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**Québec**  
**K1A 0S5**  
**Bid Fax: (819) 997-9776**

**SOLICITATION AMENDMENT**  
**MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

**Comments - Commentaires**

**Vendor/Firm Name and Address**  
**Raison sociale et adresse du**  
**fournisseur/de l'entrepreneur**

**Issuing Office - Bureau de distribution**  
Miscellaneous Special Projects Division (XN)/Division  
des projets spéciaux divers (XN)  
Canadian Building  
219 Laurier Ave. West, 13th Floor  
Room 13077  
Ottawa  
Ontario  
K1A 0S5

<b>Title - Sujet</b> Acquisitions Program E-Procurement	
<b>Solicitation No. - N° de l'invitation</b> EN578-131350/A	<b>Amendment No. - N° modif.</b> 008
<b>Client Reference No. - N° de référence du client</b> 20131350	<b>Date</b> 2014-06-17
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$XN-111-27555	
<b>File No. - N° de dossier</b> 111xn.EN578-131350	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> <b>on - le 2014-08-14</b>	
<b>F.O.B. - F.A.B.</b> <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Moore, Karen	<b>Buyer Id - Id de l'acheteur</b> 111xn
<b>Telephone No. - N° de téléphone</b> (819) 956-1410 ( )	<b>FAX No. - N° de FAX</b> ( ) -
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b>	

**Instructions: See Herein**

**Instructions: Voir aux présentes**

<b>Delivery Required - Livraison exigée</b>	<b>Delivery Offered - Livraison proposée</b>
<b>Vendor/Firm Name and Address</b> <b>Raison sociale et adresse du fournisseur/de l'entrepreneur</b>	
<b>Telephone No. - N° de téléphone</b> <b>Facsimile No. - N° de télécopieur</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/Firm</b> <b>(type or print)</b> <b>Nom et titre de la personne autorisée à signer au nom du fournisseur/</b> <b>de l'entrepreneur (taper ou écrire en caractères d'imprimerie)</b>	
<b>Signature</b>	<b>Date</b>

Solicitation No. - N° de l'invitation

EN578-131350/A

Client Ref. No. - N° de réf. du client

20131350

Amd. No. - N° de la modif.

008

File No. - N° du dossier

111xnEN578-131350

Buyer ID - Id de l'acheteur

111xn

CCC No./N° CCC - FMS No/ N° VME

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See attached.

**Letter of Interest (LOI)**

**Solicitation Amendment 8**

**Purpose:**

A) To respond to questions regarding the LOI.

**QUESTIONS AND ANSWERS**

**QUESTION 11**

Please further define the socio-economic objectives PWGSC is looking to achieve?

**ANSWER 11**

Please refer to Industry Day presentation Procurement in the Government of Canada in LOI Amendment 005.

**QUESTION 12**

Please explain in further detail your expectations of proponents outlined in Annex 4, specifically sections A.4 and A.5.

It would be helpful to better understand what we should start now (e.g. what will be a prerequisite to being eligible to sign a contract) versus what can be done after being selected as the successful proponent.

**ANSWER 12**

Future solicitation documents may include security requirements that are precedent to bid submission as well as precedent to contract award. The GC will release security requirement information once it is available. The GC encourages bidders to begin the security clearance process as soon as possible. Please refer to LOI section A.5.

**QUESTION 13**

Can the Government of Canada elaborate on its technical evaluation strategy as part of this procurement?

**ANSWER 13**

It is anticipated the technical evaluation procedures will include mandatory and rated evaluation criteria, as well as a product demonstration and a hands-on usability assessment.

Usability refers to evaluating a product with respect to ease of use, intuitiveness, ease of learning, efficiency, accuracy and user satisfaction. The anticipated usability assessments will be conducted on a qualitative basis to gain insight into the user experience and user satisfaction from a human interface perspective. It is further anticipated that the hands-on usability assessment will evaluate bidder's, at minimum, on the following criteria:

- (a) Intuitiveness: How obvious is it to the user what they must do to accomplish a task? How easy is it to determine the next step? Is the process logical?
- (b) Ease of learning: How easy is it for a first time user to learn the system sufficiently well to accomplish basic tasks?
- (c) Efficiency: Does the system make users more productive in accomplishing tasks?
- (d) Accuracy: How often do users make errors while using the system and how easy is it for users to recover from these errors?
- (e) Satisfaction: How does the user feel about using the system? Would the user recommend this system to a colleague? and
- (f) Overall Usability: How does the user rate the overall usability of the system, including:
  - (i) Consistent Look & Feel;
  - (ii) Ease of Navigation; and
  - (iii) User Interface.

Further details regarding the evaluation procedures will be released in future solicitations documents.

**QUESTION 14**

In general, how does PWGSC plan to evaluate past performance and customer references during the RFP process? Will emphasis be placed on demonstrated success implementing the solutions contemplated in the LOI for other government or public sector entities?

**ANSWER 14**

Details regarding the evaluation criteria will be provided in future phases of the solicitation process. Please refer to question and answer 13 in this LOI Amendment.

**QUESTION 15**

[This question was asked during the Industry Day session.]

Does the GC anticipate doing a qualified supplier list for the draft RFP, or are you planning on keeping it open industry wide?

**ANSWER 15**

The GC does not anticipate a pre-qualification phase in the procurement process at this time.

**QUESTION 16**

[This question was asked during the Industry Day session.]

To what degree is the GC consulting other governments around the world?

**ANSWER 16**

In addition to general market research and analysis, the Government of Canada leverages strategic partnerships with key trading partners such as the US and UK to understand best practices and approaches in the domain of e-procurement.

**QUESTION 17**

[This question was raised during the Industry Day session.]

For the Financial Management System is SAP the business (data) warehouse.

**ANSWER 17**

Yes, at this time SAP is the business data warehouse for the management of financial information. Full details regarding the anticipated technical architecture will be detailed in future phases of the solicitation.

**QUESTION 18**

Can you recommend preferred integrators?

**ANSWER 18**

Potential partnering arrangements are part of the supplier's business process. The GC will not recommend preferred integrators. Please refer to LOI Amendment 006 question and answer 9.

**QUESTION 19**

Can you share the list of Industry Day attendees?

**ANSWER 19**

Please refer to LOI Amendment 006, question and answer 9.

**QUESTION 20**

At Industry Day, there was mention of 40 different systems associated with the new e-Procurement Solution, are there any custom applications?

**ANSWER 20**

Yes, there are custom applications in the current solution. In the new solution, the GC intends to establish a new technology baseline and to replace as many legacy systems and custom applications as possible. At this time the GC cannot confirm if there will be any requirements to interoperate with existing custom applications in the new solution. The GC intends on releasing information regarding the technical architecture in future phases of the solicitation.

**QUESTION 21**

Could you elaborate on your current business rules?

**ANSWER 21**

The GC are in the process of documenting and verifying business rules and processes. Further elaboration regarding the state of the GC business rules and processes will be provided in future phases of the solicitation process.

**QUESTION 22**

During Industry Day you mentioned the Gartner Report. What kind of weight does PWGSC place on the Gartner Report? What kind of emphasis do you have on a Canadian Company versus an International Company?

**ANSWER 22**

The Gartner Report helped identify how the market for this requirement positions itself, and outlined some key functionalities of available application suites. The Gartner Report was not used to identify preferred suppliers. All solicitation phases for the e-Procurement Solution will be competed in a fair, open and transparent manner.

**QUESTION 23**

Can the data from the new solution reside outside of Canada?

**ANSWER 23**

As per the LOI, the GC have concerns regarding the protection and sovereignty of GC data. The GC are assessing the security requirements for the e-Procurement Solution, including the database location requirements. Further details regarding service delivery models including database location will be detailed in future solicitations.

**QUESTION 24**

Would it be possible to publish the list of suppliers who participated in the Industry Day?

**ANSWER 24**

Please refer to LOI Amendment 006, question and answer 9.

**QUESTION 25**

Can the GC please release a copy of the recording from the Industry Day session?

**ANSWER 25**

Unfortunately, the official GC audio recordings (English and French) for the Industry Day session had technical difficulties resulting in the session not being recorded within the WebEx software. There is no official recording of the Industry Day session available. Questions and answers from the Industry Day session will be released to industry through LOI Amendments. The presentation material from the Industry Day session have been released in LOI Amendment 005 and LOI Amendment 006.

**QUESTION 26**

Is there an existing effort to look at changing the procurement process?

