

# HELPING NUNAVUT INUIT ACCESS GOVERNMENT PROCUREMENT OPPORTUNITIES

## PROCUREMENT BASICS

GUIDE 1 OF 4



ᖃᐱᖃᖃᖃᖃᖃ ᖃᖃᖃᖃᖃᖃᖃᖃ  
ᖃᖃᖃᖃᖃᖃᖃᖃᖃᖃᖃᖃᖃᖃ

Qikiqtaaluk Business  
Development Corporation

Qikiqtaaluk Business Development Corporation (QBDC) was created to stimulate local, regional and territorial economic development opportunities. Creating partnerships and collaborating with communities, QBDC works to build prosperous, more self-sufficient communities by creating work and capacity building opportunities.

QBDC has developed two informational series to help Inuit businesses access government work and funding opportunities.

The first series is called *Helping Nunavut Inuit Access Procurement Opportunities*. This series answers questions and provides information and resources to help Inuit businesses find work opportunities with the government.

The second series is called *Helping Nunavut Inuit Access Funding Opportunities*. This series provides information to help Inuit access funding to help start or grow your business and to implement your projects.

The first series has four guides and the second series has three guides. All guides are available in Inuktitut and English.

Developed in January 2022.

Funding was provided by Indigenous Services Canada and Qikiqtaaluk Corporation's Fisheries Division.



Indigenous Services  
Canada

Services aux  
Autochtones Canada



ᑕᑭᑭᑭᑭᑭᑭ ᑕᑭᑭᑭᑭᑭᑭ  
ᑕᑭᑭᑭᑭᑭᑭᑭ  
QIKIQTAALUK CORPORATION  
& Group of Companies  
1 867 679 9410 | www.qbdc.ca

# WHAT IS PROCUREMENT?



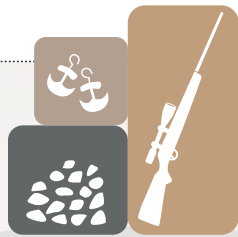
## PROCUREMENT

is a term used for buying items or paying for work to be done.

### GOODS

are items that are bought such as:

- Office supplies
- Hunting gear
- Gravel
- Jewellery



### SERVICES

is work done for someone such as:

- Construction
- Snow plowing
- Hunting guide
- Cleaning



## WORDS USED IN PROCUREMENT



### **BUYER.**

A **buyer** is the person or company who buys a good or pays for a service.



### **SUPPLIER**, also called a **vendor**.

A **supplier** is the person or company that provides a good or service



### **SOLICITATION**, also called a **tender**.

A **solicitation** is when a buyer requests offers for a good or service.



### **OFFER.**

An **offer** is a supplier's response to a solicitation. The response is typically a quote, bid or proposal.



## **QUOTE**, also called a **quotation**.

A **quote** is the price a supplier will sell goods for, or charge for services. The price is only valid for a specified period of time. After that date the dollar value of the quote can change.



## **BID.**

A **bid** is a breakdown of all the costs required for a supplier to provide goods or services. The total cost is only valid for a specified period of time.



## **PROPOSAL.**

A **proposal** includes a price as well as a written plan for how the supplier will complete the work. A proposal provides more details than a quote or a bid.

A proposal gives details about the supplier, their experience doing similar work, how they will do the requested work, and a price and schedule to complete the work.

# COMMON TYPES OF SOLICITATION



**RFQ**

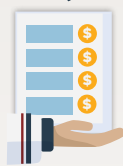
**ITT/RFT**

**RFP**

**REQUEST FOR  
QUOTES**  
  
**ALSO CALLED  
REQUEST FOR  
QUOTATION**

**INVITATION  
TO TENDER**  
  
**OR  
REQUEST  
FOR TENDER**

**REQUEST FOR  
PROPOSALS**



Suppliers  
respond to  
a **RFQ** with  
a **quote**.

Suppliers  
respond to  
an **ITT/RFT**  
with a **bid**.

Suppliers  
respond to  
a **RFP** with  
a **proposal**.

## RFQ



A **RFQ** is used when a buyer needs a **fixed price** for specified goods or services.

A **RFQ** is used for lower dollar value goods or services such as buying parkas.

A **fixed price** is what a supplier offers to the buyer as a **set dollar amount for the goods or services**. Even if the actual cost of the goods or services is higher or lower the supplier must still charge the buyer the fixed price.

## ITT/RFT



An **ITT** is used by the Government of Canada and a **RFT** is used by the Government of Nunavut. **ITTs/RFTs** are used when a buyer needs a price for goods or services that have a defined **scope of work**.

An **ITT/RFT** is used for larger dollar value goods or services such as construction and maintenance services.

An **ITT/RFT scope of work** is very detailed and describes what the work is and how the buyer wants it to be done.

## RFP



A **RFP** is used when a buyer needs help to figure out the **scope of work** for a service and needs the service to be completed.

A **RFP** is typically used for consulting services such as helping a buyer write a business case.

A **RFP scope of work** is not detailed and only describes what the buyer needs as the final solution.

## SOLICITATION METHODS

There are two types of solicitation methods: competitive and non-competitive.



### COMPETITIVE SOLICITATION

A solicitation to more than one supplier.

A competitive solicitation is when a buyer invites more than one supplier to submit an offer. The solicitation can be by **public advertisement** or by **directed invitation**.





