

## Procurement Policy

### 1. PURPOSE

The purpose of this Policy is to articulate the principles and approaches that guide the acquisition of goods and/or services (procurement) with funding from Grand Challenges Canada.

### 2. SCOPE

This Policy applies to any individuals and/or entities using Grand Challenges Canada funds to acquire goods and/or services, including Grand Challenges Canada officers, directors, employees, funded innovators, consultants and contractors, among others.

For funded innovators, this Policy applies in conjunction with any other specific terms or requirements included as part of their funding agreement. Where an innovator's own procurement policy meets or exceeds the principles and approaches outlined in this Policy, the innovator may follow their own policy<sup>1</sup>.

### 3. PRINCIPLES

Grand Challenges Canada's overall approach to procurement is guided by the principle that it is important to deliver **'best value'**, to **act in good faith** and to follow **'best practices'**, which consider and balance factors such as access, competition, fairness, quality, performance, transparency, integrity, durability, suitability, time and cost. A second principle that guides Grand Challenges Canada's procurement processes is the need to ensure that these processes engage with and provide opportunities for providers in the regions and communities where the work we support is implemented.

#### **Grand Challenges Canada's Commitment**

Grand Challenges Canada and/or any individual or organization procuring goods or services with funding from Grand Challenges Canada commit to using a procurement process that:

1. Enhances transparency, integrity, competition, fairness and value for money. Value for money means the optimal combination of quality, service, time and cost considerations.
2. Ensures that procurement processes are as simple and straightforward as possible, and that procurement opportunities are shared as broadly as possible/feasible, to ensure that all interested bidders have equitable knowledge of and access to procurement opportunities.
3. Provides prompt and appropriate answers to bidder enquiries, and shares all questions and answers publicly.
4. Utilizes a transparent and impartial decision-making process and documents the outcomes of this decision-making process.
5. Enters into good-faith contract negotiations, where needed, with successful bidders.
6. Ensures that procurement processes follow all applicable legislative, regulatory, and policy authorities and requirements.

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<sup>1</sup> GCC reviews innovators' procurement policies as part of its pre-funding due diligence procedures.

### Commitment of Providers of Goods and Services

When undertaking to provide goods and/or services with funds from Grand Challenges Canada, providers commit to:

1. Responding to procurement processes in good faith, i.e., with a genuine desire to provide the goods and/or services that are being requested.
2. Providing all necessary information and documentation to support both the procurement and contracting (where relevant) processes.
3. Providing the goods and/or services as agreed upon in the relevant Services Agreement.

## 4. IN PRACTICE

### Grand Challenges Canada

In general, any two Officers of Grand Challenges Canada can approve procurement contracts that are consistent with this Policy and within the signing authority limits approved by Grand Challenges Canada's Board of Directors. The Board of Directors may approve a contract of any amount using a procurement manner different from that set out in this Policy, on a case-by-case basis.

Grand Challenges Canada's Senior Director of Finance is responsible for monitoring the application and administration of this Policy. Compliance with this Policy is overseen by Grand Challenges Canada's Audit, Finance & Risk Committee. This oversight includes quarterly reports by management to the Audit, Finance & Risk Committee of any instances of non-compliance that could not be remedied.

### Innovators

Innovators funded by Grand Challenges Canada can approve sub-contracts as a part of their funding agreement budget so long as their procurement process is compliant with this Policy (or a similar policy, as outlined in Section 2 of this Policy). GCC's Procurement Policy and the Procurement Guide issued to innovators take precedence over any other procurement documentation used by innovators in the procurement of goods and services. Please refer to the Innovator's Procurement Guide for additional information.

The following thresholds are in effect for this Policy:

	ORIGINAL CONTRACT	AMENDMENTS TO THE CONTRACT
Contracts of \$25,000 CAD or less for Goods and \$40,000 CAD or less for Services each fiscal year	Can <sup>2</sup> be sole sourced. <sup>3</sup> Disbursements, GST, travel and other expenses are not included in the calculation of the threshold.	Contracts resulting from the procurement can be amended for an increase of up to a total of 50% of the value of the original contract, without requiring that a competitive procurement process be undertaken.

<sup>2</sup> Goods and Services should always be competitively procured, where possible. In situations when it is not possible to competitively procure a good or service (or where there is a compelling and clearly documented rationale explaining why a competitive process would not be appropriate), a sole source procurement may be used.

<sup>3</sup> Sole source means a particular supplier is purposefully chosen by the party seeking goods/services without engaging in a competitive tender process.



Contracts over \$25,000 CAD for Goods and over \$40,000 CAD for Services each fiscal year	Procurement processes over these thresholds should be tendered competitively.  For procurement by GCC, a contract over these thresholds can be secured that is not competitively tendered only if value for money is demonstrated, there is a valid reason to not competitively tender that is clearly documented, and the procurement is approved by the Board of Directors.	Can be amended for an increase of up to 50% of the value of the original contract, without requiring that a new competitive procurement process be undertaken.
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## 5. CONFLICTS OF INTEREST

The procurement of goods and services using funding provided to or by Grand Challenges Canada is subject to and will be done in a manner consistent with Grand Challenges Canada's Conflict of Interest Policy available at: <https://www.grandchallenges.ca/innovator-resources/>

## 6. GOVERNANCE

This Policy falls under the purview of Grand Challenges Canada's Audit, Finance & Risk Committee. Any deviations from this Policy will require prior approval from the Committee and any instances of non-compliance will be reported to the Committee as they arise.