



Alternative Procurement Practices (ALTP) Procedure



To balance the need to be open and competitive with the demands of urgent, specialized, or exceptional circumstances, alternative procurement practices are used under specific justifications, as outlined below.

Alternative Procurement Practices must not be used to avoid competition between Suppliers or to discriminate against specific individual groups of Suppliers.

Definitions:

For the purposes of this guide, the following definitions are provided:

Alternative Procurement Practice (ALTP)

Specialized or exceptional practices that allow for deviation from the procurement processes that the value or nature of the goods, services or construction would normally require. This could include a non-competitive procurement in the place of a competitive process, and a limited competition in the place of an open competition.

Bid

A submission in response to a solicitation document.

Competitive Process

A process for soliciting competitive bids from suppliers and includes an open competition, an invitational competition, and a limited competition.

Invitational Competition

A competitive process in which an invitation to submit bids is issued to at least three suppliers.

Limited Competition

An alternate procurement practice that may be used where the circumstances permit the procurement of goods, services, or construction through an invitational competition when an open competition would otherwise be required.

Authorization and Approval Process

The initiator will be required to complete an ALTP form as per the requirements listed on the form. The form can be found on the Financial Services website, under Procurement Services.

The initiator should submit the form to Procurement for review before signing, since there may be changes or additions required. Once the review is complete, the initiator will secure the approval of the individual with budget signing authority for the given business area at the approved spend threshold and return the ALTP to Procurement Services.

- The requisition approval levels for most* Operating Accounts:

Requisition Approval levels for Operating Accounts	
Administrative Staff (not all)	Up to \$2,000
Managers / Department Heads / Directors	\$2,000+ to \$5,000
Executive Directors / Deans / Vice Provost	\$5,000+ to \$10,000
Vice Presidents	\$10,000+ to \$25,000
VP Finance and Administration & CFO (or when unavailable: Associate VP Finance and Treasurer)	\$25,000 to \$1,000,000
Associate VP Finance and Treasurer AND VP Finance & Administration & CFO	\$1,000,000+

*Limits for Physical Plant may differ from the levels posted above.

- Faculty Grants are typically approved by the grant-holder.
- Faculty Start-up Funds are approved by the Dean of the respective Faculty.
- 25.55 Funds are approved by the Head or Director of the respective Department or School.
- For Special Reserves, please confirm with the respective Budget Officer.

The use of Alternative Procurement Practices must be authorized by the Procurement Coordinator and the Associate Vice President Finance and Treasurer or their respective designates. The rationale permitting the Alternative Procurement Practice will be documented on the appropriate form and will provide substantiation for the actions taken.

Once approved by Financial Services, Procurement. The approved ALTP form will be sent to the initiator and a copy will be kept on file in Procurement for audit purposes.

The ALTP form is used for both Limited Competition and Non-Competitive Procurement.

Limited Competition

A Limited Competition involves the use of an Invitational Competition instead of an Open Competition, where the value of the procurement exceeds the Open Competition Thresholds. A Limited Competition should be used where the circumstances surrounding the procurement do not allow for an Open Competition in accordance with one or more of the ALTP justifications (see ALTP form), but the circumstances could allow for an Invitational Competition.

A Limited Competition is approved by Procurement after review of the Pre-Project Plan form and is conducted in accordance with the Invitational Competition Guidelines.

Non-Competitive Procurement

For a Non-Competitive Procurement, Procurement is to review the quotation and/or contract with the initiator before the agreement is finalized.

Unsolicited Proposals

Any unsolicited proposals received should be forwarded to Procurement to assess the merit of the proposal, and only will be considered in the context of the ALTP Justifications (see ALTP form).

Tips for Filling in the ALTP Justification Form

Section 1. Requesting Department Details

- The initiator is to complete the ALTP form. Incomplete forms will be returned to the initiator for correction. Incomplete forms will not be reviewed by Procurement.
- Enter the date and your name, title, and department.

Section 2. Purchase Details

- Enter the part number and a short description of the goods, services or construction required.
- Select the ALTP Circumstance from the list found at the end of this document.
- Enter the type of Grant funding, if applicable.
- Enter the recommended supplier name.
- Enter the total estimated purchase value before tax, but including the full contract term with all possible extension options, warranties, maintenance, training, delivery, etc.
- Enter currency.

Section 3. Background

- Describe the good, service or construction: what it is, how and where it is used, why it is needed, and how it fits with your departmental and/or research objectives.
- Attach relevant documentations, such as any previous agreements, quotations, etc.

Section 4. Justification

- In this section you describe in detail how and why the ALTP circumstance applies to your intended procurement.
- Provide clear and convincing rationale for the selection. When procurement reviews the form, this section often requires additional clarification.
- Avoid generalities and unsupported conclusions.

Section 5. Demonstrated Value

- Describe the process used to obtain value for money and attach evidence of your efforts. This may include:
 - Market research, internet searches, negotiated discounts off list price, benchmarking from other organizations, professional advice, etc.
 - Also look beyond the upfront cost to the overall value, including quality, warranty, delivery time, sustainability, long term impacts, etc.
- This section also often requires additional clarification.

Section 6. Acknowledgement

- Before submitting the signed form, you may wish to send it to the Procurement Services for review. Once complete, seek authorization from the budget officer or individual with the appropriate authority for the dollar value indicated. See below for the Email the signed form it to Procurement Services.

Operational Purchases

- Approval levels for most* Operating Accounts:

Requisition Approval levels for Operating Accounts	
Administrative Staff (not all)	Up to \$2,000
Managers / Department Heads / Directors	\$2,000+ to \$5,000
Executive Directors / Deans / Vice Provost	\$5,000+ to \$10,000
Vice Presidents	\$10,000+ to \$25,000
VP Finance and Administration & CFO (or when unavailable: Associate VP Finance and Treasurer)	\$25,000 to \$1,000,000
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*Limits for Physical Plant may differ from the levels posted above.

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- 25.55 Funds are approved by the Head or Director of the respective Department or School.
- For Special Reserves, please confirm with the respective Budget Officer.

Grant Purchases

- Faculty Grant requests are typically approved by the grant-holder.
- Procurement Services and Financial Services will review the request and documentation and sign off if the criteria have all been met.
- A signed copy of the ALTP will be submitted to the initiator for their records and to signal that they can proceed with the alternate procurement.
- The procurement process applies, and a requisition will need to be entered to initiate the purchase.