

NASSAU COUNTY PROCUREMENT GLOSSARY

ADDENDA OR ADDENDUM - Refers to documents issued by the County that modify the terms of a Solicitation. Also referred to as a solicitation Amendment.

ADPICS – The County’s Advance Purchasing Inventory Control System used by departments to place purchase orders with the Office of Purchasing.

ADVISEMENT – An advisement requests encumbrance of funds for a contract within the authorized maximum contract amount.

ADVISEMENT/STAFF SUMMARY – The advisement/staff summary form summarizes the purpose, terms and conditions, and price of a proposed contract, the amount requested for encumbrance, and the procurement history, including which County officials and agencies have approved it.

AMENDMENT – A contract amendment modifies either the work to be performed or terms and conditions of the contract. Contract amendments may not be used for material scope changes. Amendments must be agreed to by all parties to the contract.

APPROPRIATION – Sum of money from public funds legally provided by the governing body for a specific purpose.

BACKDROP CONTRACT – A contract used by State OGS through which political subdivisions, including the County, may purchase certain goods or services from a pool of qualified vendors who are eligible to participate in a secondary Mini-Bid Award Process or other specified selection process.

BEST AND FINAL OFFER (BAFO) – In procurement of certain services, where the County decides after receiving competing proposals to hold discussions with one or more finalists, it may solicit revised proposals from the finalists- known as “best and final offers.”

BEST VALUE – The proposal having the “best value” in a Procurement for services is the one that optimizes quality, cost and efficiency among responsive and responsible proposers. To the extent that it is practicable, a determination that a proposal has the best value should have an objective basis.

BID – An offer, which upon acceptance by the County, within the allotted time, becomes a binding contract.

BID BOND – A form of bid security in which a third party agrees to be liable to pay a certain amount of money in the event that a specific bidder, if the bid is accepted, fails to accept the contract as bid. See also “Bid Deposit,” “Bid Security,” and “Forfeiture of Deposit or Bond.”

BID DEPOSIT – A sum of money or check deposited with the County to guarantee the bidder will, if selected, accept the contract or forfeit the deposit. See “Bid Bond” and “Bid Security”.

BID NUMBER – The number assigned by the Office of Purchasing to a request to purchase goods or services after the Office of Purchasing receives a requisition from a department.

BID SECURITY – A guarantee, in the form of a bond or deposit, that the bidder, if awarded a contract will accept the contract as bid. Otherwise, the bidder (in the case of a deposit) or his/her guarantor (in the case of a bond) will be liable for the amount of the bond or deposit. In general, the purpose of bid security is to assure that if the lowest bidder refuses to accept or perform the contract, the County will be paid the difference between the lowest bid and the next lowest bid. This discourages bidders from making bids that are not serious. See also “Bid Bond,” “Bid Deposit,” and “Forfeiture of Deposit or Bond.”

BIDDERS LIST – A list maintained by the Office of Purchasing setting the names and addresses of suppliers of various goods and services from whom bids, proposals and quotations can be solicited. The vendors on the list have previously expressed interest in doing business with the County, but are not prequalified.

BLANKET PURCHASE ORDER CONTRACT– A contract let by the Office of Purchasing under which a vendor agrees to provide goods or services on a purchase-on-demand basis to one or more County departments. The contract generally establishes prices, terms, conditions and the period covered. Shipments are to be made as required by the terms set forth in the contract and by the purchaser.

CATALOG CONTRACT – A Catalog Contract is a Blanket Purchase Order Contract with a fixed discount from the vendor’s list price. The list price may be changed (upon issuance of a new catalog or otherwise per the terms of the contract) but the discount cannot be decreased.

CPCO – The County’s Chief Procurement and Compliance Officer is appointed by the County Executive as the official responsible for establishing and enforcing procurement policies and procedures to be followed by all County departments.

CHANGE ORDER – A change order is an order directing the contractor to make changes that the contract between the County and the contractor authorizes the County to order without consent of the contractor. The work or terms and conditions altered by the change order must be nonmaterial scope changes or other changes reasonably contemplated by the contract in order to complete the scope of work. Change orders are not subject to competitive bidding requirements because they are not viewed as new procurements, unless the change order “so varies from the original plan or is of such importance as to constitute a new undertaking.” DPW change orders are subject to review and approval of the Change Order Committee, comprised of representatives of the Comptroller, County Attorney, and DPW.

CLIENT SERVICES – Services that are provided directly to members of the public.

COMPETITIVE PROCESS – A process where two or more firms can compete for a contract.

COMPTROLLER – The Nassau County Comptroller.

COMPTROLLER APPROVAL FORM - The form that the Comptroller’s Office requests when a contract is presented to the Comptroller for approval.

CONFIDENTIAL INFORMATION – Any information that is available to a County employee only because of the employee’s status as a public employee and is not a matter of public knowledge or available upon request pursuant to the New York Freedom of Information Law.

CONFLICT OF INTEREST – A clash between the personal interest of a contractor, public official or employee and the perceived or actual interests of the County. Prohibited conflicts of interest are defined by section 2202 and 2218(1) of the Nassau County Charter and Article 18 of the General Municipal Law.

CONSIDERATION – Something of value given or done as recompense that is exchanged by two parties and which makes a contract binding.

CONSTRUCTION PROJECT – The building, altering or repairing, of a public structure or building, or other improvements to any public real property. Construction projects are funded out of the County’s Capital Budget funds and meet the criteria for capital eligibility under section 10.00 of the New York Local Finance Law. Routine operation, routine repair and routine maintenance of existing structures, as well as furnish and install agreements are not considered “Construction Projects”.

CONTRACT - Any written instrument or electronic document containing the elements of offer, acceptance, and consideration.

CONTRACTING OFFICER – The Department Chief Contracting Officer or his/her delegee.

CONTRACTOR – Any individual or entity seeking to or doing business with the County within the scope of this Policy.

COST ANALYSIS – The process of examining the reasonableness of a vendor’s price by evaluation of the separate cost elements and proposed profit in part on the basis of cost data supplied and certified by the vendor. Cost analysis is used on contract actions (including change orders) where price cannot be determined as fair and reasonable by using price analysis alone.

COST ESTIMATE – The amount that the County projects that it will cost a contractor to deliver a good or service.

COUNTY – Nassau County.

COUNTY ATTORNEY – The County Attorney of Nassau County.

COUNTY EXECUTIVE – The County Executive of Nassau County.

DCCO - The Department Chief Contracting Officer is designated by the Department Head as the official responsible for working with the CPO to establish and enforce procurement policies and procedures to be followed by all individuals performing procurement functions within the Department.

DCE – A Deputy County Executive of Nassau County.

DESIGN SPECIFICATION – A description of what the County seeks to purchase in terms of how physically the good is to be designed and manufactured or how the service is to be delivered. See also “Functional Specification” and “Performance Specification”.

DIRECT PURCHASE ORDER – An order placed by a department through the County’s ADPICS system to request goods that previously have been procured under a Blanket Purchase Contract.

DISCLOSURE STATEMENT– A statement that discloses the names, business addresses and telephone numbers or other required information of the principals of a firm and/or the firm itself which must be submitted by bidders and proposers for any contract, except that publicly traded corporations may submit instead a copy of their Securities and Exchange Commission disclosure for certain disclosures. In this Policy disclosure statements are referred to collectively as “vendor and integrity documents.”

DPW – The Nassau County Department of Public Works.

EMERGENCY PROCUREMENT – A purchase made without following normal competitive procedures in order to obtain goods or services to meet an urgent and unexpected requirement where health and public safety or the conservation of public resources is at risk.

ENCUMBRANCE – A reservation or commitment of budgeted funds related to unfulfilled contracts for goods or services. The purpose of encumbrance accounting is to prevent further expenditure of funds in excess of appropriated budgets.

FIDELITY BOND – A bond that secures the County up to an amount stated in the bond for losses caused by dishonesty or infidelity on the part of a Contractor or a Contractor’s employees

FORMAL SEALED BID – A bid submitted to the County in a sealed envelope in conformance with the requirements set forth in an Invitation to Bid.

FUNCTIONAL SPECIFICATION - A description of what the County seeks to purchase in terms of what results are required. A detailed functional specification that specifies what level of performance is desired for various characteristics can also be called a “Performance Specification”.

GOODS – All types of personal property, including supplies, materials, equipment and machinery, but not including investment securities and currency.

INSPECTOR GENERAL – The independent Nassau County Office of the Inspector General.

INVITATION TO BID – A document containing Specifications for Goods and Services which the County is seeking which invites any vendors that may be able to supply the Goods or Services to submit a Formal Sealed Bid.

IT – The Department of Information Technology.

LEGISLATURE – The Nassau County Legislature.

LIFE CYCLE COSTING – Life Cycle Costing is the process by which all costs for acquisition, operation, maintenance, and disposal of a good or service are analyzed and totaled.

LOWEST RESPONSIVE, RESPONSIBLE BIDDER – The lowest responsive, responsible bidder is the one that submits the bid that is lower in its aggregate cost to the County than any other bid submitted by a responsive, responsible bidder.

MINI-BID AWARD PROCESS – An abbreviated bid and selection process sometimes required by NYS OGS or other intergovernmental contracts when purchasing goods or services through OGS from its list of prequalified vendors on a Backdrop Contract.

MODEL BASE CONTRACT FOR PERSONAL SERVICES – The Model Base Form, which has been approved by the County Attorney's Office, is the template to be used to memorialize personal service agreements.

MULTIPLE AWARD – The award of a contract to two or more bidders for the same or essentially similar items. This is appropriate only in situations where the award of a single contract would be impossible or impractical and awards are limited to the least number of suppliers necessary for a workable contract.

OFFICE OF PURCHASING – The Nassau County Department of Shared Services' Purchasing Office.

OGS – The New York State Office of General Services.

OMB - The Office of Management and Budget of Nassau County.

PERFORMANCE BOND – A performance bond is a contract of guaranty executed subsequent to award by a successful bidder or proposer to protect the County from loss due to contractor inability or failure to complete the contract as agreed.

PERFORMANCE SPECIFICATION – A specification describing the performance characteristics that the County seeks in a good or service.

PERSONAL SERVICES – Services provided by independent contractors that require the

consistent exercise of judgment or specialized skills. Examples of Personal Services include medicine and the medical arts, architecture, engineering, surveying, accounting, law, financial advisory and underwriting services, management consulting services, feasibility studies of a scientific or technical nature, and other services that require advanced education or professional licensing or certification. Personal services do not include standard services such as performance of a trade, routine maintenance and repair, performing arts, administrative services, or other services that do not require advanced education or professional licensing or certification. Personal services also do not include construction services.

PRE-BID CONFERENCE – A meeting convened by the County regarding a specific advertised, open solicitation inviting vendors to discuss certain elements of the specifications and solicitation.

PREFERRED SOURCE – An entity listed by the Commissioner of OGS as a vendor of one of the goods or services on its list of services and commodities provided by Preferred Sources. Pursuant to section 162 of the State Finance Law, when a good or service that is sought by the County is required to be provided by a Preferred Source, the County must purchase it from the Preferred Source if the Preferred Source can meet the County's requirements.

PRE-SOLICITATION CONFERENCE – A meeting convened by the County regarding a specific solicitation that has not been advertised inviting vendors to discuss certain elements of the specifications and solicitation.

PRICE ANALYSIS – The process of examining and evaluating a proposed price without evaluating its separate cost elements and proposed profit. Examples of price analysis techniques that may be appropriate to use to determine whether a proposed price is fair and reasonable include, but are not limited to, comparing proposed prices received in response to a solicitation; comparing current proposed prices to prior proposed prices and contract prices; applying rough yardsticks, i.e., rough order of magnitude (e.g., dollars/lb., price/horsepower), to a proposed price to highlight inconsistencies that would warrant further review; comparing proposed prices with competitive price lists, published market prices of commodities, similar indexes, discounts or rebate arrangements, and comparing proposed prices with cost estimates prepared by County personnel charged with cost estimating.

PROCUREMENT – The procedures for obtaining goods or services (but not real property), including all activities related to needs assessment, solicitation development and issuance, contract award, contract administration, contract modification, vendor performance management, and contract close-out.

PROFESSIONAL SERVICES – Another term for personal services (see above).

PROGRAM STAFF – Staff of the end-user program who require a contract for goods or services and who will be administering the contract.

PROPOSER - A person submitting a proposal in response to an RFP or other solicitation for proposals

QUALIFIED LIST – A list of vendors that has been competitively selected through a Request For Qualifications or other competitive process to be eligible to participate in mini-solicitations for the scope of services stated in the solicitation conducted to establish the list.

QUOTATION – A statement of price, terms of sale and description of goods or services offered by a vendor to the County that is supplied in response to a Request For Quotations.

REQUEST FOR INFORMATION (“RFI”) – A Request For Information is a document that is issued by the County to solicit information regarding goods and services that the County may choose to procure in the future.

REQUEST FOR EXPRESSIONS OF INTEREST (“RFEI”) – A Request For Expressions of Interest is a document that is issued by the County to solicit information regarding potential approaches to programs, use of facilities, or other County initiatives, and also to gauge vendor interest in providing such goods and services.

REQUEST FOR PROPOSALS (“RFP”) – A Request For Proposals is a document that can be issued by the County to solicit proposals for the performance of Personal Services. Unlike the Formal Sealed Bidding process, the RFP process allows for negotiation of prices and proposals after proposals have been submitted.

REQUEST FOR QUALIFICATIONS (“RFQ”) – A Request For Qualifications is a document that can be issued by the County to solicit qualifications for the performance of Personal Services. The RFQ may be processed in a manner similar to an RFP, or it may be used to establish a Qualified List of vendors eligible to participate in mini-solicitations in the future for the scope of services stated in the RFQ.

REQUEST TO INITIATE (“RTI”) – The Request to Initiate is the document used by a department to initiate a personal services procurement and which also is used by DPW to initiate a construction procurement.

REQUIREMENTS CONTRACT – A contract that provides for filling all purchase requirements of the purchasing County department for specified goods or services during a specified contract period, with deliveries to be scheduled by placing orders with the vendor. DPW uses this type of contract to secure contractors to perform its smaller repair and maintenance jobs that occur during the course of a year.

REQUISITION – A request for the acquisition of goods or services that a department submits to the Office of Purchasing through the ADPICS system.

RESPONSIBLE BIDDER – A bidder that has the capability to perform in full the contract requirements as evidenced by its financial, organizational and material resources, technical qualifications, experience, satisfactory record of past performance for the County and other entities, and its satisfactory record of business integrity.

RESPONSIVE BIDDER – A bidder whose bid meets the minimum specifications and requirements set forth in an Invitation to Bid.

RULES COMMITTEE – The Rules Committee of the Nassau County Legislature.

SELECTION COMMITTEE – A committee selected to evaluate competing proposals in the RFP process. The committee may appoint both technical and price advisors to assist it.

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.

SMALL PURCHASE – Any purchase of goods or services that costs no more than \$10,000.

SOLICITATION – The process of notifying prospective bidders or proposers that the County is seeking bids or proposals for furnishing goods or services. The process may consist of public advertising, mailing, Invitations for Bids, Requests for Proposals, posting notices on web sites, or telephone calls, faxes or emails to prospective bidders or proposers.

SOLE SOURCE PROCUREMENT – An award to a vendor of a contract for goods or services without any competitive process based upon the reasonable belief that the vendor is being the only supplier capable of delivering the good or service. Sole source procurement may be justified when the goods or services are subject to a patent or copyright, or in circumstances where it has been otherwise determined that only one source is available to satisfy the needs of the County.

SPECIFICATION - A description of what the County seeks to purchase, and consequently, what a bidder must be responsive to in order to be considered for an award of a contract. A specification may be a description of the physical or functional characteristics, or the nature of a good or service. It may include a description of any requirements for inspecting, testing or preparing a supply or service item for delivery.

STREAMLINED COMPETITIVE PROPOSAL - A less formal, more flexible method of soliciting proposals for services than the RFP process.

VALUE ANALYSIS – Value Analysis is the process of analyzing the results of cost analysis, price analysis, and/or life cycle costing in conjunction with assessment of qualitative factors to determine the best value for the County.

VENDOR – Any individual or entity seeking to or doing business with the County within the scope of this Policy.