[www.merx.com](http://www.merx.com)
  - Contract History  
<http://csi.contractscanada.gc.ca>
  - Treasury Board of Canada Secretariat Government-Wide Reporting  
[www.tbs-sct.gc.ca](http://www.tbs-sct.gc.ca)

### Procurement Allocation Directory

- Searchable database of key procurement contacts in Public Works and Government Services Canada offices. They should be able to provide you with information on how your goods and services are bought (e.g. if there is a standing offer in place)
- Found under “Find a Contact” on [buyandsell.gc.ca](http://buyandsell.gc.ca) Web site

### Departmental Materiel Managers

- Directory of materiel managers responsible for procurement in federal departments and agencies
- Organized by regions and by departments and agencies
- Found under “Find a Contact” on [buyandsell.gc.ca](http://buyandsell.gc.ca) Web site

### The Government Electronic

#### Directory Service

- Internet-based address book of all federal government employees
- Use to search, by department or agency, key contacts in your domain
- Found at:  
<http://sage-geds.tpsgc-pwgsc.gc.ca>

### Office of Small and Medium Enterprises

- Main federal government supplier resource and an important point of contact for general procurement questions
- Get information about federal government procurement through:

InfoLine:  
**1-800-811-1148** (option 1)

E-mail:  
[osmeclient@pwgsc.gc.ca](mailto:osmeclient@pwgsc.gc.ca)

Web site  
[buyandsell.gc.ca](http://buyandsell.gc.ca)

## Step 4: Search for Bid Opportunities

### WHAT IS THE GOVERNMENT ELECTRONIC TENDERING SERVICE?

The Government Electronic Tendering Service is the Government of Canada's tendering system, which allows suppliers to search for bid opportunities online. This service is currently hosted on MERX, a subsidiary of Mediagrif Interactive Technologies Inc.

All levels of federal and provincial government, as well as the MASH sector (municipal, academic, school boards and hospitals) across Canada use MERX to post their bid opportunities.

MERX is currently the only electronic tendering service used by the government.

The government is a signatory to various trade agreements, and these have an impact on procurement activities. Bid opportunities above the dollar thresholds of the trade agreements are posted on MERX. The table below details the thresholds in the three leading trade agreements. Please note that the thresholds are periodically revised and are subject to change.

However, some bid opportunities are not posted on MERX. Electronic databases such as Supplier Registration Information, Professional Services Online and SELECT can be used by buyers for opportunities that fall under the above thresholds. These limits are subject to change based on revisions to the trade agreements.

### WHAT CAN I DO ON MERX?

On MERX, you can search for and download tender documents for free. Fees may apply to

**Did you know?** While MERX is the only Web site for federal bid opportunities, MARCAN ([www.marcan.net](http://www.marcan.net)) will give you links to Web sites that may publish notices for bid opportunities within the Canadian public sector (provincial, territorial and municipal).

Agreement	Goods	Services	Construction
North American Free Trade Agreement	\$27,300	\$76,600	\$9,900,000
Agreement on Internal Trade	\$25,000	\$100,000	\$100,000
World Trade Organization – Agreement on Government Procurement	\$221,300	\$221,300\$	\$8,500,000
Effective: January 1, 2010 to December 31, 2011			

certain services such as having documents mailed to you.

On MERX, you can:

- create a profile for “opportunity matching” based on the types of goods or services that you provide; MERX will send you bid opportunities that match your profile (the first profile is free)
- set your profile to receive email updates on tender documents that you have downloaded
- learn more about procurement activities in your industry by viewing “Former Opportunity” and “Award Notices”. This will show you the kind of bid opportunities that are available and which departments and agencies are buying your goods or services; therefore, giving you a better idea of whom to contact when promoting yourself
- get possible leads for partnering or subcontracting opportunities by finding out who else is interested in the same bid opportunities as you
- access federal government procurement-related announcements

### Did you know?

There is no cost to access federal bid opportunities on MERX. A small Canadian flag identifies these opportunities.

If you are only interested in accessing federal bid opportunities, you can register on MERX using your Procurement Business Number instead of a credit card number. You can do this online during the registration process or by phone at: 1-800-964-MERX (-6379).

## Step 5: Bid on Opportunities

One of the most common types of solicitation documents is the Request for Proposals. While the following section refers mostly to what you will find in the Request for Proposals, the information also applies to other types of solicitation documents.

