

Substantiation of Business Incentive Policy Adjustment Form

INSTRUCTIONS

The included example forms can also be found online; located [here](#)

Please review the following instructions and conditions before completing the Substantiation of BIP Adjustment Form.

To receive credit under the Government Northwest Territories' (GNWT) Business Incentive Policy (BIP), bidders/proponents must identify the dollar value of their bid/proposal that qualifies for Local or NWT BIP credit.

Using the '**Substantiation of BIP Adjustment Form**', the bidder/proponent is to:

- 1) Enter the bidder/proponent name
- 2) Enter the procurement reference number (the Event ID)
- 3) Enter the total bid/proposal amount
- 4) Enter the dollar value associated with Local BIP Content
- 5) Enter the dollar value associated with NWT BIP Content
- 6) Enter the dollar value associated with non-BIP Content.

For ease of reference, the fillable fields are highlighted in green cells. The total BIP adjustment will automatically be calculated in the BIP Price Adjustment Summary.

Identify all subcontractors or suppliers on the '**Subcontractor Disclosure Form**'. This form will establish the approved subcontractor list should the bidder/proponent be awarded a contract.

The bidder/proponent acknowledges that the percentage of BIP content that is specified in the Substantiation of BIP Adjustment Form submitted with its bid/proposal, represents a contractual commitment. A failure by the successful bidder/proponent (the "contractor") to achieve the percentage of BIP content that they have committed to will constitute a breach of contract, which may result in the contractor being deemed "not responsible" and therefore ineligible for future GNWT contracts.

Compliance with Local and NWT BIP content will be monitored throughout a contract, and contracts may be subject to internal or third-party audit to verify compliance with the BIP.

What is BIP Content?

BIP content is the portion of the bid/proposal that is to be completed by BIP-registered businesses and/or NWT resident labour. Both BIP-registered and non-registered businesses can benefit from the BIP through the engagement of NWT resident labour and BIP-registered subcontractors.

NWT Content

"NWT Content" is the portion of the work that will be performed by Northwest Territories residents and BIP-registered businesses.

Local Content

"Local Content" is the portion of work that will be performed by local residents and BIP-registered businesses. The local community or communities will either be specified in the procurement documents or will be considered the community in which the work or adjacent to where the work is undertaken.

Labour

A priority of the BIP is to maximize the engagement of Northwest Territories residents for GNWT contracts. Accordingly, credit under the BIP for the labour content of a bid/proposal is available for all bidders/proponents that commit to engage Northwest Territories residents for the work, regardless of BIP registration status.

The labour content of a bid or proposal shall only be considered "NWT content" or "local content" if the employee is an NWT resident as defined in the BIP (i.e. an individual who is ordinarily a resident of the Northwest Territories and has been such a resident for the last six months and can provide documentation supporting residency, such as a Northwest Territories driver's license or other acceptable form of government identification).

Labour shall only be considered "local content" if the Northwest Territories employee is a resident of the local community that is identified in the procurement documents.

It is important to note that a BIP-registered business that employs non-resident labour for the purposes of a proposed contract, must identify the cost of the non-resident labour as 'Non-BIP Content'.

Goods

Credit under the BIP for the portion of the bid/ proposal that consists of the provision of goods, shall only be considered "NWT Content" or "Local Content" if the supplier is BIP registered and approved for the specific goods commodity that the supplier would be supplying under the contract.

The BIP Adjustment

The following BIP adjustments shall be applied for eligible BIP content:

For the first \$1,000,000:

- a 15 percent bid adjustment will be applied to the NWT content; and
- an additional 5 percent bid adjustment will be applied to any local content.

For the portion of the bid or proposal that is above \$1,000,000, up to the maximum allowable BIP adjustment:

- a 1.5 percent BIP adjustment will be applied to the NWT content; and
- a 0.5 percent BIP adjustment will be applied to the local content.

The BIP adjustment applied to any bid or proposal will be limited to a maximum of \$500,000.

This adjustment will be calculated automatically in the 'BIP Price Adjustment Summary" part of the Substantiation of BIP Adjustment Form.

Errors

The GNWT will not be held responsible or liable for any errors or omissions in the Substantiation of BIP Bid Adjustment Forms. **The bidder/proponent is solely responsible for the accuracy of the commitments they make in the Substantiation of BIP Bid Adjustment Form and will be held to those commitments by the GNWT.**

If a bidder/proponent makes an error in the Substantiation of BIP Adjustment Form or provides information in its bid/proposal that conflicts with the commitments made in the Substantiation of BIP Adjustment Form, the bidder/proponent may not receive any credit under the BIP.

For example, if a bidder/proponent indicates 100% Local BIP Content in their Substantiation of BIP Adjustment Form, but the information included with their bid or proposal conflicts with that commitment, the bidder/proponent may receive no credit under the BIP (e.g. resume indicates that an employee is not an NWT resident, a subcontractor is not BIP registered or based in the NWT, a supplier is not approved for the required goods, etc.).

Subcontractor Disclosure Form

The bidder/proponent should complete the Subcontractor Disclosure Form if they intend to subcontract any goods or services relating to the contract work. When completing this form, please provide the full legal name of the subcontractor, their BIP status, the approximate value of the subcontract and, in the case of suppliers, the type of material that will be purchased (which should align with the commodity listings provided through the BIP Registry).

Review instructions in the first tab of this file, before completing Substantiation of BIP Adjustment Form (and Subcontractor Disclosure Form, where applicable)

For the example procurement Event (EV1111), Best Northern Contracting Ltd. is a **BIP-Registered Local** company.

The company's Total Bid/Proposal Amount of \$109,720 is broken down as follows:

- **\$56,000** of their own (LOCAL) resources; this amount is part of the total entered into the “Local BIP Content” Dollar Value section, on the Substantiation of BIP Adjustment Form
- **\$16,220** additional (LOCAL) for subcontracted companies that are also BIP-Registered Local for the procurement Event; this amount is also part of the total entered the “Local BIP Content” Dollar Value section, on the Substantiation of BIP Adjustment Form
 - The subcontracted BIP-Registered Local companies and committed amounts for each are also listed on the Subcontractor Disclosure Form
- **\$72,220** is the total amount for BIP-Registered Local Content; this amount is entered into the “Local BIP Content” Dollar Value section of the Substantiation of BIP Adjustment Form
- **\$23,500** is the total amount entered into the “NWT BIP Content” Dollar Value section of the Substantiation of BIP Adjustment Form
 - The subcontracted BIP-Registered NWT companies and committed amounts for each are also listed on the Subcontractor Disclosure Form
- **\$14,000** is the total amount entered into the “Non-BIP Content” Dollar Value section of the Substantiation of BIP Adjustment Form
 - The subcontracted Non-BIP-Registered companies and committed amounts for each are also listed on the Subcontractor Disclosure Form

Substantiation of Business Incentive Policy Adjustment Form
NWT AND LOCAL CONTENT

Any subcontractors/suppliers are to be listed on the [Subcontractor Disclosure Form](#), located in the second tab/sheet of this file

| | | | |
|-------------------------------------------------------------|----------------------------------------------------------------|--------------------------|--------------|
| Bidder/Proponent: | Best Northern Contracting Ltd. <i>(BIP-Registered - Local)</i> | | |
| Legal Business Name (or as listed on the GNWT BIP Registry) | | Reference Number: | EV1111 |
| Procurement Event ID | | | |
| Total Bid/Proposal Amount: | | | \$109,720.00 |

| Total BIP Content Commitment | | |
|------------------------------|------------------|---------------------|
| | % Percentage (1) | \$ Dollar Value (2) |
| Local BIP Content: | 65.82% | \$72,220.00 |
| NWT BIP Content: | 21.42% | \$23,500.00 |
| Non-BIP Content: | 12.76% | \$14,000.00 |

(1) The percentage of local BIP content, NWT BIP content, and non-BIP content relative to the total Bid/Proposal Amount (\$). The percentage of content will automatically be calculated based on the associated dollar value entry.

(2) Enter the dollar value of local BIP content, NWT BIP content, and non-BIP content.

| BIP Price Adjustment Summary | | | | |
|------------------------------------------------------|-------------------|-----------------|-----------------|--------------|
| | Local BIP Content | NWT BIP Content | Non-BIP Content | Totals |
| Total Bid/Proposal Amount: | \$72,220.00 | \$23,500.00 | \$14,000.00 | \$109,720.00 |
| BIP Adjustment – 15% NWT Content to \$1,000,000 | \$10,833.00 | \$3,525.00 | | \$14,358.00 |
| BIP Adjustment – 5% Local Content to \$1,000,000 | \$3,611.00 | | | \$3,611.00 |
| Subtotal BIP Adjustment – Content to \$1,000,000 | \$14,444.00 | \$3,525.00 | | \$17,969.00 |
| BIP Adjustment – 1.5% NWT Content over \$1,000,000 | \$0.00 | \$0.00 | | \$0.00 |
| BIP Adjustment – 0.5% Local Content over \$1,000,000 | \$0.00 | | | \$0.00 |
| Subtotal BIP Adjustment – Content over \$1,000,000 | \$0.00 | \$0.00 | | \$0.00 |
| Total BIP Adjustment Claimed: | | | | \$17,969.00 |
| Maximum BIP Adjustment Permitted: | | | | \$500,000.00 |
| Actual BIP Adjustment Applied: | | | | \$17,969.00 |
| Total Bid/Proposal Amount: | | | | \$109,720.00 |
| BIP Adjustment: | | | | -\$17,969.00 |
| BIP Adjusted Price: | | | | \$91,751.00 |

*SAMPLE FORM
Under \$1mil*

Substantiation of Business Incentive Policy Adjustment Form
SUBCONTRACTOR DISCLOSURE

By submitting this form the Bidder verifies that it has contacted each subcontractor to confirm their interest and ability to perform the stated activities relating to the Project. Further, the Bidder agrees that this appendix shall form the approved subcontractor list for the purposes of the contract/agreement and cannot be changed without the express written consent of the GNWT.

The Business Incentive Policy (BIP) applies to this procurement opportunity and any subsequent contract/agreement. Local and NWT involvement (BIP content) is a high priority for the GNWT, and any changes to subcontractors will require the contractor to either maintain or increase the original levels of BIP content for the contract/agreement.

****This form is ONLY required for SUBCONTRACTOR goods/services, if any**

| | |
|--------------------------|--------------------------------|
| Bidder/Proponent: | Best Northern Contracting Ltd. |
| Event ID: | 1111 |