**ANSWER 26**

The GC are working on documenting our current procurement processes. As mentioned during the Industry Day presentations, the GC would like to move towards commercial best practices for procurement. With the exception of mandatory legislative requirements the GC would like to align with business solution capabilities.

**QUESTION 27**

How do you currently exchange your information with your financial system?

**ANSWER 27**

The Acquisition function of PWGSC, on a general basis, currently does not have any interoperability with departmental financial systems. Details regarding interoperability requirements will be provided in future phases of the solicitation.

**QUESTION 28**

Are you open to any ideas that we might put forward? Are you considering other solicitation types (e-auctions, etc.)?

**ANSWER 28**

The GC are open to new approaches, and will consider suggested approaches and their alignment with government frameworks and policies.

**QUESTION 29**

Where and how are security, authorizations, segregation of duties currently managed across the systems that we will need to integrate with?

**ANSWER 29**

Details regarding security, authorizations, and segregation of duties have not been finalized, but will be included in future phases of the solicitation.

**QUESTION 30**

What is the driving factor for GC to choose between cloud and on-premise?

**ANSWER 30**

Please refer to question and answer 23 in this LOI Amendment.

**QUESTION 31**

Please provide further details regarding the anticipated evaluation process.

**ANSWER 31**

Please refer to question and answer 13 in this LOI Amendment.

**QUESTION 32**

What are the drivers of your business case?

**ANSWER 32**

Please refer to the Industry Day presentation in LOI Amendment 005 (Acquisitions Digital Program presentation) and 006 (AADM's speaking notes), and the LOI itself.

**QUESTION 33**

Do you have an automated workflow approval process for procurement?

**ANSWER 33**

The GC has primarily manual workflows for procurement approval processes and they are not currently automated.

During a One-on-One session, the GC responded that they anticipate the need for 90% automation for the procurement approval process. However, this response was not intended to provide a specific threshold but rather indicate that the GC is attempting to automate to the fullest extent possible.

Further details regarding requirements for automated procurement approval processes will be defined in future phases of the solicitation.

**QUESTION 34**

Have you done business process modelling?

**ANSWER 34**

Please refer to question and answer 21 in this LOI Amendment.

**QUESTION 35**

Do you have a target operating model? Is it going to be remodelled?

**ANSWER 35**

Yes, PWGSC has a target operating model for the Acquisitions Program Transformation. PWGSC is open to considering the possibility of remodelling the target operating model.

**QUESTION 36**

What is the reason for delaying the LOI? Will the GC have more engagement with vendors before the draft RFP?

**ANSWER 36**

The close date of the LOI has been extended to allow the GC time to answer all questions received from industry to date, as well as to enable the GC to assess industry feedback and determine if more steps in the engagement process are required.

**QUESTION 37**

Why did you extend the deadline of the LOI?

**ANSWER 37**

Please refer to question and answer 36 in this LOI Amendment.

**QUESTION 38**

What are the primary drivers for this project - cost savings or efficiency?

**ANSWER 38**

Please refer to question and answer 32 in this LOI Amendment.

**QUESTION 39**

Please provide a list of the current systems and an overview of the processes that they serve.

**ANSWER 39**

Please refer to questions and answers 20 and 21 in this LOI Amendment.

**QUESTION 40**

What are your views on cloud computing for this procurement?

**ANSWER 40**

Please refer to question and answer 23 in this LOI Amendment.

**QUESTION 41**

How are you planning on assessing the usability of the solution?

**ANSWER 41**

Please refer to question and answer 13 in this LOI Amendment.

**QUESTION 42**

Does the GC envision a single supplier or a number of suppliers to provide the solution?

**ANSWER 42**

The LOI confirms the GC anticipates the requirement being fulfilled by a single Contractor. The onus is on industry to determine if the full solution can be fulfilled by one supplier, or a group of suppliers in partnership.

**QUESTION 43**

Are the Industry One-on-One sessions being recorded and shared only for internal purposes?

**ANSWER 43**

Yes the One-On-One session recordings are being used only for GC internal purposes. The One-On-One session recordings will not be posted on the Government Electronic Tendering Service (GETS).

**QUESTION 44**

What kind of taxonomy are you using?

**ANSWER 44**

Please refer to the details regarding commodity taxonomies in section A.8 Volumetric Data in the LOI.

**QUESTION 45**

Can you provide guidance to us in terms of which partners we should look at?

