

APPENDIX A

GLOSSARY AND ACRONYMS

Absolute Preference: An absolute preference is one in which a state will only consider bids from resident contractors residing within that state.

Acquisition Services Division (ASD): The Acquisition Services Division is a division of the Virginia Information Technologies Agency (VITA). ASD is responsible for the establishment of all state contracts for ADP goods and services and all telecommunications equipment and services. In addition, ASD provides unlimited support to VITA's Data Center in its role as a Service Bureau to all agencies, institutions and localities of the Commonwealth of Virginia.

Administrative Lead Time: Administrative lead time is that period of time from initiation of the requirement by the user to issuance of an award.

Affiliate: Affiliate means an individual or business that controls, is controlled by, or is under common control with another individual or business. A person controls an entity if the person owns, directly or indirectly, more than 10 percent of the voting securities of the entity. For the purposes of this definition "voting security" means a security that (i) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (ii) is convertible into, or entitles the holder to receive, upon its exercise, a security that confers such a right to vote. A general partnership interest shall be deemed to be a voting security.

Agency: For the purpose of this manual, agency means any department, authority, board, post, commission, division, institution, or office of the Commonwealth.

Agency Purchase Order (APO): An Agency Purchase Order is a form used by an agency to order goods, services and printing available on a State or term contract, or to procure goods or services from non-contract sources within its delegated purchase authority.

Alternative Dispute Resolution (ADR): any procedure used voluntarily to resolve issues in controversy without the need to resort to litigation. These procedures include, but are not limited to, mediation, fact-finding, and arbitration.

Appeal: Action taken by a bidder, offeror (actual or prospective) or by a contractor to seek a hearing before a disinterested person or panel or in an appropriate circuit court challenging a decision in accordance with Sections 2.2-4364 or 2.2-4365 of the *Virginia Public Procurement Act*.

Bartering: The act of exchanging one good or service for another, without the exchange of money.

Benchmark: A standard or point of reference used in measuring or judging quality, value, performance, price, etc.

Best and Final Offer (BAFO): The last offer provided by an offeror in response to a Request for Proposals and all further negotiation ceases. When the provision for receiving best and final offers is included in an RFP, offerors are given the opportunity to submit a best and final offer after negotiations have been held. After the best and final offers are submitted, no further negotiations shall be conducted with any of the offerors and the decision to award is based on rescoring of the best and final offers.

Best Value: The overall combination of quality, price, and various elements of required services that in total are optimal relative to a public body's needs, as predetermined in a solicitation. Best value concepts may be applied when procuring goods and nonprofessional services, but not construction or professional services. The criteria, factors, and basis for the consideration of best value and the process for the consideration of best value shall be as stated in the procurement solicitation (*Code of Virginia*, § 2.2-4301).

Best Value Acquisition (BVA): A process used to acquire goods and nonprofessional services in which best value concepts will be applied. The best value award is based on evaluation criteria as stated in the solicitation with consideration of price of the goods and nonprofessional services that offer the greatest benefit(s) in meeting the needs of the public body.

Bid: A competitively priced offer made by an intended seller, usually in reply to an Invitation for Bids (IFB). A price offer made at a public auction.

Bid Bond: An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event a selected bidder fails to accept the contract as bid.

Bidder: One who submits a competitively priced offer in response to an Invitation for Bids (IFB).

Blanket Purchase Agreement (BPA): An arrangement under which a purchaser contracts with a vendor to provide for a purchaser's frequent, repetitive, small-order requirements for an item(s) or a service, on an as-required and over-the-counter basis. Properly prepared, such an arrangement sets a limit on the period of time it is valid and the maximum amount of money which may be spent at one time, or within a specified period, and specifically identifies those persons authorized to order or accept goods. The BPA may also contain other terms and conditions, such as the discount or the specific price list that applies to purchases made under the agreement and what items and services are included (or excluded) under the agreement.

Boiler Plate: General Terms and Conditions.

Broker: A person or agent acting as an independent manufacturer's or distributor's representative dealing in products or goods normally sold through the brokerage process in which there is a previously established relationship with the supplier before the bid is submitted.

Business: Business means any type of corporation, partnership, limited liability company, association, or sole proprietorship operated for profit.

Charge Card: In the context of this manual, the state-approved Small Purchase Charge Card (SPCC), used for small purchases (\$5,000 or less) of frequent, over-the-counter, Maintenance, Repair, and Operating (MRO) items used in the daily operations of any state activity, and for placing orders up to \$5,000 against term contracts.