The following section includes information frequently found in the following solicitation documents:

- Request for Information
- Request for Quotation
- Invitation to Tender
- Request for Standing Offers
- Request for Supply Arrangements
- Request for Proposals.

A definition of the above-mentioned solicitation documents is provided in the “Glossary” section of this guide.

These are only samples, and it is important to read each solicitation document carefully as the criteria will differ.

### WHAT DO I NEED TO KNOW BEFORE I START?

- If you have questions, follow the process specified in the solicitation document. Generally, you will be asked to submit your questions in writing to the buyer. While you can contact the buyer, **do not contact the end user or your contacts in the departments or agencies** regarding the particular solicitation

### Code of Conduct for Procurement

You should take time to familiarize yourself with the *Code of Conduct for Procurement*. The *Code* provides everyone involved in the procurement process – both public servants and suppliers – with a clear statement of mutual expectations to ensure a common basic understanding among all participants in procurement. Everyone involved in the procurement process is expected to abide by the provisions of this *Code*. You can access it at:

**[www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/index-eng.html](http://www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/index-eng.html)**

process – this may result in your bid being rejected.

- Do not make any assumptions about what is required. If you need clarification or think you have found an error, let the buyer know as soon as possible. The bid must be evaluated against the criteria as they are written so changes cannot be made by the buyer after bid closing.



- The buyer will compile all questions and answers and issue an amendment to the solicitation document (if the opportunity was on MERX, the amendment will be posted there). This ensures that all bidders have the same information. Pay attention to the timelines specified in the solicitation document, as questions may need to be received before a certain deadline.
- If you think that the deadline is unreasonable, call the buyer and see if the closing date can be extended. If you do this early in the process, it may be possible. However, it is not possible to extend the date within three working days of the bid closing, as it may be too late to notify bidders who may have already sent in their bids.

## HOW DO I PREPARE A BID?

The solicitation document will explain you exactly how to lay out your bid and how it will be evaluated. Make sure you follow the instructions provided and address each and every point completely. You may be asked to provide your bid in various separately bound sections such as: a technical section, management section, financial section and certifications, if required.

- Carefully review and make sure you understand the clauses and conditions as well as the standard instructions. These are



The Office of Small and Medium Enterprises cannot help you prepare your bid for a specific requirement; however, seminars are offered to assist you in understanding the process.

For information on free seminars, consult the [buyandsell.gc.ca](http://buyandsell.gc.ca) Web page "Attend a seminar".

normally included in each solicitation document in "full text" or by "reference". Refer to the *Standard Acquisition Clauses and Conditions* (SACC) Manual (<http://ccua-sacc.tpsgc-pwgsc.gc.ca/pub/index.jsp>).

- Before you start writing, figure out which criteria are mandatory, that is the "must haves". Mandatory criteria are usually evaluated on a simple pass/fail basis. If your bid fails to meet any of the mandatory criteria, it will be considered non-responsive.
- Ensure that you fill out all the certifications requested in the solicitation document. Examples of certifications that may be required include Education and Experience or the Federal Contractors Program. Depending on the size of your business, you will be required to certify that you have made a formal commitment to implement employment equity in order to bid for some federal government contracts.
- Ensure that you submit the certifications by the time and date specified in the solicitation document (some may be submitted later than the stated bid closing date but be sure to verify).

- Ensure that your bid meets the conditions to bid, such as submitting it on time. This is especially important since only responsive bids will be evaluated, regardless of the quality of the document.
- Ensure that you satisfy all requirements, and clearly detail how you meet each and every one of them.

#### Technical Section

- This is where you usually provide the most details. It is your chance to show the evaluation team that you understand the requirements. Use your own words to describe what and how you would do the work if you were awarded the contract.
- Start with a short introduction that includes an evaluation of the current situation and the need for the project, the objectives of the proposed work, the reasons for carrying it out as proposed and the benefits that will be derived.
- Indicate and substantiate the work plan, methodology and techniques that you are proposing. Discuss feasibility and the degree of success expected, identify any problems anticipated, and provide contingency plans in the event that problems arise.
- Identify specific tasks and deliverables and the schedule for completion or delivery. Provide information about how many people you will assign to the various tasks, their levels (give their title not salary) and how many hours or days they will be assigned to the tasks. Do not include any pricing information in this section. (Note: this may or may not be a requirement of every solicitation).

