

future use.

b) Request for Proposal (RFP):

RFPs are often used for the selection of a successful bidder(s) to fulfill a service. SXM has a clone RFP which was developed some years ago and is frequently used for service requirements which are excluded from the Trade Agreements. The total requirement at the time of RFP issue including any options to extend the contract at a later date must not exceed the \$400,000.00 threshold including GST.

It is a bid solicitation document used primarily when the estimated value of the requirement exceeds \$25,000.00 including GST; 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 (Evaluation Methodology properly defined).

It is expected that negotiations with one or more bidders may be required with respect to any aspect of the requirement.

Depending on the complexity of the requirement, it is a good idea to invite suppliers to propose a solution problem when submitting their bids.

The evaluation criteria in the RFP document must be clearly developed with both mandatory and desirable requirements. Any supplier failing a mandatory requirement would automatically be disqualified from the bidding process. Secondly, as a general rule, the supplier must achieve a minimum passing mark of 70% after meeting all stated mandates. In addition, the successful bidder(s) is selected based on Best Value to the CROWN for services, known as Lowest Cost Per Point (LCPP).

c) Request for Quotation (RFQ):

An RFQ is not technically an offer to supply (it is an "invitation to treat") and cannot form a contract merely by acceptance. To form a contract, you must issue an official contract with all terms and conditions.

Once a tendering method has been selected, the operational manager and the contracting authority will jointly prepare the tendering document which will include but not limited to:

- Statement of Work (SOW) or Statement of Requirement;
- Specifications or reference to standards if required;