Claim: a written assertion or demand, by one of the parties to a contract, which seeks, as a contractual right, payment of money, adjustment of contract terms, or other relief, for injury, loss, or damage arising under or relating to the contract.

Collusion: A secret agreement or cooperation between two or more parties to accomplish a fraudulent, deceitful, or unlawful purpose.

Collusive Bidding: An unethical and illegal practice in which suppliers act in collusion to fix their bids in a collectively advantageous manner.

Commodity Code: A system of symbols (alpha, numeric or other) used to represent words to describe a commodity, e.g., Class 410 Furniture, Hospital - Specialized, Item 36, Incubators, Infant (410-36); 904 Services, Client, Item 02, Ambulance Service (904-02), to facilitate data sort capabilities of purchased goods/services for the purpose of analysis.

Competitive Bidding: The offer of firm bids by individuals or firms competing for a contract, privilege, or right to supply specified services or goods.

Competitive Negotiation: A method for purchasing goods and services, usually of a complex and technical nature whereby qualified individuals or firms are solicited by means of a Request for Proposals (RFP). Negotiations are conducted with selected offerors and the best proposal, as judged against criteria contained in the Request for Proposals, is accepted and an award issued.

Competitive Sealed Bid: A bid submitted in a sealed envelope to prevent disclosure of its contents before the deadline set for the receipt of all bids. Competitive sealed bidding shall not be used to contract for professional services.

Confirming Purchase Order: A purchase order issued after the fact by a procuring agency to a vendor for goods or services ordered orally or by some other informal means. The order should be marked "CONFIRMING ORDER. DO NOT DUPLICATE".

Consideration: Something of value given for a promise to make the promise binding. Consideration is one of the essential elements of a contract.

Construction: Construction shall mean building, altering, repairing, improving or demolishing any structure, building or highway, and any draining, dredging, excavation, grading or similar work upon real property (*Code of Virginia*, § 2.2-4301).

Construction Management Contract: A contract in which a party is retained by the owner to coordinate and administer contracts for construction services for the benefit of the owner, and may also include, if provided in the contract, the furnishing of construction services to the owner.

Consulting Services: Advice or assistance of a purely advisory nature provided for a predetermined fee to an agency by an outside individual, firm, or organization under contract to that agency.

Consumer Price Index (CPI): The Consumer Price Index is a measure of the average change in prices over time in a fixed market basket of goods and services. Two CPIs are published: 1) the CPI for All Urban Consumers (CPI-U) which covers about 80% of the total populations and 2) the CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32% of the total population. The CPI is based upon prices of food, clothing, shelter, transportation, medical care, and other goods and services that people buy for day-to-day living.

Contract: When used as a noun in this Manual, contract refers to an agreement enforceable by law, between two or more competent parties, to do or not to do something, not prohibited by law, for a consideration. A contract is any type of agreement or order for the procurement of goods or services. As a verb, contract has its usual legal sense, signifying the making of an agreement for consideration.

Contract Administration: The management of all facets of a contract to assure the Contractor's total performance is in accordance with the contractual commitments and that the obligations of the Contractor under the terms and conditions of the contract are fulfilled.

Contract Management: The management of the organization's contracts and contract-related activities which may include accounting, administration, auditing, grants management, law, negotiation, logistics, price-structure compensation, delegation of purchasing authority, program management, termination and other business activities.

Contract, Cost-Plus-A-Percentage-Of-Cost: A form of contract which provides for a fee or profit at a specified percentage of the contractor's actual cost of accomplishing the work.

Contract, Design-Build: A contract between a public body and another party in which the party contracting with the public body agrees to both design and build the structure, roadway or other item specified in the contract.

Contract, Fixed Price: A contract that provides for a firm unit or total price to be established at the time of order placement or contract award. The contractor bears the full risk for profit or loss.

Contract, Fixed Price, Incentive: A fixed price is agreed upon with a target cost/profit, a ceiling price, and a profit formula. Below target, the contractor and state share savings. Above ceiling, the contractor must assume all costs.

Contract, Fixed-Price With Escalation/De-escalation: A fixed price type of contract that provides for the upward and downward revision of the stated contract price upon the occurrence of certain contingencies (such as fluctuations in material costs and labor rates) specifically defined in the contract.

Contract, Requirements Type: A form of contract covering long-term requirements used when the total quantity required cannot be definitely fixed, but can be stated as an estimate or within maximum and minimum limits, with deliveries on demand. Such contracts are usually for one year or more in duration.

Contract, Service: A contract for work to be performed by an independent contractor wherein the service rendered does not consist primarily of the acquisition of equipment or materials, or the rental of equipment, materials and supplies.

Contract, Time and Material: A contract providing for the procurement of supplies or services on the basis of direct labor hours at specified fixed hourly rates (which include direct and indirect labor, overhead, and profit) and material at cost, or at some bid percentage discount from manufacturer's catalog or list prices.

Contract Officer, Purchase Officer, Buyer: A State employee whose primary assignment is purchasing goods or services.

Contractor: An individual or firm that has entered into an agreement to provide goods or services to the Commonwealth.

Cooperative Procurement: A procurement by a public body with one or more other public bodies, for the purpose of combining requirements for the purchase of like goods and/or services in order to increase efficiency and/or reduce administrative expenses. Usually one public body is lead and other public bodies can purchase from the contract.

CORPRINT: Department of Corrections, Industrial Enterprises, Printing Facilities.

Cure Notice: A notice, either oral or in writing, that informs the Contractor that he or she is in default and states what the Contractor has to do to correct the deficiency. If the notice is oral it shall be confirmed in writing.

Debarment: An action taken by the Director of the Division of Purchases and Supply (DPS), or designee (debaring officials), within the scope of their procurement authority, to exclude individuals or firms from contracting with state agencies for particular goods or nonprofessional services for specified periods of time (*Code of Virginia*, § 2.2-4321).

Default: Failure to comply with the terms and conditions of a contract.

Design Specification: A purchase specification setting forth the essential characteristics that an item bid must possess to be considered for award.

Disadvantaged Business Enterprise: A small business concern which is at least 51 percent owned by one or more socially and economically disadvantaged individuals, or, in the case of any corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in which is owned by one or more socially and economically disadvantaged individuals and whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

Dispute: disagreement between parties to a contract over performance or other contract term requiring administrative action to resolve. See protest, alternative dispute resolution.

Division of Purchases and Supply (DPS): The Division of Purchases and Supply is a division of the Department of General Services. DGS/DPS is the State's centralized purchasing agency for materials, equipment, supplies, nonprofessional service and printing. DGS/DPS prescribes the rules and regulations for the purchase of materials, supplies, equipment, nonprofessional services, and printing (*Code of Virginia*, § 2.2-1109 et al).

Drug-free Workplace: A site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with the *VPPA*, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of a contract.

Emergency: An occurrence of a serious and urgent nature that demands immediate action.

Employment Services Organization (ESO): an organization that provides employment services to individuals with disabilities that is an approved Commission on the Accreditation of Rehabilitation Facilities (CARF) accredited vendor of the Department of Rehabilitative Services.

Ethics: Pertaining to or relative to moral action, conduct, motive or character; as ethical emotion; professionally right or befitting; conforming to professional standards of conduct. The *Virginia Public Procurement Act (VPPA)* covers "Ethics in Public Contracting" (*Code of Virginia*, §§ 2.2-4367 through 2.2-4377).

eVA Fee Schedule: eVA Fee Schedule is defined as a listing of eVA registration, transaction, and other fees (eVA fees) that are assessed to eVA users, including Vendors. The eVA Fee Schedule is published on the eVA website. Each fee set forth on the eVA Fee Schedule is effective dated so eVA users, including Vendors, can determine the appropriate fee by cross referencing a fee's effective date to the date of the activity for which the fee is assessed.

Evaluation of Bids: The process of examining a bid after opening to determine the bidder's responsibility, responsiveness to requirements, and other characteristics of the bid relating to selection for award.

E-Verify Program: The electronic verification of work authorization program to verify the work authorization status of newly hired employees under the Immigration Reform and Control Act of 1986 (P.L. 99-603).

Expedite: The act of contacting a supplier or carrier with the goal of *speeding up* the delivery date (see also Follow-Up).

Fair Market Value: The price that is agreed upon by buyers and sellers in the open market who are familiar with market conditions and not under any compulsion to buy or sell, provided the price is substantiated by specific data. There may be more than one way to ascertain fair market value, including determining the lowest price at which private, commercial sources have recently sold or offered substantially similar goods/services to the purchasing agency or to other public or private entities.