### Security Clearance

A security clearance is necessary when your personnel, under contract, will require access to classified or protected information, assets or sensitive federal work sites. If this is the case, the buyer or project manager may, through their directorate/department's security office (as required), complete a request for registration that will propose a security clearance for your business and your personnel. The solicitation document will specify what level of security clearance your business will need. Obtaining a security clearance can be a lengthy process; therefore if the bid solicitation you are interested in requires a security clearance and you do not have one, speak to the buyer as soon as possible to get the process started.

For more information on security clearances, visit the Industrial Security Program Web site (<http://iss-ssi.pwgs-c.tpsgc.gc.ca>). You can also contact the Call Centre by phone at **1-866-368-4646** or **ssi-iss@tpsgc-pwgs-c.gc.ca**

- If you would like to propose an alternate solution, you should respond to the specific request made in the solicitation document first. Do not offer it as a substitute for what is being requested or your bid could be considered non-responsive. If you still would like to offer an alternative solution, submit it as a separate bid along with your main bid.

#### Management Section

- Introduce your team and demonstrate how they meet the required qualifications. Include any corroborating information required, such as resumes.
- If you will be subcontracting part of the work, the same information should be provided for each subcontractor.
- Do not assume the buyer knows your organization and skills because you have dealt with them before. Each bid is evaluated solely on its content and members of the evaluation team are prohibited from using prior knowledge to award points or meet mandatory criteria.

#### Financial Section

- Provide a detailed breakdown of the quoted price in terms of its cost elements.
- The solicitation document will tell you what cost items will be considered in the financial evaluation. No other costs will be considered.
- Prices must appear in the financial bid only.

#### HOW WILL MY PROPOSAL BE EVALUATED?

Bids are normally evaluated on relevant technical merit and overall best value, in accordance with the selection method specified in the solicitation document.

To ensure fairness, financial information is assessed separately from the technical information.

The evaluation team must evaluate the technical bid in accordance with evaluation criteria outlined in the solicitation document. Three methods of evaluation may be used:

- on the basis of mandatory technical criteria only;
- on the basis of point-rated technical criteria only;
- a combination of mandatory technical criteria and point-rated technical criteria.

Rated criteria are used to assess various elements of the technical bid; each bid is ranked based on its relative merits. Evaluation teams use point-rated criteria to evaluate the factors over and above the mandatory requirements of the solicitation.

The minimum points that **must** be achieved and the maximum points that **can** be achieved for each criterion are identified in the solicitation document. If you have any questions about point rating, be sure to ask the buyer within the time period allowed for questions.



## HOW WILL THE WINNING PROPOSAL BE SELECTED?

### Selection on the basis of the lowest-priced bid

- Only bids that meet the mandatory technical criteria will be considered responsive (i.e., qualify for further consideration).
- Within this category of responsive bids, price is the determining factor in selection.

### Selection on the basis of best overall value

- Bid solicitations usually include mandatory and point-rated technical criteria.
- A point rating scale is developed and selection is often based on the lowest evaluated price per point. This is determined by dividing the bid price by the total points achieved in the technical evaluation of the bid.
- Other methods, besides price per point, may also be used to determine best overall value. The method being used will be set out in the solicitation document.

### Selection on the basis of the highest technical bid within a stipulated budget

- This method is used when seeking the best possible technical solution within a stipulated budget.
- A supplier is invited to propose a solution to a problem or a method of achieving an objective.

## HOW CAN I FOLLOW UP?

### Debriefings

Once you have been notified of the bid evaluation results or that a contract has been awarded, you should request a debriefing from the buyer. In accordance with Treasury Board Contracting Policy and the various trade agreements, every supplier has the right to request a debriefing following the results of the competitive process. This includes the issuing of supply arrangements and standing offers.

Debriefings can help you understand the decision-making criteria used in the evaluation process - essentially how and why the contract award decision was made. They can also help you identify the strengths and weaknesses of your bid; this is important to keep in mind when preparing your next bid.

A supplier debriefing can vary depending on the nature of the process as well as the number of bidders involved. Debriefings can be done in person, by telephone or in writing.

Before your debriefing, you should review the contents of your bid and prepare questions to ensure you get the most out of your debriefing. When preparing these questions, please keep in mind that supply specialists can only discuss the contents of your bid and not of others.

### Complaints

You should request a debriefing within 15 working days of receipt of the result of the solicitation process. If you have concerns about the process or

## The Office of the Procurement Ombudsman

The Office of the Procurement Ombudsman provides assistance to Canadian suppliers on procurement issues and reviews their complaints with the aim of resolving them quickly and efficiently.

