

**Purchasing Department  
Dugan Hall, South Campus**

**Extension 3500, Fax 3004**

M. Jeanne Tremblay

Director of Purchasing

Patricia Vaillancourt

Asst. to the Director of Purchasing

Heather Tziotziouras

Buyer I, Purchasing

Ekaterini (Kathy) Karipidis

Bookkeeper, TURI

Allison Richards

Property Manager & Pro-Card  
Administrator

Roland Rondeau

Clerk IV, Property Office

Dorothy Walker

Administrative Assistant, Purchasing

<b>University Of Massachusetts Lowell</b>	
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Outside Sources: Purchasing Handbook, George W. Aljian, McGraw-Hill, 1966;  
State and Local Government Purchasing, Council on State Governments  
1991; Webster's New Collegiate Dictionary, 1973

<b>Act of God</b>	A term used to denote a danger beyond control of avoidance by human power; any accident produced by a physical cause that is irresistible, such as hurricane, flood, lightning, etc., which is in no way connected with negligence.
<b>Account Administrator</b>	The individual exercising budgetary control over a particular fund/account.
<b>Acknowledgment</b>	A form used by a vendor to advise a purchaser that an order has been received, which usually implies that it has been accepted, and will be shipped.
<b>Activity Account Number</b>	The eight-digit number assigned to the University by the Commonwealth's Budge Bureau under each state appropriation identifying the basic functions within the University.
<b>As Is</b>	A term indicating that goods offered for sale are without warranty or guarantee, and that the purchaser takes the goods at his own risk without recourse against the seller for the condition or performance of the goods.
<b>Back Order</b>	The portion of an order that the vendor cannot deliver on schedule and that has been re-entered for shipment when available.
<b>Bid Deposit</b>	A sum of money or check deposited with and as instructed by the prospective purchaser to guarantee the bidder will, if selected, accept the contract in accordance with the terms of the bid. If the bidder does not accept the contract (s) he forfeits the amount of the deposit.
<b>Bid Opening</b>	The formal process through which bids are opened and the contents revealed for the first time to the jurisdiction, other bidders, and, usually, to the public.
<b>Bidders List</b>	A list maintained by the Purchasing Department with the names and addresses of suppliers of various goods and services from who bids, proposals, and quotations can be solicited.

<b>Blanket Order</b>	A purchase arrangement in which the purchaser contracts with a vendor to provide the purchaser's requirements for an item(s) or service, on an as required and often over-the-counter basis. Such arrangements set a limit on the period of time they are to be valid and the maximum amount of money that may be spent that one time or within a period of time. Blanket Orders are usually issued as the result of a public bid, or in accordance with a MHEC, or State Contract.
<b>Boiler Plate</b>	The standard terms and conditions of the University or vendor, usually preprinted, and incorporated in the purchasing forms of the University, or the offer/acceptance forms of the vendor.
<b>Bonds, Payment and Performance</b>	A contract of guaranty executed subsequent to award, but prior to commencement of the work, by the successful bidder to protect the institution from loss due to the vendor's inability to complete the contract as agreed.
<b>Capital Outlay</b>	Monies allocated by the Commonwealth for specific projects such as building and real property improvement.
<b>Change Order</b>	An addendum issued to amend an original Purchase Order.
<b>Commodity Code</b>	A number that identifies the specific type of procurement to be affected. Purchases made with state appropriated funds require that the appropriate 11-digit commodity code be assigned to each material purchase that is affected. Commodity Codes are used in automated systems to track volume.
<b>Competitive Procurements</b>	Those purchases for which the specified product/service, or an equivalent, alternate type of product/service, is available from more than one source of supply.
<b>Confirming Order</b>	A means of expediting a Purchase Order, by telephone or through some other medium, prior to the formal issuance of a Purchase Order against authorized encumbered funds.
<b>Conflict of Interest</b>	A situation where the personal interests of a contractor, public official, or employee are, or appear to be, at odds with the best interest of the University.
<b>Cooperative Purchasing</b>	Procurement conducted by, or on behalf of, more than one entity, such as purchase agreements created by the Commonwealth for the use of its agencies, or by the Massachusetts Higher Education Consortium (MHEC) for the use of its member schools.
<b>Disadvantaged Business</b>	A small business that is owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantage.
<b>Emergency</b>	A situation that requires a Purchase Order be expedited, to avoid substantial harm to the functioning of the University, or to protect the public health, welfare, or safety.

<b>Equipment</b>	Any item that is an entity unto itself has a unit list price of \$100 or more, has a life expectancy of two years or more, and is repairable.
<b>Expedite</b>	To hasten or to assure delivery of goods purchased in accordance with a time schedule, usually by contact between the purchaser and the vendor.
<b>F.O.B. (Free on Board)</b>	The term means the seller is required to place the goods aboard the equipment of the transporting carrier without cost to the buyer. The term "F.O.B." must be qualified by a location, such as shipping point, destination, name of a city, etc. The state F.O.B. point is usually the location where title to the goods passes from the seller to the buyer. The seller is liable for transportation charges up to the point where title passes to the buyer. The buyer is liable for such charges and risks after passing of title.
<b>Independent Contractor/Consultant</b>	One who is self-employed or who employs others. Such individuals work for themselves and control the performance of the work based on experience, special license, or special training required for the job. The independent contractor/consultant provides the knowledge, experience, and labor to perform the job, or provides other individuals to perform the job. All payroll taxes and any benefits are provided by the contractor/consultant. Compare this to a University employee, who operates under the direct supervision and control of another University employee, occupies University space, and may participate in Commonwealth/University benefit plans, and who is paid in increments and not in lump sums for services rendered. Furthermore, independent contractors are issued 1099 forms; employees, W-2.
<b>Lead Time</b>	The period of time from date of ordering to date of delivery during which the buyer must reasonably allow the vendor to prepare goods for shipment. Also, the period of time needed by Purchasing to process departmental Purchase Requisitions for bidding and award of contract.
<b>Lease, Equipment</b>	A written contract between the University and a vendor for the use of equipment for a term greater than 12 months, at the end of which period the equipment may be returned to the vendor. Title remains with the vendor at all times. Also, see Rental, Equipment.
<b>Lease-Purchase, Equipment</b>	A lease-purchase contract for a greater than 12 month period containing a purchase option in which the University's periodic payments or parts thereof may be applied to serve both as the rental obligation and as installments for acquiring ownership of the property upon the University's exercising the purchase option; a conditional sales contract. Title remains with the vendor until such a time as the purchase option may be exercised.
<b>Lease/Rental, Space</b>	A written contract between the University and a vendor for the

<b>(Real Estate)</b>	use of real estate (space) for a specified period of time. The University requires that any such lease/rental receive the prior approval of the University Treasurer, University Legal Council, the Board of Trustees, and, possible, DCAM.
<b>Material</b>	The equipment, apparatus, and supplies used by an organization or institution.
<b>Or Equal</b>	A phrase used to indicate the acceptability of products of similar or superior function, purpose, design, and/or performance, generally used in conjunction with brand name specifications and as further defined in Chapter 30, Section 39M, or the Massachusetts General Laws.
<b>Practicable</b>	Possible to practice or perform.
<b>Prebid Conference</b>	A public meeting held prior to the bid opening that is used to explain complicated specifications, receive and answer questions, and conduct site visits and tours. The prebid conference may be an attendance option, to be eligible to bid, as defined in the bid specifications.
<b>Prepaid (Transportation)</b>	A term used to signify that transportation charges will be paid at the point of shipment. Such charges are usually added to the invoice.
<b>Protest</b>	A complaint about a governmental action or decision brought by a prospective bidder, a bidder, a contractor, or other interested parties to the appropriate administrative section with the intention of achieving a remedial result.
<b>Public Bid</b>	The executed document submitted by a bidder in response to a sealed, public request from Purchasing. Bid forms are usually titled, "Request for Proposal," "Request for Bid," or "Bid Proposal".
<b>Purchase Order</b>	A purchaser's document to formalize a purchase transaction with a vendor. The Purchase Order should contain statements as to the quantity, description, and price of the goods or services ordered; applicable terms as to payment, discounts, date of performance, and transportation; and other factors or suitable references pertinent to the purchase and its execution by the vendor. Acceptance of the Purchase Order by the vendor constitutes a contract.
<b>Purchase Requisition</b>	A form prepared by a department for Purchasing to encumber funds for a particular purchase or to request that Purchasing obtain formal, written bid(s) for the product(s) or service

<b>Quotation</b>	As used by the University, a quotation is an informal means of determining a vendor' price and terms for the purchase of goods, or services, either verbal or written, which is frequently obtained by departments and submitted to Purchasing as backup to a purchase order.
<b>Refund</b>	A University <i>refund</i> is defined as a payback of monies owed by the University to an individual/company/corporation that were previously paid to the University by that individual/company/corporation.
<b>Reimbursement</b>	A University <i>reimbursement</i> is defined as a payback of monies to an individual that were paid out of pocket to a vendor, by that individual.
<b>Rental, Equipment</b>	A written contract between the University and a vendor for the use of equipment for a term up to 12 months. (Also, see, Lease, Equipment; and Lease-Purchase, Equipment.)
<b>Responsible Bidder</b>	A bidder whose reputation, past performance, and business and financial capabilities are such that (s) he would be judged by the appropriate University authority to be capable of satisfying the University's needs for a specific contract.
<b>Responsive Bidder</b>	A Bidder whose bid does not vary from the specifications and terms set out by the University in the Invitation to Bid.
<b>Sole Acceptable Source/Brand</b>	Similar types of products/services may exist, but the vendor/ brand, for reasons of expertise, and/or standardization, quality, compatibility with existing equipment, specifications, or availability, is the only source/brand that is acceptable to the requester or the University.
<b>Sole Source Item</b>	An item that can only be purchased from one supplier, usually because of its technological, specialized, or unique character.
<b>Specifications</b>	A detailed description of what the purchaser requires and, consequently, what a bidder must offer to be considered for an award.
<b>Tax-Free Alcohol</b>	Neutral Grain Spirits having a proof of 190 or more, which can only be ordered and used under an Industrial Use Permit, issued and regulated by the United States Treasury Department, Bureau of Alcohol, Tobacco and Firearms. All such purchases shall be processed through the Department of Chemistry.
<b>Vendor</b>	Any person or company that sells something or charges for a service.

**Vendor Code**

An 11-digit number (FRS), or a 13-digit number (MMARS) created, in part, from the vendor's 9-digit Taxpayer's Identification Number (F.E.I. or Social Security Number). The number is used electronically to identify the vendor's remittance and order from address.