Follow-Up: An activity that monitors the status of a purchase to ensure that specified delivery schedules are met.

Force Majeure: An irresistible or extraordinary force, natural event, or effect that cannot be reasonably anticipated or foreseen, prevented, or controlled. An act of God.

General Terms and Conditions: Standard clauses and requirements incorporated into all solicitations (IFB/RFP) and resulting contracts which are derived from laws, or administrative procedures of the government agency. (Also called “Boiler Plate.”)

Goods: Material, equipment, supplies, printing, and automated data processing hardware and software (*Code of Virginia*, § 2.2-4301).

Grant (or Grant-in-Aid): For the purposes of this manual, these are fund transfers made by one party to another (e.g., Federal to state or local government) for the procurement of goods and/or services, that may be undertaken for the purpose of a public interest, benefit, or undertaking, as specified under the terms of the agency granting the use of funds.

Hazardous Material: A substance or material which has been determined by the U. S. Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce.

Informality: A minor defect or variation of the bid or proposal from the exact requirements of the Invitation for Bids or the Request for Proposals, which does not affect the price, quality, quantity, or delivery schedule for the goods, services or construction being procured (*Code of Virginia*, § 2.2-4301).

Information Technology: telecommunications, automated data processing, databases, the Internet, management information systems, and related information, equipment, goods, and services.

Inspection: Examination and testing of goods and services to determine whether the goods and services furnished conform to contract requirements.

Invitation for Bids (IFB): A document, containing or incorporating by reference the specifications or scope of work and all contractual terms and conditions, that is used to solicit written bids for a specific requirement for goods or nonprofessional services. This type of solicitation is also referred to as an Invitation to Bid.

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Joint Procurement: A procurement by a public body with one or more other public bodies, for the purpose of combining requirements for the purchase of like goods and/or services in order to increase efficiency and/or reduce administrative expenses. All authorized parties are involved in the procurement process and only those parties can participate in jointly purchasing from the contract. No other public bodies can purchase from the contracts as joint purchasers.

Late Bid or Proposal: A bid or proposal which is received at the place designated in the Invitation for Bids or Request for Proposals after the deadline established by the solicitation.

Latent Defect: A deficiency or imperfection that impairs worth or utility that cannot be readily detected from visual examination of a product. Examples would be the use of non-specification materials in manufacture, or missing internal parts such as a gasket, gear, or electrical circuit, etc.

Logistics: The process of planning, implementing, and controlling the efficient, effective flow and storage of goods, services, and related information from point of origin to point of consumption for the purpose of conforming to customer requirements.

Life-Cycle Costing: A cost-analysis tool which incorporates not only the purchase price of a piece of equipment, but all operating and related costs over the life of the item, including maintenance, down time, energy costs, etc., as well as salvage value.

Liquidated Damages: A sum stated in a contract to be paid as ascertained damages for failure to perform in accordance with the contract. The damage figure stipulated must be a reasonable estimate of the probable loss to the agency, and not calculated simply to impose a penalty on the contractor.

Micro Business: "Micro business" means a business that has been designated in accordance with Regulations governing Certification by the Virginia Department of Small Business and Supplier Diversity (DSBSD). Designation requirements can be found at www.sbsd.virginia.gov.

Minority Individual: "Minority individual" means an individual who is a citizen of the United States or a non-citizen who is in full compliance with United States immigration law and who satisfies one or more of the following definitions:

1. "African American" means a person having origins in any of the original peoples of Africa and who is regarded as such by the community of which this person claims to be a part.

2. "Asian Americans" means a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands, including but not limited to Japan, China, Vietnam, Samoa, Laos, Cambodia, Taiwan, Northern Marianas, the Philippines, a U. S. territory of the Pacific, India, Pakistan, Bangladesh or Sri Lanka and who is regarded as such by the community of which this person claims to be a part.

3. "Hispanic American" means a person having origins in any of the Spanish speaking peoples of Mexico, South or Central America, or the Caribbean Islands or other Spanish or Portuguese cultures and who is regarded as such by the community of which this person claims to be a part.

4. "Native American" means a person having origins in any of the original peoples of North America and who is regarded as such by the community of which this person claims to be a part or who is recognized by a tribal organization.

Minority-Owned Business: "Minority-owned business" means a business that has been certified in accordance with Regulations governing Certification by the Virginia Department of Small Business and Supplier Diversity (DSBSD). Certification requirements can be found at www.sbsd.virginia.gov.

Multiple Award: The award of multiple contracts for goods or services, meeting the same specifications, resulting from one solicitation. When a Multiple Award clause is included in an Invitation for Bids/Request for Proposals, awards may be made to more than one bidder/offeror (*Code of Virginia*, § 2.2-4301). This is appropriate in situations where the award of a single contract would be impractical and awards are limited to the least number of suppliers necessary for a workable contract program.

Must, Shall: As used in specifications or requirements of a Request for Proposals (RFP), the terms "must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary.

Negotiation: A bargaining process between two or more parties, each with its own viewpoints and objectives, seeking to reach an agreement, or settlement of, a matter of common concern, on terms that are mutually beneficial and satisfactory to both.

Non-Competitive Negotiation: The process of arriving at an agreement through discussion and compromise, when only one source is practicably available.

Nonprofessional Services: Any services not specifically identified as professional services in the definition of professional services (*Code of Virginia*, § 2.2-4301).

Notice of Award: A Notice of Award is written notification stating that a vendor has received an award by the State.

Notice of Intent to Award: The Notice of Intent to Award is a written notice, or bid tabulation sheet publicly displayed, prior to award, that shows the selection of a vendor for the award of a specific contract or purchase order. This decision may be changed prior to the actual award of a contract or purchase order.

Offeror: A person who makes an offer in response to a Request for Proposals.

Order/Ship Time (OST): Order/Ship Time is the time after award required by suppliers to fill an order and ship by designated means (truck, rail, or air) to the delivery point.

Owner-controlled Insurance Program: Owner-controlled insurance program means a consolidated insurance program or series of insurance policies issued to a public body that may provide for some or all of the following types of insurance coverage for any contractor or subcontractor working on or at a public construction contract or combination of such contracts: general liability, property damage, workers' compensation, employer's liability, pollution or environmental liability, excess or umbrella liability, builder's risk, and excess or contingent professional liability.

Payment Bond, For Labor and Material: A bond required of a contractor to assure fulfillment of the contractor's obligation to pay all persons supplying labor or materials in the performance of the work provided for in the contract.

Performance Bond: A contract of guarantee executed in the full sum of the contract amount subsequent to award by a successful bidder to protect the government from loss due to his/her inability to complete the contract in accordance with its terms and conditions.

Performance Specification: A specification setting forth performance requirements that have been determined to be necessary for the item involved to perform and last as required.

Point of Requisition: When an individual identifies a need and initiates a request for the good or service.

Potential Bidder or Offeror: A person who, at the time an agency awards or proposes to award a contract, is engaged in the sale or lease of goods, or the sale of services, insurance or construction of the type to be procured under such contract, and who at such time is eligible and qualified in all respects to perform that contract, and who would have been eligible and qualified to submit a bid or proposal had the contract been procured through competitive sealed bidding or competitive negotiation (*Code of Virginia*, § 2.2-4301).

Pre-bid or Preproposal Conference: Meeting held with prospective bidders or offerors prior to submission of bids or proposals, to review, discuss, and clarify technical considerations, specifications, and standards relative to the proposed procurement.

Prequalification: A procedure to prequalify products or vendors and limit consideration of bids or proposals to only those products or vendors which have been prequalified.

Printing: The process or business of producing printed material by means of a printing press, copier or similar means or all copies of a publication produced by such means.

Procurement: The procedures for obtaining goods or services, including all activities from the planning steps and preparation and processing of a requisition, through receipt and acceptance of delivery and processing of a final invoice for payment.

Professional Services: Shall mean work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, dentistry, law, medicine, optometry, pharmacy, or professional engineering. "Professional Services" shall also include services of an economist procured by the State Corporation Commission (*Code of Virginia*, § 2.2-4301).

Professional Organization: Generally defined as a group of professional individuals in a like occupation charged with educating, certifying or lobbying for its members.

Proposal: An offer made by one party to another as a basis for negotiations, prior to the creation of a contract.

Proprietary Specification: A specification that restricts the acceptable product(s) or service(s) to that of one or more manufacturer(s) or vendor(s). A common example would be the use of a "brand name" specification that would exclude consideration of proposed "equals." Although all sole source specifications are proprietary, all proprietary specifications are not sole source. Proprietary items may be available from several distributors through competitive bidding.

Protest: A written complaint about an administrative action or decision brought by a bidder or offeror to the appropriate administrative section with the intention of receiving a remedial result.

Public Bid Opening: The process of opening and reading bids at the time and place specified in the Invitation for Bids and in the presence of anyone who wishes to attend.

Public Body: In the context of this manual, any state-funded agency that is required to follow the provisions of the *Code of Virginia* and the *Virginia Public Procurement Act (VPPA)* unless exempted, in the course of their procurement activities.

Public Telecommunications Services: Public telecommunications are non-commercial educational or cultural radio and television programs and related instructional or informational material that may be transmitted by means of electronic communications (see also "Telecommunications Services").

Purchase Order: A document used by DGS/DPS to execute a purchase transaction with a vendor. It serves as notice to a vendor that an award has been made and that performance can be initiated under the terms and conditions of the contract.

Purchasing Agency: A state agency or institution purchasing goods or services.

Qualified Contractors List (QCL): A list of contractors whose capability to provide a service has been evaluated and approved based on written prequalification procedures.

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Qualified Products List (OPL): A list of products that have been tested and approved based on written prequalification procedures.

Regular Dealer: A person or firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles, or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and sold to the public in the usual course of business.

Request for Information (RFI): An informal document issued when an agency is not aware of the products available in the market which may satisfy its requirements. The use of an RFI does not require a purchase requisition, however a RFI may result in the development of a requisition, or the issuance of an IFB or RFP after an agency determines the types of products that are available which will satisfy its requirements. An RFI cannot be made into an agreement.

Request for Proposals (RFP): All documents, whether attached or incorporated by reference, utilized for soliciting proposals; the RFP procedure requires negotiation with offerors (to include prices) as distinguished from competitive bidding when using an Invitation for Bids.

Responsible Bidder or Offeror: A person or firm who has the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability which will assure good faith performance, and who has been prequalified, if required (*Code of Virginia*, § 2.2-4301).

Responsive Bidder: A person or firm who has submitted a bid which conforms in all material respects to the Invitation for Bids (*Code of Virginia*, § 2.2-4301).

Restocking Charge: Charges incurred by a purchasing agency for any material goods that are returned to a vendor or seller and are associated with the normal cost and expense that must be incurred by the vendor for accepting the return of an item to inventory (see section 10.8).

Reverse auctioning: Means a procurement method wherein bidders are invited to bid on specified goods or nonprofessional services through real-time electronic bidding, with the award being made to the lowest responsive and responsible bidder. During the bidding process, bidders' prices are revealed and bidders shall have the opportunity to modify their bid prices for the duration of the time period established for bid opening. The purchase of goods or nonprofessional services, but not construction or professional services, may be made by reverse auctioning.

Sealed Bid: A bid which has been submitted in a sealed envelope to prevent its contents from being revealed or known before the deadline for the submission and opening of all bids.

Services: Services are any activities performed by an independent contractor wherein the service rendered does not consist primarily of acquisition of equipment or materials, or the rental of equipment, materials and supplies (*Code of Virginia*, § 2.2-4301).

Set-asides: Reserving a procurement transaction exclusively for a specific group. The purpose of Small business set-asides is to award certain contracts exclusively to small businesses.

Shall, Must: As used in specifications or requirements of a Request for Proposals (RFP), the terms "must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary.

Sheltered Workshops: Deleted. See definition for Employment Services Organization and Nonprofit Organizations Serving the Handicapped.

Should, May: As used in a Request for Proposals (RFPs), the terms "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary.

Single Source: A single response to a competitive solicitation wherein competition was available but only one response was received (see paragraph 2.4i).

Small Business: "Small business" means a business that has been certified in accordance with Regulations governing Certification by the Virginia Department of Small Business and Supplier Diversity (DSBSD). Certification requirements can be found at www.sbsd.virginia.gov.

Small Business Subcontracting Plan: A completed form which bidders or offerors provide their: 1) DSBSD-certified small business certification status, or 2) small business utilization plan in response to a specific solicitation.

Software: All applications software, whether packaged or requiring development, and all systems software such as assemblers, compilers, CPU performance measurement systems, database management systems, file back-up and recovery, job accounting, operating systems, programming aids and development systems and soft-merge utilities.

Sole Source: A product or service which is practicably available only from one source.

Solicitation: An Invitation for Bids (IFB), a Request for Proposals (RFP), Quick Quote, Faxback Request, telephone calls, or any other document issued by the state to obtain bids or proposals for the purpose of entering into a contract.

Special Terms and Conditions: Special clauses pertaining to a specific procurement which may supplement or in some cases supersede one or more general terms and conditions, e.g., Award Clause, Extension of Contract.

Specification: A description of the technical requirements for a material, product, or service that includes the criteria for determining whether these requirements are met. A specification may describe the performance parameters which a supplier has to meet, or it may provide a complete design disclosure of the work or job to be done. Specifications for service contracts normally take the form of a statement of work.

Sponsorship: Any monetary or non-monetary benefit exceeding nominal value and received by a Commonwealth public body from a non-Commonwealth entity not excluding funding from vendors in support of conferences or other events.

Spot Purchase: A one-time purchase made in the open market. If it is under the small purchase threshold, it will be made in accordance with the applicable small purchase procedures. If it is over the small purchase threshold, it will be made by competitive sealed bidding or by an exception thereto authorized by law.

State ADP Contracts: State ADP contracts are executed by the Virginia Information Technologies Agency (VITA)'s Acquisition Services Division (ASD) on behalf of all agencies, institutions and localities of the Commonwealth of Virginia. With the exception of Telecommunications Services Contracts, unless otherwise stated in an individual contract, state ADP agreements executed by VITA are not mandatory.

Subcontractor: Subcontractor means any entity that has a contract to supply labor or materials to the contractor to whom the contract was awarded or to any subcontractor in the performance of the work provided for in such contract.

Surplus Property: Property which is in excess of the needs of an agency and which is not required for its foreseeable need. The property may be used or new, but possess some usefulness for the purpose for which it was intended or for some other purpose. It includes scrap, which is material that is damaged, defective, or deteriorated to the extent that it has no value except for its basic material content. Surplus Property must be disposed of in accordance with *Code of Virginia*, § 2.2-1124.

SWaM: The acronym SWaM, includes small businesses, women-owned businesses and minority-owned businesses that have been certified in accordance with Regulations governing Certification by the Virginia Department of Small Business and Supplier Diversity (DSBSD). Certification requirements can be found at www.sbsd.virginia.gov Refer to individual definitions contained in this Appendix.

Technical Proposal: An unpriced proposal which sets forth in detail that which a vendor proposes to furnish in response to a solicitation.

Technical Specifications: Specifications that establish the material and performance requirements of goods and services.

Telecommunications Equipment: Defined as, but not limited to: channel service units, data compression units, line drivers, bridges, routers, and Asynchronous Transfer Mode switches (ATM), multiplexors and modems. Also, private branch exchanges (PBX), Integrated Services Digital Network (ISDN) terminal equipment, voice mail units, automatic call distribution (ACD), voice processing units and key systems. Video communications products such as: coders, multi-point conferencing units and inverse multiplexors.

Telecommunications Services: These services include, but are not limited to; data communication services, such as point-to-point and multipoint circuits, Internet, Frame Relay SMDS, ATM, and dial up lines, and voice communications services such as Centrex, business/private lines and WATS lines including 800 services, tie and access lines, long distance services, voice mail, pay phones, wireless communications and cellular services (see also "Public Telecommunications Services").

Term Contracting: A technique by which a source of supply is established for a specific period of time. Term contracts are established based on indefinite quantities to be ordered “as needed,” although such contracts can specify definite quantities with deliveries extended over the contract period. Also see Contract, Requirements Type.

Termination For Convenience: The termination by a Commonwealth purchasing office, at its discretion, of the performance of work in whole or in part and makes settlement of the contractor’s claims in accordance with appropriate policy and procedures.

Termination For Default: Action taken by a purchasing office to order a contractor to cease work under the contract, in whole or in part, because of the contractor’s failure to perform in accordance with the contract’s terms and conditions.

Unsealed Bid: An unsealed written offer conveyed by U. S. Mail, commercial courier service, facsimile, e-mail, Quick Quote, or other means. The bids are normally opened and recorded as received.

Used Equipment: Equipment which has been previously owned and used and is offered “where is” “as is.” It does not include demonstration, factory rebuilt or remanufactured equipment marketed through normal distribution outlets.

