

# Procurement & Contracting Vocabulary

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**Addendum:** A latent addition to an IFB or RFP, issued prior to the award that forms part of the solicitation and subsequent contract.

**Buyer** (a.k.a. Procurement or Purchasing Officer): is an employee of the Purchasing department at UMW whose primary assignment is the purchasing of goods and services, generally over \$5000.00. The Director of Purchasing is the sole signature authority for creation, modification, and cancellations of contracts.

**Contract:** a legally binding exchange of promises or agreement between the University and the vendor enforced by the Code of Virginia in the Virginia Public Procurement Act, which usually exchanges goods or services for money or other consideration. (*\*See 'Elements of a Contract'*)

**Contract Administration Designation Letter:** The official letter from the Purchasing department assigning a contract administrator to a contract. The letter outlines the responsibilities and expectations of the designated contract administrator.

**Contract Administration:** The management of all facets of a contract to assure the Contractor's total performance in accordance with the contractual commitments is Contract Administration.

**Contract Administrator:** A UMW employee authorized by Purchasing to coordinate the performance, and monitor the compliance, of a contractor to the full terms and conditions of a contract. See also, University Contracts Administrator, Contract Administration Designation form.

**Contract File:** The complete documentation of the who, what, when, where, & why of a term contract purchase. The official contract files are housed in the Purchasing department.

**Contract Renewal Notice:** The official letter drafted by Purchasing and executed by the Buyer and the Contractor renewing the contract for a specific term, according to the original terms and conditions of the contract. A renewal notice may include a pricing schedule or other contract modification language dependent on the terms and conditions of the contract.

**Cure:** The actions a contractor must do in order to remedy their default on a contract.

**Cure Letter:** A formal letter issued to the contractor requesting that they come into compliance with the terms and conditions of the contract, detailing where they are non-compliant and giving them formal notice that they are at risk of default.

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

**Delegated Authority:** Currently the University has delegated authority to solicit for goods which will total \$50k or less over the life of the contract which includes the potential for all renewals (i.e., \$10,000.00 per year over a 5-year term is \$50,000.00 total). Goods expected to exceed \$50k require Department of Purchasing & Supply solicitation or release for the University Purchasing Department to solicit. *\*Note, we are currently awaiting regulations interpreting recent legislative changes that will modify this number.* Agencies such as UMW are authorized to contract for services up to any dollar

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amount subject to applicable laws and regulations. Note that there are exemptions and exceptions. For further interpretation, please consult with the Purchasing Department.

**Elements of a Contract:** Offer and Acceptance, Consideration, Mutuality of Obligation, Legality of purpose, Definitiveness of Purpose, Competency of Parties

**IFB – Invitation for Bid:** A document soliciting written bids based on terms and conditions and specifications or a scope of work. IFBs are used when the good or services easily describable and vendors are essentially just competing over price.

**Modification:** A written document that creates a change to the terms or scope of a contract.

**Negotiations:** A bargaining process between two or more parties seeking to reach a mutually beneficial agreement. The outcome of contractual negotiations must be in writing, e-mails and faxes do apply.

**Quick Quote:** an eVA tool used to solicit quotes from vendors for goods or services, generally exceeding \$5k in cost and may be used to award term contracts for goods or services less than \$50k total, over the potential life of the contract, including renewals.

**Pricing Schedule:** A table outlining the pricing of a contract, often based on a unit price. The pricing schedule becomes part of the contract documents and may be used in renewals or modifications.

**Remediation:** the process of correcting or alleviating a problem or situation. Legally, remediation is either a means of compensating for a violation of the law or for unavoidable impacts resulting from legal activities.

**RFP – Request for Proposal:** A document soliciting written proposals from vendors ultimately requiring negotiations. RFPs are used for complicated purchases where specifications are inadequate and price is just one factor. RFPs are often used for service contracts.

**Shall/Must:** a mandatory requirement placed on the contractor or UMW.

**Should/May:** a desired requirement placed on the contractor, not mandatory but may affect the performance evaluation of the vendor.