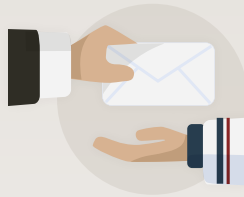


## Public Advertisement

A public advertisement is when the buyer posts the solicitation on the internet or in a newspaper inviting any qualified supplier to submit an offer.

### Where to find public advertisement solicitations

- [buyandsell](#) or [CanadaBuys](#)
- [Nunavut Tenders](#)
- [Nunatsiaq News](#)
- [Merx](#)
- [Inuit Nunangat Procurement Platform](#)



## Directed Invitation

A directed invitation is when a buyer asks more than one supplier for an offer. Often suppliers are selected from directories and source lists.

### Directories of suppliers and source lists can include:

- Indigenous/Inuit Firm directories (see Guide 2)
- Government of Canada's supplier registration databases (see Guide 2)
- Standing Offer Agreements (see Guide 3 and 4)
- Supply Arrangements (see Guide 3)



## **NON-COMPETITIVE SOLICITATION**

**A solicitation to a single supplier.  
Also called a sole source.**

A non-competitive solicitation is when a buyer invites only one supplier to submit an offer.

For governments, non-competitive procurement is used only in special situations such as:

- The goods or services are under a certain dollar amount
- In an emergency or national security situation
- There is only one known supplier that can provide the good or service



# WHAT DOLLAR AMOUNT CAN BE SOLE SOURCED?

The sole source dollar amount varies by government and what goods or services are being requested.

## FEDERAL GOVERNMENT:



- Under \$25,000 for goods



- Under \$40,000 for services and construction



- Under \$100,000 for architectural and engineering services

## TERRITORIAL GOVERNMENT:



- Under \$5,000 for goods and services



- Under \$5,000 for construction and maintenance services



- Under \$25,000 for architectural and engineering services

# PROCUREMENT PROCESS

## SOLICITATION PERIOD



## ASKING QUESTIONS



### **A buyer puts out a solicitation for goods or services.**

The solicitation can be competitive or non-competitive.

The solicitation period is a specific length of time when suppliers prepare their offers.

### **During the solicitation period, suppliers can ask the buyer questions to clarify information or negotiate the scope of work. Addenda, or additional information, about the solicitation document can be issued.**

Be sure to read the solicitation document and all addenda carefully and thoroughly. Ask questions to better understand the buyer's requirements.

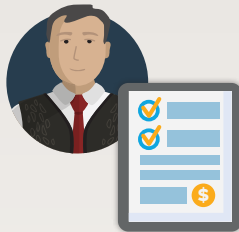
## SUBMITTING AN OFFER



**Supplier(s) submit an offer to the buyer before the solicitation period closes.**

Offers could be a quote, bid, or proposal. The type of offer depends on what the buyer asked for.

## EVALUATING THE OFFER



**After the solicitation period closes, the buyer evaluates the offers.**

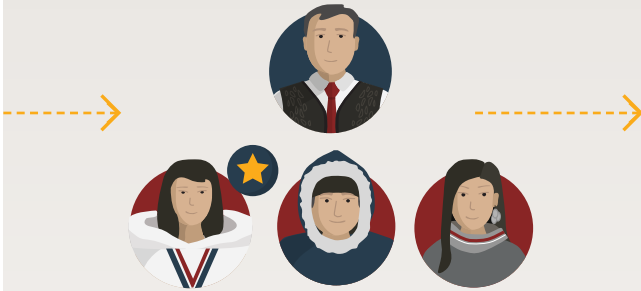
Bids and quotes are evaluated based on the dollar amount.

Proposals are evaluated based on the questions that the buyer asked in their solicitation. These are typically things such as:

- How much will the work cost?
- What experience does the supplier have?
- What are the benefits to Inuit and Inuit firms?

Each question is evaluated, and each proposal gets a total score.

## SELECTING A SUPPLIER



### The buyer selects an offer.

If the buyer asked for a bid or quote, then the supplier who offered the lowest dollar amount is typically selected.

If the buyer asked for a proposal, then the supplier who provided the best answers to the questions and gets the highest score is typically selected.

## AWARDING A CONTRACT



### A contract is awarded and signed.

The selected supplier and buyer agree on the contract terms and conditions by signing the contract.

A signed contract means the buyer agrees to pay the supplier and the supplier agrees to provide the goods and services.



ᖃᕈᖃᑦᑕᑦᑖ ᓄᖃᑦᑖᑖᑖᑖᑖᑖ  
ᐱᓄᑦᑦᑖᑖᑖᑖᑖᑖᑖᑖ ᑖᑖᑖᑖᑖᑖ

**Qikiqtaaluk Business  
Development Corporation**

A WHOLLY-OWNED SUBSIDIARY OF QIKIQTAALUK CORPORATION



ᖃᕈᖃᑦᑕᑦᑖ ᑖᑖᑖᑖᑖᑖ  
ᓄᖃᑦᑖᑖᑖᑖᑖᑖᑖᑖ

**QIKIQTAALUK CORPORATION**  
& Group of Companies

1-867-979-8400 | [www.qcorp.ca](http://www.qcorp.ca)



[qbdc@qcorp.ca](mailto:qbdc@qcorp.ca)



867-979-8400



[www.QBDCnunavut.ca](http://www.QBDCnunavut.ca)