**ANSWER 45**

Please refer to question and answer 18 in this LOI Amendment.

**QUESTION 46**

Will you contract directly with one vendor for a certain piece?

**ANSWER 46**

Please refer to question and answer 42 in this LOI Amendment.

**QUESTION 47**

Does the Government of Canada use reverse auctions?

**ANSWER 47**

The GC does not typically use reverse auctions. While there are no policy restrictions preventing the use of reverse auctions, it has not been a preferred practice in the GC due to concerns regarding the potential impact on the supplier community.

**QUESTION 48**

What are the sensitivities associated with reverse auctions for the government and what does a supplier need to

**ANSWER 48**

Please refer to question and answer 47 in this LOI Amendment.

**QUESTION 49**

We're not the same breadth of a larger organization but are confident that we can adapt to the size of the government. Can you provide advice on how to approach bidding on this requirement?

**ANSWER 49**

The high level GC requirements are outlined in Annex A of the LOI and will be articulated in more detail in future phases of the solicitation process. It is incumbent upon suppliers to make business decisions regarding their potential bidding arrangements, based on the suppliers' understanding of the requirement (whether the supplier can meet the full solution requirements on their own or if they require partnership with other supplier(s)). The GC will not provide advice or guidance to suppliers regarding their approaches to bidding. Please also refer to question and answer 18 in this LOI Amendment.

**QUESTION 50**

Is there a specific organization that handles small purchases and what are the thresholds?

**ANSWER 50**

There is no specific organization that manages small purchases. Procurements that have a smaller threshold are typically managed by client departments. Procurements above that threshold are managed by PWGSC. Thresholds vary per department but are typically between \$5K and \$25K for goods, \$2M for services.

We also have mandatory Framework Agreements (Standing Offers and Supply Arrangements) that must be used for certain commodity specific procurements.

For more information on contracting thresholds, see Appendix C - Treasury Board Contracts Directive of Treasury Board's Contracting Policy (<http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=14494>)

**QUESTION 51**

Are there 43 different procurement applications in the government?

**ANSWER 51**

As detailed in the LOI there are over 40 different applications that currently support PWGSC's Acquisitions Program's service delivery. The full breadth of applications supporting procurement across the GC is unknown at this time.

**QUESTION 52**

Are you using UNSPSC coding?

**ANSWER 52**

Please refer to question and answer 44 in this LOI Amendment.

**QUESTION 53**

At what stage is the GC in terms of current state vs anticipated target state for this transformation initiative?

**ANSWER 53**

In accordance with the LOI and Industry Day presentations, the GC anticipates the need for a full transformation of processes and technology. We are in the process of documenting our current state, and assessing industry feedback to determine the scope of the target state.

**QUESTION 54**

Does the successful Contractor need to have all departments on board in order to have project closure?

**ANSWER 54**

The project closure requirements have not yet been defined. The full scope of the requirement will be defined in future solicitation documents.

**QUESTION 55**

Are you pursuing any other level of support prior to issuing the draft RFP?

**ANSWER 55**

On April 24/14 PWGSC issued a Solutions-Based Informatics Professional Services (SBIPS) requirement on the Government Electronic Tender Services (GETS) for strategic advisory services for the Acquisitions Program Transformation project. The project may require additional services.

**QUESTION 56**

Are you a stakeholder in the SAP financial transformation?

**ANSWER 56**

The Acquisitions Program at PWGSC has a limited role in the transformation of GC financial systems, however stakeholders are working in close collaboration to ensure alignment of initiatives.

**QUESTION 57**

Shared Services currently has their own e-procurement model. How will this work with this solution?

**ANSWER 57**

The intent of this solicitation is to establish a GC standard e-procurement solution. GC understands that some departments and agencies may currently have their own e-procurement solutions that may continue to be in place for the immediate future. However, the GC's intent is to move toward a single solution for e-procurement.

**QUESTION 58**

Are you following a collaborative procurement approach process?

**ANSWER 58**

The e-Procurement Solution is following the Smart Procurement approach, as outlined in the LOI, and Industry Day presentations in LOI Amendments 005 and 006.

**QUESTION 59**

Is any department using an online catalogue system?

**ANSWER 59**

The GC does not currently have a standard catalogue system. Some departments have implemented limited internal catalogue solutions. PWGSC's cataloguing capabilities are generally limited to searching tools.

**ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME**