

	APPENDIX H – GLOSSARY OF TERMS	Approval Date 7/30/13
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The following terms are used routinely in the purchasing process and are defined here for the convenience of the users of this manual.

ADDENDUM: A written change, addition, alteration, correction or revision to a bid, proposal or contract document. Addendum/Addenda may be issued following a pre-bid/pre-proposal conference or as a result of a specification or work scope change to the solicitation.

AMENDMENT: An agreed addition to, deletion from, correction or modification of a document or contract. Also, an Amendment revises or changes an existing document; as a formal revision, improvement or correction.

ANNUAL SERVICE AGREEMENT (ASA): A document issued to a vendor to establish a service provider arrangement. These contracts are issued primarily to afford Adams County protections against insurance claims and indemnity as well as other items. This document must be in place prior to using any supplier of services to Adams County except those which are covered by other specific contract forms (i.e., Consultant Agreements) see [Policy #1008](#).

APPROVAL AUTHORITY: Each Department Director and/or Elected Official shall designate individuals in their department and in accordance with [Policy #1010](#) that are authorized to sign transaction documents. The Finance Department maintains a listing of authorized signatures that it uses to validate approval.

AWARD: The acceptance of a bid or proposal with the issuance of a purchase order or a contract.

BEST VALUE AWARD: Purchase based on service and technical elements of a bid or proposal along with the cost/price element.

BID EVALUATION: A summary comparison of information obtained from the potential suppliers of goods or services responding to a bid request. This process objectively evaluates all the information supplied so as to clearly define the Lowest Price supplier as well as the selected supplier, if different. Where the selected supplier is not the Lowest Price supplier a narrative is to be included in the bid evaluation as to the criteria used to select the Lowest Cost vendor. This narrative is to be approved in accordance with the dollar approval limits established in [Policy #1010](#).

BIDDING REQUIREMENTS: Generally, all purchases of goods and/or services greater than \$2,500 require written competitive bids. Purchases within the Elected Officials or Department Directors approval authority, see [Policy #1010](#) require at least three informal bids. Purchases above those limits require a minimum of three formal sealed bids in accordance with the [Policy #1060](#) or [Policy #1070](#). There are exceptions to this Policy for emergency, rush order and, single source, see [Policy #1080](#).

BLANKET ORDER/STANDING PURCHASE ORDER:

1. An Agreement to purchase a given quantity of specific goods over a specified period of time, usually one year.
2. The contract/Agreement generally establishes prices, terms, conditions, and the period covered, although no quantities are specified; shipments are to be made when and as required by the purchaser which in certain cases may be the end user. [Policy #1030](#)

BOARD OF COUNTY COMMISSIONERS (BOCC): The governing body of Adams County is comprised of elected commissioners.

BUSINESS: Any corporation, limited liability company, partnership, individual, sole proprietorship, joint-stock company, joint venture, or other private legal entity.

BUYER: An authorized Adams County employee or elected official who performs purchasing duties on behalf of that function in accordance with [Policy #1010](#) approval authority.

CASH DISCOUNTS: A cash discount is a special reduction from invoice price offered or negotiated with a vendor for paying an invoice within a specified time frame from the date of the invoice.

CHANGE ORDER: A written order, signed by a Purchasing Division representative, authorizing changes to the original purchase order and/or contract (see [Appendix G](#)). Typically, a change order shall be prepared to effect an alteration of specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provision of a contract accomplished by mutual action of the parties of the contract. The change is not to be performed by the vendor until the change order is properly approved. .

CONSTRUCTION: The process of building, altering, repairing, improving, or demolishing any County structure, or building, or any other structural improvements of any kind to any County real property. .

CONTRACT: Any type of Agreement, regardless of what it may be called, for the procurement or disposal of supplies, services or construction.

CONTRACT ADMINISTRATION: Following the award of a contract, the management actions that must be taken to assure full compliance with all of the terms and conditions contained within the contract document, including price. Contract administration activities include payment, monitoring of progress, inspection and acceptance, quality assurance, monitoring and surveillance, modifications, negotiations, contract closeout, and other activities.

CONTRACTOR: Any person having a contract for goods, services or construction with Adams County.

EMERGENCY: A situation where the health, safety, or well being of the citizens, employees or Adams County property may be endangered if the purchase is delayed.

INFORMAL REQUEST FOR SOLICITATION: All documents, whether attached or incorporated by reference, used to solicit price quotes for a product/service requirement in a less formal procedure than the Request For Proposals. This process is to be used for purchases Elected Officials or Department Directors can affect within their approval authority, see [Policy #1050](#).

INVITATION FOR BIDS (IFB): The bid process used when the exact specifications of the goods/services are known and the purchase decision will be based almost exclusively on price, see [Policy #1060](#).

LOWEST PRICE: The lowest price when all suppliers' bids are put on a comparable basis. When the selection of a supplier is not for the lowest price, a written explanation must be contained in the bid evaluation as to the basis used in determining the Lowest Cost alternative.

PROCUREMENT REPRESENTATIVE: An employee of the Purchasing Division of Adams County who is duly authorized to enter into and administer contracts and make written determinations with respect thereto.

PROCUREMENT: Buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services or construction.

PROFESSIONAL SERVICES: Professional services involve extended analysis, the exercise of discretion and independent judgment in their performance; an advanced, specialized type of knowledge, expertise, or training customarily acquired either by a prolonged course of study or equivalent experience in the field. Professional services include, but are not limited to, services performed by accountants, auditors, analysts, consultants, lawyers, physicians, planners, artists, engineers, and architects. The preferred method of procurement of Professional Services is using a Request for Proposals (RFP), see [Policy #1060](#).

PROPRIETARY INFORMATION: Subject to the Colorado Revised Statutes Open Records Act, information or data describing technical processes, mechanisms, or operational factors that a business wishes to keep confidential and restricted from public access.

PUBLIC EMPLOYEE: An individual drawing a salary from a governmental body.

PURCHASE ORDER: A legal authorized document issued by the Purchasing Division to obtain goods/services from a vendor by Adams County. Acceptance of a purchase order by the vendor constitutes a contract. (see JDE Policy on Buyer) [..\JDE Rollout\SSREQ_QuickGuide_Buyer.doc](#)

PURCHASE REQUISITION: A document used to request and describe the purchase of items and/or services by a department requiring the issuance of a Purchase Order. The Purchase Requisition certifies to Finance that the requested funds are available. (see JDE Policy Requestor) [..\JDE Rollout\SSReq_Requestor User Manual.doc](#)

REQUEST FOR PROPOSALS (RFP): An RFP is a formal solicitation for products or services that are required by Adams County where the final result is well-defined and Adams County is seeking a solution from the Contractor/Vendor. See [Policy #1050](#) and [Policy #1070](#).

SCOPE OF WORK: A detailed, written description of the conceptual requirements for the project contained within a Request for Proposal. The scope of work should establish a clear understanding of what is required by the entity.

SEALED BIDS: A mandatory requirement for all requests for RFP's and IFB's exceeding the approval authority of Elected Officials and Department Directors. All supplier responses must be sealed in order to be considered. See [Policy #1050](#) and [Policy #1070](#).

SERVICES: The furnishing of labor, time or effort by a contractor not involving the delivery of a specific end product other than reports that are merely incidental to the required performance.

SINGLE SOURCE: One vendor or manufacturer who has been identified as the only viable entity from which to purchase a specific commodity or service. Typically, these products and/or services are integrated into larger systems that are interlinked; which would require substantial and cost prohibitive changes to Adams County's operations if a different product was purchased for use.

SOLE SOURCE: One vendor or manufacturer who is defined as the only viable entity from which to purchase the commodity. Typically, the product or service is of a unique nature, or allows for

standardization with existing equipment and will provide exceptional value to Adams County. This process supersedes all bidding requirements, see [Policy #1080](#).

SOLICITATION FILE: The file where all solicitation documentation is kept, including a copy of; the request for bids, the actual vendor bids and the bid evaluation document. The department or elected official responsible for soliciting the bids will maintain the bid file until the purchase is complete. The file will then be forwarded to the Purchasing Division for review and filing. See [Policy #1050](#).

SPECIFICATIONS: A description of the physical characteristics, functional characteristics or the nature of supplies or services to be purchased. Specifications are created to fulfill the requirements of an elected official or department.

STANDING PURCHASE ORDER: Similar to a Blanket Purchase Order except it has specified quantities and specified delivery dates. See [Policy #1030](#).

SUPPLIES: All non-capital property including, but not limited to, equipment and materials.

VOLUME DISCOUNT: A reduction in price offered or negotiated with a supplier that is based on the volume purchased.