

GLOSSARY OF BASIC PROCUREMENT TERMS

The following definitions are intended to help increase your understanding of the procurement process. The structure is as follows:

Term

- 1) Definition
- 2) What it means to the procurement
- 3) Info/form to be submitted with PR

Brand or equal

- 1) A method used in solicitations that lists a certain brand and state that responses must be that brand or must meet the same salient characteristics as the suggested brand.
- 2) Award can only be made to those that meet the qualifying salient characteristics
- 3) Submit list of salient characteristics as defined by the requestor with quotes and literature

Competition

- 1) A process where Acquisitions provides statements of work/requirements from the PR packet to vendors in a solicitation, and then vendors submit proposals by the deadline date.
- 2) Acquisitions reviews PR packet, analyzes market, prepares solicitation and solicits proposals; analyzes proposals for compliance to the requirements and determines an apparent award, which is the lowest priced proposal that met all requirements. If apparent award is to the suggested manufacturer, the award is made. If apparent award is to other than the suggested manufacturer, Acquisitions send information to the requestor to respond with accepting or providing justification why it is unacceptable.
- 3) N/A – occurs after PR submitted

Contract

- 1) The legal document obligating the seller to furnish the goods or services and the buyer to pay for them.
- 2) Award has been made and delivery of the goods or services will occur.
- 3) N/A – occurs after PR submitted

Market research

- 1) Process of reviewing the market place to determine manufacturers in the commodity field, then determining the suggested vendor by matching program requirements to the products/services available in the market place.
- 2) Program areas perform this function to determine the funding needed and best fit of product/service. Acquisitions reviews this data and performs a second market search to concur with the submitted package.
- 3) Send quotes and/or literature from all manufacturers reviewed.

Proposals

- 1) The completed and signed solicitation document returned to Acquisitions.
- 2) The proposal is the offer submitted, which upon acceptance by Acquisitions becomes the bilateral agreement.
- 3) N/A – occurs after the PR submitted

Purchase Order

- 1) A document sent by the buyer to the seller requesting future delivery of goods or services in accordance with certain terms and conditions.
- 2) The order has now been placed
- 3) N/A – occurs after the requisition submitted

Purchase Request

- 1) A requisition acknowledging available funds and listing an exact description of a product or service that is used as the statement of work
- 2) Information from PR tells prospective suppliers precisely what is required.
- 3) Complete description of what is being bought, any additional requirements or conditions that must be met, approval and any additional signatures, and any required justifications

Quotation or quote

- 1) A statement of price and other terms of sale to obtain market information for planning purposes.
- 2) A quote does not constitute a binding agreement in federal procurement
- 3) Send all quotes obtained for this procurement

Salient characteristics

- 1) A list of the major features defining the specific functional use of the item/service to meet the program area requirements.
- 2) Salient characteristics are stated in the solicitation to filter out those models by vendors and Acquisitions that do not meet the specific use of the item as determined and listed in PR packet by the program area.
- 3) Submit salient characteristics

Sole Source

- 1) One manufacturer exists in the marketplace, which rarely occurs
- 2) This concept usually becomes a justification of limiting competition that defends why only one source is available that meets the well-documented requirements.
- 3) Vendor recommendation forms that document the validity of restricting competition.

Statement of work (SOW)

- 1) A list of items and/or services generated by the requestor that will fulfill the requirements

- 2) Defined list of requirements becomes the ultimate focus for award and compliance by the vendor. A well defined SOW allows Acquisitions, all potential vendors and the awardee to know what is expected for success.
- 3) Send a well-defined list of tasks and items

Solicitation

- 1) A document sent to prospective vendors or listed on a public website requesting submission of a proposal.
- 2) Solicitation states the requirements that must be met to be considered for award.
- 3) N/A – occurs after PR is submitted.

Procurements using federal funds.

Federal procurement assumes competition to the maximum extent practicable. Bona fide justifications may then restrict competition to those vendors that meet the statement of work or requirements.

A well-defined statement of work/requirements will ensure receipt of the goods or service that meets your requirements. Acquisitions does not award to any vendor that does not meet the stated requirements.

Therefore, the most efficient and fastest path through the procurement process to meet both procurement regulations and the requestor's needs is: **Clearly document the requirements/statement of work and let the resulting competition (if any) take care of the rest.**