The Procurement Ombudsman's mandate is to:

- Review the procurement practices of departments for acquiring goods and services to assess their fairness, openness and transparency, and make any appropriate recommendation to the relevant department for the improvement of those practices.
- Review complaints respecting the award of a contract for the acquisition of goods below the value of \$25,000 and services below the value of \$100,000.
- Review complaints respecting the administration of a contract regardless of the dollar value.
- Ensure that an alternative dispute resolution process is provided, if both parties agree to participate.

For further information, visit:

**[www.opo-boa.gc.ca](http://www.opo-boa.gc.ca)** or call their toll free number at **1-866-734-5169**

results, you should note that there are strict deadlines for bringing bid protests, and the time periods vary depending on where the bid protest is brought, that is the Office of the Procurement Ombudsman or the Canadian International Trade Tribunal. Which avenue of recourse you choose will depend on the size of the contract in question.

Complaints concerning federal government procurement covered by the trade agreements may be directed to the Canadian International Trade Tribunal. For more information, visit their Web site at: [www.citt.gc.ca](http://www.citt.gc.ca) and the “How to File a Complaint” Web page ([www.citt.gc.ca/procure/complaint/index\\_e.asp](http://www.citt.gc.ca/procure/complaint/index_e.asp))

Concerns about contracts not covered by the trade agreements may be addressed to the Office of the Procurement Ombudsman ([www.opo-boa.gc.ca/index-eng.html](http://www.opo-boa.gc.ca/index-eng.html)).



## Best Practices for Bidding: A Checklist

### You **MUST**

- ✓ Read all terms and conditions thoroughly.
- ✓ Meet all mandatory criteria.
- ✓ Respond to all sections, regardless of points value (Note: not all bids are point-rated).
- ✓ Provide the number of copies of your bid as requested in the solicitation document.
- ✓ Make sure that all certifications are included with your bid, if requested.
- ✓ Remember that the buyer, not the end-user or department/agency, is your only point of contact during the bidding process.
- ✓ Sign your bid and make sure to fill in and sign all required elements (e.g. certifications) within your bid.
- ✓ Follow the instructions completely and submit your bid on time and to the right place.

### You **SHOULD**

- ✓ Organize your bid so that it is complete, concise and precise.
- ✓ Include the following on the front page of your bid:
  - The reference number you have assigned to the bid for legal purposes;
  - The department/agency's file number and the date; and
  - The name, address and phone number of your contact person.
- ✓ Write an executive summary, paginate, and include a table of contents.
- ✓ While responding to all criteria, pay particular attention to sections that may carry more points in point-rated evaluations.
- ✓ Put your logo or business name on every page.
- ✓ Have fresh eyes do a quality review of your bid before submitting it.
- ✓ After the contract has been awarded, ask the supply specialist for a debriefing.

**Failure to comply with the above may result in your bid being declared non-responsive.**

## Still have Questions?

The Office of Small and Medium Enterprises is available to assist you with information about the procurement process. The following regional offices located in Canada offer services to small and medium enterprises interested in doing business with the government:

### Western Region

10025 Jasper Avenue  
 Telus Plaza North, 5th Floor  
 Edmonton, Alta T5J 1S6  
 Email: [osme-bpme-wst@pwgsc-tpsgc.gc.ca](mailto:osme-bpme-wst@pwgsc-tpsgc.gc.ca)  
 Telephone: 780-497-3601

### Atlantic Region

1713 Bedford Row  
 Halifax, N.S. B3J 3C9  
 Email: [osme-bpme-atl@pwgsc-tpsgc.gc.ca](mailto:osme-bpme-atl@pwgsc-tpsgc.gc.ca)  
 Telephone: 902-426-5677

### National Capital Region

11 Laurier Street, 0C1-100A  
 Gatineau, Que. K1A 0S5  
 Email: [ncr.osme@pwgsc-tpsgc.gc.ca](mailto:ncr.osme@pwgsc-tpsgc.gc.ca)  
 Telephone: 819-953-7878

### Pacific Region

800 Burrard Street, Room 1210  
 Mailing: 800 Burrard Street, Room 641  
 Vancouver, B.C. V6Z 2V8  
 Email: [osme-bpme-pac@pwgsc-tpsgc.gc.ca](mailto:osme-bpme-pac@pwgsc-tpsgc.gc.ca)  
 Telephone: 604-666-8295  
 Toll free: 1-866-602-0403

For contact names and phone numbers, visit the [buyandsell.gc.ca](http://buyandsell.gc.ca) Web site or call the InfoLine (1-800-811-1148 - option 1).

