



## GLOSSARY OF PROCUREMENT TERMS

### **Bid**

An offer made by vendor for a good and /or service.

### **Bid Bond**

An assurance of performance provided by a contractor guaranteeing the contractor will enter into a contract with the purchaser within a specified period of time.

### **Builders Risk Insurance**

A specialized form of property insurance providing coverage for loss or damage to the work occurs during the time a property is under construction; may be purchased by contractor.

### **Confirmatory Order**

An order placed with a supplier bypassing RFCUNY; a transaction that was not originally routed to RFCUNY for processing or placed with a vendor using a Small Order form.

### **Emergency Purchase**

A purchase made due to an unexpected and urgent request where health and safety or the conservation of public resources is at risk. Usually, formal competitive bidding procedures are waived.

### **Equipment**

Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established the non-Federal entity for financial statement purposes, or \$5,000.

### **Equipment Screening Certificate**

Form used to justify purchase of equipment and reduce the likelihood of duplicate purchase of an item.

**Federal Acquisition Register (FAR)** The rule book used by all federal agencies in acquiring goods and services. It is jointly issued by the Department of Defense (DoD), General Services Administration (GSA), and the National Aeronautics and Space Administration (NASA).

### **Fellowship**

A grant (an amount paid or allowed) to an individual for the purpose of study or research.

### **Fly America Act IACUC Approval Indemnification**

An obligation assumed by the contract or imposed by law on one party to protect another against the financial liability arising from stated risks.

### **IRB Approval**

### **Material Safety Data Sheets (MSDS)**

### **Packing List**

A document itemizing in detail the contents of a particular package or shipment; provided by a vendor to a purchaser and accompanies a shipment.

### **Payment Bond**

### **Performance Bond**

A generic term for an assurance of performance provided to a purchaser by a contractor. It is used to provide a purchaser some measure of assurance that a contractor will complete the construction project in accordance with the provisions of the contract.

### **Purchase Order**

A purchaser's written document to a vendor/supplier formalizing all the terms and conditions of a proposed transaction that includes a description of the requested items, cost of the items being purchased, delivery schedule, term of payment, and transportation. Upon acceptance by a vendor, it is legally binding agreement.

**Purchase Requisition**

A document used by the purchaser to request the generation of a purchase order. A PI is required to submit a Purchase Requisition form (RF-208) for orders of goods and services totaling \$5,000 or above.

**Scholarship**

An amount paid or allowed to a student at an educational institution for the purpose of study.

**Small Order Form**

A purchase order form (RF-201) available at campus Grants Offices to initiate purchasing transactions totaling under \$5,000.

**Sole Source**

A purchase in which only one vendor is capable of providing an item or service and, therefore, it is not possible to obtain competitive bids (multiple sources of supply, but for specific reasons an item or service must be purchased from a specified vendor).

**Sole Source Justification Form**

A form used to document and justify a person from a sole source vendor.