Glossary and Acronyms

Appendix 4

For a listing of terms used on the State Procurement web site, go to:

http://procure.ohio.gov/proc/glossary.asp

Commonly used terms …

A

Addendum – 1) Written or graphic instruction issued prior to the opening of bids which clarifies, amends or interprets the contract documents (GSD); 2) Written change to a contract (CSD).

Affirmative Action – A proactive program undertaken by employers to assure equal opportunity in employment with the goal of achieving a work force that accurately reflects the composition of the community.

Agency – Any state department, office, institution, board or commission.

Amendment – 1) Written change to a contract (GSD); 1) Written or graphic instruction issued prior to the opening of bids which clarifies, amends or interprets the contract documents (CSD).

Appropriation – Legislative authorization to expend public funds for a specific purpose.

B

Bidder – person of firm who submits a response resulting from a Competitive Sealed Bid.

Bid Response – all documents, whether attached or incorporated by reference, supplied by the bidder in response to a Competitive Sealed Bid.

Bond – Note or other form of evidence of obligation issued in temporary or definitive form, including a note issued in anticipation of the issuance of a bond and renewal note.

C

Certified EDGE – Encouraging Diversity, Growth and Equity business certified by the DAS Equal Opportunity Division.

Certified MBE – Minority Business Enterprise certified by the DAS Equal Opportunity Division.

Commodity Code – A system of words and numbers designed to identify and list commodities or services by classes and sub-classes.

Competitive Sealed Bid (CSB) – A competitive selection process normally used for commodity-oriented, price-sensitive purchases. A CSB specifies terms and conditions and solicits sealed bids from vendors based on the criteria. A contract is awarded to the bidder whose bid meets or exceeds specifications at lowest cost to the state.

Competitive Sealed Proposal (CSP) – A competitive selection process ordinarily used for more complex projects demanding higher creativity or skill levels. A CSP specifies project terms, conditions and criteria and awards the contract to the vendor whose proposal provides greatest value to the state and meets or exceeds performance criteria and expectations (see RFP).

Controlling Board – Provides legislative oversight for certain capital and operating expenditures, and has approval authority over various other state fiscal activities.

Cooperative Purchasing – The combining of requirements of two or more public procurement units in order to obtain the benefits of volume purchases and/or reduction in administrative expenses.

D

Department of Administrative Services (DAS) – The administrative organization that provides oversight and leadership for most state procurement activities.

Default – Any failure of product to conform to the specified requirements.

Direct Authority – The authority by which state agencies are permitted to procure on their own.

Direct Purchase Process – The process whereby agencies may purchase supplies or services under their own authority without using a state contract, though still using competitive bidding and sound evaluation practices and procedures (see Direct Authority).

E

e-Buy!Ohio – An electronic catalog that contains a limited number of state contracts.

EDGE – A race and gender neutral program to **E**ncourage **D**iversity, **G**rowth and **E**quity in procurement.

Expiration Date – The last day on which a contract may be used.

F

FOB Destination – Title changes hands from vendor to purchaser at the destination of the shipment; vendor owns goods in transit and files any claims. Payment of freight charges is determined by contract terms.

Force Majeure – Acts beyond the control of the party in question; acts of God or disruptive conditions for which a vendor or carrier cannot be held responsible.

G

General Distribution Contract – A mandatory, competitively bid contract that is available to all state agencies.

I

Index Number – A short contract designator, often represented by three characters followed by three numbers.

Invitation to Bid (ITB) – A process used to solicit Competitive Sealed Bids (CSB's) from vendors and generally used for commodity purchases. Also refers to all documents used for soliciting Competitive Sealed Bids (see Competitive Sealed Bids).

J

Joint Venture – A partnership or cooperative agreement between two or more persons restricted to a single effort.

L

Life Cycle Cost – The total cost of ownership, including acquiring, operating, maintaining, supporting, and (if applicable) disposing of an item.

Limited Distribution Contract (LDC) – A mandatory, competitively bid contract that is available to a limited number of state agencies.

Liquidated Damages – A specific sum stated in the contract to be paid by the party who is in default, or who breaches the contract, to the other party in settlement for damages.

M

Master Maintenance Agreement (MMA) – An optional contract for maintenance and service of equipment that is no longer covered under a manufacturer's warranty.

Material Safety Data Sheets (MSDS) – Documentation concerning a hazardous chemical that identifies the chemical, the common names of the ingredients, the physical and chemical characteristics, the hazards of the chemical and the emergency and first aid procedures to be considered when working with that chemical.

Minority Business Enterprise (MBE) – An individual, partnership, corporation, or joint venture of any kind that is owned and controlled by United States citizens, residents of Ohio who are members of one of the following economically disadvantaged groups: Blacks, American Indians, Hispanics, and Orientals.

Multiple Award Contract (MAC) – A contract that is awarded to more than one vendor for same or comparable supplies or services.

O

Offeror – person or firm who submits a proposal in response to a Request for Proposal.

Open Market Competition – Purchases open to any business for unrestricted competition, both minority and non-minority.