### Quebec Region

Southeast Portal,  
 800 de la Gauchetière Street West, Suite 7300  
 Montreal, Que. H5A 1L6  
 Email:  
[QueBPME.QueOSME@pwgsc-tpsgc.gc.ca](mailto:QueBPME.QueOSME@pwgsc-tpsgc.gc.ca)  
 Telephone: 514-496-3525

### Ontario Region

4900 Yonge Street  
 Toronto, Ont. M2N 6A6  
 Email: [ont.osme@pwgsc-tpsgc.gc.ca](mailto:ont.osme@pwgsc-tpsgc.gc.ca)  
 Telephone: 416-512-5577  
 Toll Free: 1-800-668-5378

## Resources for Businesses

### PROCUREMENT RELATED RESOURCES

#### *Public Works and Government Services Canada (PWGSC)*

- [www.tpsgc-pwgsc.gc.ca](http://www.tpsgc-pwgsc.gc.ca)
- Federal government and main buyer for the Government of Canada
- Information on Public Works and Government Services Canada and the federal government procurement

#### *Office of Small and Medium Enterprises (OSME)*

- [www.tpsgc-pwgsc.gc.ca/app-acq/pme-sme/index-eng.html](http://www.tpsgc-pwgsc.gc.ca/app-acq/pme-sme/index-eng.html)
- Sector within Public Works and Government Services Canada dedicated to assisting small and medium enterprises in federal government procurement
- Find information about the mandate and the structure of its regional office network, as well as links to other useful sites

#### *Buyandsell.gc.ca Website*

- New, user-friendly procurement Web site. It is the main location for government buyers and industry suppliers to find the information they need to do business
- Search the “Find a Contact” to find a list of key contacts in Public Works and Government Services Canada and other departments and agencies

- Register in the Supplier Registration Information, Professional Services Online, and/or SELECT systems
- Search “Contract History”, a database of contracts awarded by Public Works and Government Services Canada
- Learn more about the Office of Small and Medium Enterprises and register for supplier seminars

#### *National InfoLine (Office of Small and Medium Enterprises)*

- Toll free: 1-800-811-1148
- Speak to knowledgeable agents and get answers to your questions
- Get help registering or accessing your Supplier Registration Information account, or information on the Procurement Business Number (PBN)

#### *Government Electronic Tendering Service (GETS on MERX)*

- [www.merx.com](http://www.merx.com)
- Used by the government and by the private and public sectors to post bid opportunities
- Search for bid opportunities in a wide range of goods and services

#### *Industrial Security Program*

- <http://ssi-iss.tpsgc-pwgsc.gc.ca>
- Sector within Public Works and Government Services Canada responsible for security clearances
- Get information about security clearances of personnel and organizations

*Code of Conduct for Procurement*

- [www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/contexte-context-eng.html](http://www.tpsgc-pwgsc.gc.ca/app-acq/cndt-cndct/contexte-context-eng.html)
- Code of conduct for public servants and suppliers regarding the federal procurement process
- Everyone involved in the procurement process must abide by the Code provisions
- Review the Code to understand your responsibilities as a supplier doing business with the government

*Government Electronic Directory Services (GEDS)*

- <http://sage-geds.tpsgc-pwgsc.gc.ca>
- Electronic directory providing contact information for most federal public servants across Canada
- Search for key contacts in federal departments and agencies with whom you are interested in doing business

*Office of the Procurement Ombudsman (OPO)*

- [www.opo-boa.gc.ca](http://www.opo-boa.gc.ca)
- Independent organization with a government-wide mandate
- Amongst other things, the Office can investigate complaints regarding the award of a contract for goods below the value of \$25,000 and for services below the value of \$100,000 and complaints respecting the administration of a contract regardless of dollar value

*Canadian International Trade Tribunal (CITT)*

- [www.citt.gc.ca](http://www.citt.gc.ca)
- Investigates supplier complaints concerning

federal government procurement covered by the trade agreements

*Procurement Strategy for Aboriginal Business (PSAB)*

- [www.ainc-inac.gc.ca/e cd/ab/psa/index-eng.asp](http://www.ainc-inac.gc.ca/e cd/ab/psa/index-eng.asp)
- Toll free: 1-800-400-7677  
Email: [psab-saea@ainc-inac.gc.ca](mailto:psab-saea@ainc-inac.gc.ca)
- Helps Aboriginal businesses do more contracting with all federal departments and agencies and assists them in gaining access to the overall procurement process
- Information and advice on selling to the government as an Aboriginal business
- Information about registering as an Aboriginal business

*Standard Acquisition Clauses and Conditions (SACC) Manual*

- <http://ccua-sacc.tpsgc-pwgsc.gc.ca>
- Manual of contracting terms and conditions, templates and clauses commonly used in the contracting process by the federal government
- Search for details on the terms and conditions referred to in solicitation documents (e.g. bids, standing offers, supply arrangements), and contracting activities

*Supply Manual*

- [www.tpsgc-pwgsc.gc.ca/app-acq/ga-sm/index-eng.html](http://www.tpsgc-pwgsc.gc.ca/app-acq/ga-sm/index-eng.html)
- Manual is intended primarily for the use of Public Works and Government Services Canada buyers acting as a common services provider conducting procurement on behalf

of other federal departments and agencies. It contains policies and procedures, as well as references to acts and directives, for the procurement of goods, services and construction

- Familiarize yourself with the procurement process and get information on why and how Public Works and Government Services Canada carries out its supply activities from a buyer perspective

#### *Treasury Board of Canada Secretariat*

- [www.tbs-sct.gc.ca](http://www.tbs-sct.gc.ca)
- Responsible for the general management of government initiatives, issues, and activities that cut across all policy sectors
- Makes recommendations and provides advice to Treasury Board on policies, directives, regulations, and program expenditure proposals with respect to the management of the government's resources
- Supports Treasury Board in its role as the general manager and employer of the public service.

- Government information service for businesses and entrepreneurs in Canada
- Provides a single point of access for information on federal and provincial/territorial government services and programs for business
- Find links to, and information on, naming and registering your business, financing, importing and exporting, taxes, regulations, licenses and permits, etc.

#### *Canadian Company Capabilities*

- [www.ic.gc.ca/epic/site/ccc-rec.nsf/en/Home](http://www.ic.gc.ca/epic/site/ccc-rec.nsf/en/Home)
- Industry Canada's searchable database of over 60,000 Canadian businesses
- Searched by over 500,000 domestic and international businesses each month looking for Canadian suppliers with national and international import/export experience
- Register your business for free
- Useful tool for smalls and medium enterprises searching for business partners

## GENERAL BUSINESS RESOURCES

### *Canada Revenue Agency (CRA)*

- [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca)
- To obtain a business number, call 1-800-959-5525 or visit their Web site

### *Canada Business*

- [www.canadabusiness.ca](http://www.canadabusiness.ca)
- Toll free: 1-888-576-4444; and
- TTY: 1-800-457-8466



# Glossary

**Advance Contract Award Notice (ACAN):** public notice posted on MERX (electronic tendering service) for 15 calendar days, advising suppliers in advance that a contract will be awarded to a pre-qualified supplier and to invite them to submit a statement of capabilities if they think that they meet the requirements set out in the Advance Contract Award Notice.

**Agreement on Internal Trade (AIT):** intergovernmental trade agreement signed by Canadian First Ministers that came into force in 1995. Its purpose is to reduce and eliminate, to the extent possible, barriers to the free movement of labour, goods, services, and investment within Canada and to establish an open, efficient, and stable domestic market.

**Business Number (BN):** numbering system from Canada Revenue Agency that simplifies and streamlines the way businesses deal with the federal government. It is based on the idea of one business, one number.

**buyandsell.gc.ca:** is the Government of Canada's new user-friendly Web site; it helps buyers and suppliers to find information about doing business with the government. It brings together Web pages from the former "Contracts Canada" site, as well as other pages dealing with Public Works and Government Services Canada procurement in general, making it easier to find the requested information.

**buyer:** general term referring to federal government employees who conduct procurement activities. Refers to procurement

specialists and contracting authorities, as well as those who are not designated procurement specialists but make purchases (for example, administrative assistants buying office supplies).

**call-up against a standing offer:** order issued under the authority of a duly authorized user against a particular standing offer, to buy specific goods and/or services from a pre-qualified supplier.