Value Analysis: A systematic and objective evaluation of the value of a good or service, focusing on an analysis of function relative to the cost of manufacturing or providing the item or service. Value analysis provides insight into the inherent worth of the final good or service, possibly altering specification and quality requirements that could reduce costs without impairing functional suitability.

Vendor: One who sells goods or services.

Virginia Public Procurement Act: Chapter 43 of Title 2.2, *Code of Virginia*, which enunciates the public policies pertaining to governmental procurement from nongovernmental sources.

Will: As used in an Invitation for Bids or Request for Proposals, the word “will” is normally used to convey an obligation incurred by the agency or owner.

Women-Owned Business: “Women-owned business” means a business that has been certified in accordance with Regulations governing Certification by the Virginia Department of Small Business and Supplier Diversity (DSBSD). Certification requirements can be found at www.sbsd.virginia.gov.

Written; writing; writings; in writing: The words “written,” “writing,” “writings,” and “in writing” shall include any representation of words, letters, symbols, numbers, or figures, whether (i) printed or inscribed on a tangible medium or (ii) stored in an electronic or other medium and retrievable in a perceivable form and whether an electronic signature authorized by Chapter 42.1 (§et seq.) of Title 59.1 is or is not affixed. (*Code of Virginia*, § 1-13.32)

ABBREVIATIONS & ACRONYMS

ITEM	DESCRIPTION
ADPE	Automatic Data Processing Equipment
AG	Attorney General
APO	Agency Purchase Order
APSPM	Agency Procurement and Surplus Property Manual
BPA	Blanket Purchase Agreement
CAM	Compliance Assurance Manual (DOA)
CAPA	Capital Area Purchasing Association
CAPP	Commonwealth Accounting Policies and Procedures
CARS	Commonwealth Accounting & Reporting System
CFR	Code of Federal Regulations
CO	Change Order
COTS	Council on Technology Services
COIA	Conflict Of Interest Act
CORPRINT	Corrections Print Shop
CPI	Consumer Price Index
C.P.M.	Certified Purchasing Manager
CPM	Critical Path Modeling (or Method)
CPPB	Certified Professional Public Buyer
CPPO	Certified Public Purchasing Officer
C/S	Chief of Staff
DBVI	Department for the Blind and Vision Impaired
DEQ	Department of Environmental Quality
DGS	Department of General Services
DIT	Department of Information Technology
DIT/ASD	Department of Information Technology/Acquisition Services Division
DIT/ITD	Department of Information Technology/Integrated Telecommunications Division
DMBE	Department of Minority Business Enterprise (is now a part of DSBSD)
DOA	Department Of Accounts
DPB	Department of Planning and Budget
DPS	Division of Purchases and Supply
DSBSD	Department of Small Business and Supplier Diversity
DTP	Department of Technology Planning
EPA	Environmental Protection Agency
FAACS	Fixed Asset Accounting & Control System
FCC	Federal Communications Commission
F.O.B.	Free On Board
FOIA	Freedom Of Information Act
FTE	Full Time Equivalent (Employees)
GSA	General Services Administration
HVAC	Heating, Ventilation, and Air Conditioning
IFB	Invitation For Bids

ISM	Institute for Supply Management (formerly NAPM)
IT	Information Technology
MBE	Minority Business Enterprise
MRO	Maintenance, Repair, Operating (supplies)
NASPO	National Association of State Purchasing Officials
NIGP	National Institute of Governmental Purchasing
OGC	Office of Graphic Communications
PIM	Procurement Information Memorandum
PPI	Producer Price Index
PROBUD	Programmatic Budgeting System
QCL	Qualified Contractor List
QPL	Qualified Product List
RAST	Run At the Same Time
RDD	Required Delivery Date
RFI	Request for Information
RFP	Request For Proposals
SOW	Scope-of-Work
SPA	Surplus Property Administrator
SPCC	Small Purchase Charge Card
SSP	State Surplus Property
SWaM	Small, Woman-owned, and Minority-owned Businesses
T&C	Terms and Conditions
T&M	Time and Materials
TRS	Treasury Department
VAGP	Virginia Association of Governmental Purchasing
VBO	Virginia Business Opportunities
VCE	Virginia Correctional Enterprises
VCO	Virginia Contracting Officer
VDC	Virginia Distribution Center
VIB	Virginia Industries for the Blind
VITA	Virginia Information Technologies Agency
VPPA	Virginia Public Procurement Act