



Contracting & Procurement Policy

1. OBJECTIVE AND PRINCIPLES

The objective of this policy is to provide a framework and direction for the acquisition of goods and services required for Grand Challenges Canada to discharge its mandate and meet its objectives. The goal of the policy is to ensure that the procurement of goods, assets and services is done in a manner that enhances access, transparency, competition, fairness and results in best value. Best value means the optimal combination of quality, service, time and cost considerations. This Policy is also a framework for the innovators that Grand Challenges Canada supports to ensure that the goods and services they procure using Grand Challenges Canada's funds achieve the same goals.

Grand Challenges Canada carries out the purchase of goods and certain services based on the following principles:

- a. Goods and services obtained must stand the test of public scrutiny in matters of prudence and probity;
- b. The process of procuring the purchase of goods and certain services shall be as simple and straightforward as possible to enable bidders to access contracting opportunities;
- c. An open, competitive process shall be used, where appropriate, and reflect fairness in the spending of public funds, while supporting operational objectives; and
- d. The process of procuring the purchase of goods and certain services shall conform to applicable legislative, regulatory, and policy authorities.

2. AUTHORITY

Grand Challenges Canada will, from time to time, contract for the purchase of goods and certain services as required to fulfill its mandate and meet its objectives.

The purchase of all Goods will be covered by this Policy. The Services contemplated in this policy normally include professional services pertaining to the administration of Grand Challenges Canada with the exception of services provided by: (i) employees of Grand Challenges Canada, or (ii) persons seconded by Grand Challenges Canada; or (iii) persons to whom Grand Challenges Canada issues a grant; or (iv) such other services as the Director of

Finance & Administration of Grand Challenges Canada may exclude from time to time where he/she deems appropriate. Such exceptions will be documented and reported to the Board of Directors.

Although Grand Challenges Canada is not subject to Canada's Treasury Board Contracting Policy for the purchase of goods and contracting of services, it is the intention of Grand Challenges Canada to abide, where possible, to the principles set out in this policy. Please refer to the following link for the Treasury Board Contracting Policy (<http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14494>)

3. APPLICATION AND EFFECTIVE DATE

This Policy applies to all Goods and Services with the exception of the services identified in section 2 that are procured by Grand Challenges Canada.

This Policy applies to all Goods and Services procured by Grand Challenges Canada's innovators, when using funds from Grand Challenges Canada. If innovator's organizations have their own procurement policy that is either compliant with, or more restrictive than, this Policy, innovators may follow their own organization's policy instead.

This policy takes effect on January 1, 2017.

4. ROLES AND RESPONSIBILITIES

The following persons have authority to enter into contracts covered by this policy to the extent provided below:

- a. Any two Officers of Grand Challenges Canada can approve contracts up to any amount, so long as the manner in which they were procured is consistent with this Policy.
- b. The Board of Directors may approve a contract of any amount using a procurement manner different than set out in this Policy, on a case-by-case basis, documenting the rationale in Board minutes.
- c. Innovators funded by Grand Challenges Canada have authority to approve sub-contracts up to any amount within their Grand Challenges Canada's funding agreement budget so long as their procurement process is compliant with this Policy. Final project budgets are approved by Grand Challenges Canada.

5. ACCOUNTABILITY & MONITORING

Grand Challenges Canada's Director of Finance & Administration is responsible for monitoring application of this Policy and administering the policy. Grand Challenges Canada will monitor

compliance with this Policy by the innovators it funds through a due diligence process which includes spot audit checks. Non-compliance with this policy will need to be remedied. If a satisfactory remedy cannot be achieved, the funds related to the non-compliance may be required to be returned. In egregious cases, non-compliance with this Policy can result in a termination of the funding agreement.

Compliance with this Policy by both innovators and Grand Challenges Canada management is ultimately overseen by the Grand Challenges Canada Board of Directors. This oversight includes the review of an annual compliance report prepared by management, as well as quarterly reports by management to the Grand Challenges Canada Audit, Finance & Risk Committee on any instances of non-compliance that could not be remedied.

6. POLICY REQUIREMENTS –GOODS AND CERTAIN SERVICES CONTRACTS

For Goods and the Services covered under this policy as outlined in Section 2, the following thresholds will be in effect:

- a. Contracts at \$25,000 or less each fiscal year may be sole sourced. Disbursements, GST, travel, and other expenses are not included in the calculation of the \$25,000 for sole sourcing purposes.
- b. Contracts for which the original value was less than \$25,000 as calculated in accordance with a) above, may be amended such that the total amendments do not exceed 50 percent of the value of the original contract, without requiring a competitive tender of the contract.
- c. Contracts for which the value of the original contract was greater than \$25,000 as calculated in accordance with a) above, should be tendered competitively unless there is valid reason not to do so, in which case the reasons shall be clearly documented and approved by the Director of Finance & Administration and then reported to the Board of Directors and documented (for instance, legal services).
- d. Contracts for which the value of the original contract was greater than \$25,000 as calculated in accordance with a) above, may be amended such that the value of the total amendments do not exceed 50 percent of the value of the original contract without requiring that the contract be submitted or resubmitted for competitive tender.