**Canadian Company Capabilities (CCC):** centrally maintained current searchable database of 60,000 Canadian businesses.

**Canadian International Trade Tribunal (CITT):** investigates complaints by potential suppliers concerning procurement by the federal government that is covered by the North American Free Trade Agreement, the Agreement on Internal Trade, the World Trade Organization Agreement on Government Procurement and the Canada-Chile Free Trade Agreement, or any other applicable trade agreement.

**commodity:** any products (goods and/or services, construction) that can be bought or sold.

**Cyber Protection Supply Arrangement (CPSA):** a government-wide procurement vehicle for the delivery of various information technology security services required on an as and when requested basis.

**Departmental Materiel Managers (DMM):** materiel managers are responsible for short and long term purchasing planning, involved in the procurement strategy analysis, as well as in all



daily tasks related to procurement, stock management, order processing, materiel distribution and transportation, stockage and disposal.

**Goods and Services Identification Number (GSIN):** A system of material and services categorization used within Public Works and Government Services Canada. The system is used in conjunction with the Federal Supply Classification code.

**Goods and Services Tax (GST):** a tax applied at a rate of 5 percent to the supply of most goods and services in Canada.

**Government Electronic Directory Services (GEDS):** a directory of federal government employees with their names, titles, telephone and facsimile numbers; departmental names and office locations.

**Government Electronic Tendering Service (GETS):** service used by the federal government to post notices (e.g. Notices of Proposed Procurement, Advance Contract Award Notices and Contract Award Notices) and deliver tender documents. This service is currently hosted on MERX, a subsidiary of Mediagrif Interactive Technologies Inc.

**Harmonized Sales Tax (HST):** tax applied by British Columbia, Ontario, Nova Scotia, New Brunswick, and Newfoundland and Labrador that harmonizes their provincial sales tax with the Goods and Services Tax. The Harmonized Sales Tax applies to the same goods and services as the Goods and Services Tax.

**Industrial Security Sector (ISS):** responsible for two service lines under the Industrial Security Program: contract security via the Canadian and International Industrial Security Directorate; and controlled goods via the Controlled Goods Directorate.

**Invitation to Tender (ITT):** a bid solicitation document used by Public Works and Government Services Canada when the estimated value of the requirement exceeds \$25,000; two or more sources are considered capable of supplying the requirement; the requirement is adequately defined in all respects to permit the evaluation of tenders against clearly stated criteria; tenders can be submitted on a common pricing basis; and it is intended to accept the lowest-priced responsive tender without negotiations.

**low dollar value (LDV):** requirements that are generally less complex and are low risk, with an estimated total value below \$25,000, including all applicable taxes. In this case, buyers determine the most appropriate procurement strategy and use one of the electronic tools available to them to identify and select a supplier on a competitive or non-competitive basis.

**MERX:** A platform operated by Mediagrif Interactive Technologies Inc. under contract to provide the electronic tendering service to the federal government.

**Mandatory Standing Offers (MSO):** requirement for the mandatory use of standing offers on certain goods and services that are purchased frequently.

**North American Free Trade Agreement**

(NAFTA): an agreement between Canada, the United States and Mexico that took effect in 1994.

**Office of Small and Medium Enterprises**

(OSME): supports small and medium enterprises by working to reduce barriers and by simplifying requirements for those that want to do business with the federal government.

**Office of the Procurement Ombudsman (OPO):**

an independent organization with a government-wide mandate. Its overall objective is to ensure the fairness, openness and transparency of government procurement.

**Procurement Allocation Directory (PAD):** a list of key purchasing contacts in Public Works and Government Services Canada offices.

**Procurement Business Number (PBN):** number obtained by registering in the Supplier Registration Information system. It is created using the Canada Revenue Agency Business Number to uniquely identify a branch, division, or office of a company.

**Procurement Strategy for Aboriginal Business**

(PSAB): designed to help Aboriginal businesses do more contracting with all federal departments and agencies and assist them in gaining access to the overall procurement process. While the Strategy is led by Indian and Northern Affairs Canada, it is a Government of Canada initiative.

**Professional Services Online:** an electronic procurement tool that assists federal departments and agencies in the procurement of professional

services below the North American Free Trade Agreement threshold.

**Public Works and Government Services Canada**

(PWGSC): a common provider of procurement services to federal departments and agencies.

**responsive:** bids that meet all of the conditions to bid established in the solicitation document (e.g. submitting the bid on time and/or including the requested number of copies).

**Request for Information (RFI):** it is not a bidding opportunity but a document requesting information from the supplier community. In this case, industry feedback is sought on a proposed procurement strategy before the issuance of a solicitation document. While not a bid document, it is an important opportunity for you to help shape the resulting requirements and provide your input and advice to buyers. No contract will be awarded as a result of a Request for Information.

**Request for Proposals (RFP):** a form of bid solicitation used for medium and higher complexity requirements, where the selection of a supplier cannot be made solely on the basis of the lowest price. It is used to procure the most cost-effective solution based upon evaluation criteria identified in the Request for Proposals.

**Request for Quotation (RFQ):** used to solicit bids for low dollar value requirements below \$25,000 (including all applicable taxes), from one or more suppliers. They are not publicly posted. The bid documents are kept simple and allow contracts to

be awarded quickly. Bids are evaluated with the objective of accepting the lowest-priced responsive bid.

**Request for Standing Offers (RFSO):** used to solicit standing offers to provide goods and services on an as-and-when required basis, at firm prices, as per established terms and conditions. It must clearly state the requirement, the evaluation method and selection criteria, the call-up procedures, the ranking methodologies, whenever applicable, to be used for making call-ups against the authorized standing offer(s), and all terms and conditions applicable to the contract that is brought into effect, as a result of any call-up.

**Request for Supply Arrangements (RFSA):** an arrangement between Canada and pre-qualified suppliers that allows buyers to solicit bids from a pool of pre-qualified suppliers for specific requirements. The intent is to establish a framework to permit expeditious processing of individual bid solicitations which result in legally binding contracts for the goods and services described in those bid solicitations.

**SELECT:** database that contains lists of pre-qualified real property enterprises (such as architects, engineers and construction trade contractors). Public Works and Government Services Canada invites these enterprises to bid on opportunities, using the rotational source lists.

**small and medium enterprises (SME):** defined as enterprises with fewer than 500 employees. However, they range from one-person consulting enterprise to larger, publicly-traded companies.

Small and medium enterprises are present in almost every industrial sector.

**Standard Acquisition Clauses and Conditions (SACC) Manual:** intended to provide suppliers and clients of Public Works and Government Services Canada with information on terms and conditions, and templates, commonly used in the contracting process by Public Works and Government Services Canada and some other federal departments and agencies. Its content is referenced in bidding opportunities and contracting activities.

**standing offer (SO):** an offer from a supplier to provide goods and/or services to clients at prearranged prices or pricing basis and under set terms and conditions for a specified period on an as-and-when requested basis. A separate contract is entered into each time a call-up is made against a standing offer. When a call-up is made, the terms and conditions are already in place and acceptance by Canada of the supplier's offer is unconditional. Canada's liability is limited to the actual value of the call-ups made within the period specified in the standing offer.

**Supplier Registration Information (SRI):** database of registered suppliers. May be used to identify potential suppliers for requirements not subject to any of the trade agreements (for which they use MERX).

**supply arrangement (SA):** a non-binding agreement between Public Works and Government Services Canada and suppliers to provide a range of goods and/or services, on an

as-and-when required basis, under a set of pre-established terms and conditions that will apply to any resulting contracts. Many supply arrangements include ceiling prices which allow departments and agencies to negotiate the price downward based on the specific requirement.

**Task and Solutions Professional Services (TSPS):** provision of non-informatics professional services, both task and solutions based. This method of supply was developed to cover three core areas of expertise that are commonly and nationally used: human resources services, business consulting/change management and project management services.

**Task-Based Informatics Professional Services (TBIPS):** method of supply which is a combination of a standing offer and a supply arrangement for the provision of informatics professional services related to a particular activity or initiative and are usually associated with a specified set of responsibilities.

**Technical, Engineering and Maintenance Services Supply Arrangement (TEMS SA):** a government-wide procurement vehicle for the delivery of various technical professional services required on an as-and-when requested basis.

**Temporary Help Services (THS):** services that are provided by the employees of temporary help firms. Standing offers for THS may be used by clients when a public servant is absent for a period of time, or when there is a temporary requirement for additional staff during a workload increase.

**Treasury Board of Canada Secretariat (TBS):** provide advice and support to Treasury Board ministers in their role of ensuring value-for-money as well as providing oversight of the financial management functions in departments and agencies.

**World Trade Organization Agreement on Government Procurement (WTO-AGP):** agreement between a number of countries world wide; it is a multilateral agreement which aims to secure greater international competition for government procurement.