P

Payment Card Purchases – Purchases of supplies or services with made with a state of Ohio payment card.

Pre-Bid Conference – Meeting held with prospective bidders prior to solicitation of bids, to clarify any ambiguities, answer bidder questions, and ensure all bidders have a common basis of understanding regarding the supplies or services required.

Pre-Proposal Conference – Meeting held with prospective offerors prior to solicitation of proposals, to clarify any ambiguities, answer offeror questions, and ensure all offerors have a common basis of understanding regarding the supplies or services required.

Proposal – all documents, whether attached or incorporated by reference, supplied by an offeror in response to a request for proposal.

Purchase Order – A purchaser's written document to a vendor formalizing all the terms and conditions of a proposed transaction, such as a description of the requested item(s), delivery schedule, terms of payment, and transportation.

R

Recycled Content Product – product made from pre-consumer or post-consumer recovered materials whose portion of weight or volume of recovered materials meets or exceeds the minimum content percentage standard guidelines established by DAS.

Request for Proposal (RFP) – A process used to solicit Competitive Sealed Proposals (CSP's) from vendors for more complex goods and services such as information technology systems and services, medical equipment, etc. Also refers to all documents used for soliciting Competitive Sealed Proposals.

Requisition – An internal document by which a using agency sends details of supplies, services, or materials required to the purchasing authority.

Release and Permit – Issued by DAS to state agencies when purchasing limits exceed the agency's direct purchase authority and when it has been determined that the product or service cannot be procured by DAS through the competitive selection process.

S

Schedule Number – A designator that is specific to a vendor under a state term schedule (STS).

Specification – any description of the physical or functional characteristics or of the nature of supplies or service to be purchased. It may include a description of any requirements for inspecting, testing, or preparing supplies or services for delivery.

State Term Contract - Contract that addresses the estimated requirements for a number of agencies for supplies or services that are used repeatedly or in significant quantities over a period of time. Agencies place orders directly with term contract vendors for the quantity needed.

State Term Schedule (STS) -- An alternative procurement method to purchase supplies and services, with contracts negotiated between DAS and vendors for use by all state agencies and political subdivisions. State Term Schedules require the vendor to provide the state with either the manufacturer's Federal GSA pricing or their best commercial pricing. Strict guidelines govern the states' authority to accept and negotiate product, prices, terms and conditions from qualifying companies. Currently only office equipment, computer equipment and telecommunications equipment are available for this program.

Surety – A person or entity providing a bond to a contractor to indemnity the State against all direct and consequential damages suffered by failure of the contractor to perform the contract and to pay all lawful claims of subcontractors, material suppliers and laborers as applicable.

T

Term Contract – A contract for an indefinite quantity of supplies or services over a fixed period of time.

Terms and Conditions – Legal provisions of a contract that describe the nature and boundaries of that contract.

References:

Dictionary of Purchasing Terms, Fifth Edition, National Institute of Governmental Purchasing, Inc., 1996.
Ohio Revised Code and Ohio Administrative Code, various sections.

Commonly used acronyms …

ASC: Agency-Specific Contract
CAS: Central Accounting System
CFR: Code of Federal Regulations
COB: Close of Business
CO-OP: Cooperative Purchasing Program
CPPB: Certified Professional Public Buyer
CPPO: Certified Public Purchasing Officer
CSB: Competitive Sealed Bid
CSP: Competitive Sealed Proposal
CTV: Complaint to Vendor
DAS: Department of Administrative Services
DBE: Disadvantaged Business Enterprise
DDD: Desired Delivery Date
DP: Data Processing
EDGE: Encouraging Diversity, Growth and Equity
EEO: Equal Employment Opportunity
EOD: DAS Equal Opportunity Division
FAR: Federal Acquisition Regulations
FOB: Free On Board
GDC: General Distribution Contract
GSA: Federal General Services Administration
GSD: DAS General Services Division
I-AM: Information-Action Manual
IT: Information Technology
ITB: Invitation to Bid
ITGD: DAS Information Technology Governance Division
LDC: Limited Distribution Contract
LTOP: Lease to Purchase
MAC: Multiple Award Contract
MBE: Minority Business Enterprise
MMA: Master Maintenance Agreement
MPC: ABA Model Procurement Code for State and Local Governments
MRO: Maintenance, Repair and Operating Supplies
MSDS: Material Safety Data Sheet
NAFTA: North American Free Trade Agreement
NASPO: National Association of State Procurement Officials
NIGP: National Institute of Governmental Purchasing
OAC: Ohio Administrative Code
OBM: Office of Budget and Management
OEM: Original Equipment Manufacturer
ORC: Ohio Revised Code
PB: Performance Bond
R&P: Release and Permit
REN: Rental
REQ: Requisition
RFI: Request for Information
RFP: Request for Proposal
RFQ: Request for Qualifications
S&LG: State and Local Government Contract
SIC: Standard Industrial Classification
SOW: Statement of Work
STS: State Term Schedule
SV: Site Visit
UPPCC: Universal Public Purchasing Certification Council
WBE: Women-owned Business Enterprise