7. PROCEDURES & DOCUMENTATION

Grand Challenges Canada uses a procurement process form that must be completed each time a good or service is procured (Appendix A for Competitive Tender and Appendix B for Sole Source). A file must also be created for each request for proposal process, to demonstrate compliance with the Policy.

Grand Challenges Canada encourages innovators to follow a similar approach where possible.

At a minimum, Innovators must keep records of their procurement processes in order to document to Grand Challenges Canada, or its funders, their compliance with this Policy.

8. CONFLICTS OF INTEREST

The procurement of goods and services by Grand Challenges Canada will be done in a manner consistent with Grand Challenges Canada's Conflict of Interest Policy.

For Grand Challenges Canada's innovators, all procurement of goods and services using Grand Challenges Canada funds must be done with arm's-length sub-contractors (individuals or entities), to avoid real or perceived conflicts of interest.

Appendix A
Procurement Process Form: Competitive Tender

This form must be completed for all goods and services (not grants) procured by GCC by way of a request for proposal. The form must be approved by GCC's Director of Finance & Administration, and all supporting documentation saved on the server here: [add].

Title of RFP:

Lead Staff for RFP:

Approval to Issue Received from Director of Finance & Administration:

Date of Issuance:

Time period for which RFP was open:

Dissemination Process:

** Note: The RFP must always be made available on Grand Challenges Canada's website to ensure that a reasonable number of suppliers, that are geographically diverse, are given an opportunity to bid. It is important to avoid situations where there may be a bias toward awarding a contract for goods, services or assets.

Number of Submissions Received:

Names of Reviewers:

1. [add]
2. [add]
3. [add]

If not including at least one external to GCC reviewer, provide rationale here:

Selected Applicant:

Reasoning for Selection:

If successful applicant did not submit the lowest bid, explain rationale why here:

Are there any real or perceived conflicts of interest related to GCC engaging the goods or services from this organization (as it relates to GCC or any GCC staff or stakeholders)? If real, the competitive tender cannot proceed. If perceived, explain the mitigation measures and approvals received (from the Co-CEOs) to proceed:

**Note: Length of time of contract should match time set out in RFP (i.e. if multi-year contract, or a one year contract with option to renew without re-procurement, state this explicitly in RFP).



Summary of Scoring

(add columns and rows as may be needed)

Application 1: [ENTITY / INDIVIDUAL]

Criteria # / Title	Reviewer 1:	Reviewer 2:	Reviewer 3:
TOTAL			

Application 2: [ENTITY / INDIVIDUAL]

Criteria # / Title	Reviewer 1:	Reviewer 2:	Reviewer 3:
TOTAL			

Application 3: [ENTITY / INDIVIDUAL]

Criteria # / Title	Reviewer 1:	Reviewer 2:	Reviewer 3:
TOTAL			

Approved by Director of Finance & Administration:

Date: _____

Appendix B
Procurement Process Form: Sole source

General Information:

1. Name of goods/services organization to provide
2. Contact name at goods/services organization
3. Contact info for goods/services organization
4. Cost estimate of goods/services to be procured
5. Estimated period of goods/services implementation
6. Please provide reasoning for procurement of goods/services
7. Has GCC procured goods/services from the service organization in the past or currently?
If yes, what is the value and period of the goods/services rendered?

Period	Description	Value (CAD)

Eligibility Assessment:

1. Is the cumulative value of goods/service(s) provided by the service organization below or equal \$25,000 CAD (before applicable sales tax) in the current fiscal year? (Yes/No)
2. Do you require the service(s) to commence within the next 30 business days, and why?
3. Is it reasonable to procure non-competitively for the goods/services? (Yes/No)
Please provide details on how you determined this reasonability.
4. Is the rate/quote of goods/services reasonable in comparison to market value? (Yes/No)
Please provide details on how you determined this reasonability.
5. Are there any real or perceived conflicts of interest related to GCC engaging the goods or services from this organization (as it relates to GCC or any GCC staff or stakeholders)? If real, the sole source contract cannot proceed. If perceived, explain the mitigation measures and approvals (from the Co-CEOs) received to proceed. (Yes/No)

If questions 1-4 under the Eligibility Assessment were answered “Yes”, and the answer to question 5 was marked as ‘No’ (or perceived COIs have been adequately addressed) then the request for a sole-source procurement is eligible. If not, then a Request for Proposal is required.



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Name of Applicant:

Position:

Request Date:

Signature:

Approver:

Approval Date: