

**ACTUAL COST
REIMBURSEMENT
CONTRACT**

A contract for which the contractor is reimbursed based on expenditures made during the billing period for services rendered and in accordance with a budget document attached and made a part of the contract.

AMENDMENT

A revision made after the contract is executed and before the termination date.

BUY4MICHIGAN

Buy4Michigan is the web-based procurement system for the state of Michigan.

BUYER

Staff within the Bureau of Purchasing (BOP) responsible for the bidding and contracting processes. Provides technical assistance to contract administrators.

**COMPETITIVE
BIDDING**

A solicitation of two or more qualified sources by invitation or public notice.

**CONTRACT
ADMINISTRATOR**

Staff within an organizational unit responsible for the development and monitoring of contracts. Provides technical assistance to contractors.

**CONTRACT
ANALYST**

Staff within the BOP responsible for the bidding and contracting processes. Provides technical assistance to contract administrators.

CONTRACTOR

The business, organization, or individual with whom MDHHS enters into a contract to purchase goods or services.

COUNTY HUMAN SERVICES BOARD

The County Human Services Boards represent communities in an advisory capacity and review MDHHS contracts.

CS-138

The form used to secure approval from the Civil Service Commission to allow MDHHS to enter into service contracts.

DIRECT HUMAN SERVICES CONTRACTS

Services directly concerned with investigation, treatment and material aid of the economically underprivileged and socially deprived.

EXECUTED CONTRACT

An agreement bearing the signatures of both the contractor and MDHHS.

EXPIRATION OF CONTRACT

The date the contract ends.

LINE ITEM

Specific categories for which costs must be assigned in preparing a budget.

LINE ITEM TRANSFER

A reallocation of costs between budgeted line items on an actual cost reimbursement contract. Line item transfers do not increase the total amount of the contract.

**PRE-PROPOSAL
CONFERENCE**

A meeting held with all interested potential bidders for the purpose of answering questions related to a Request for Proposal.

**PROCUREMENT
CONTRACT**

A contract is an agreement between two or more parties that creates a legal obligation to do, or not to do, a particular activity. A procurement contract is a purchase of goods or services for the benefit of or use by MDHHS programs.

**PROGRAM
STANDARDS**

A description of allowable services, client eligibility, and fund sources for a specific program or service.

**REQUEST FOR
PROPOSAL**

A formal process affording the greatest level of flexibility within the evaluation phase with performance/functional specifications. Well suited for solicitations in which oral presentations, clarifications, and/or negotiation processes may be required. This procurement process allows for structured communication between the purchaser and bidders within the available published options, conducted in an ethical and equitable fashion.

**SPECIFIC
ASSISTANCE**

Funds included in a direct human service contract to address personal needs of clients (e.g., bus tokens, diapers, cleaning supplies, housing assistance) to advance accomplishment of treatment goals.

STANDARD TERMS

A section of the contract that contains provisions required by law or state policy which are used in all MDHHS contracts.

**STATE
ADMINISTRATIVE
BOARD**

The State Administrative Board has general supervisory control over the administrative activities of all state departments and agencies, including, but not limited to, the approval of contracts and leases, oversight of the state capital outlay process and the settlement of claims against the state under \$1,000.00.

SUBCONTRACT

An agreement signed by a contractor and a third party for the purposes of allowing the third party to provide a part of the responsibilities of the contractor.

**TERMINATION OF
CONTRACT**

The conclusion of performance of responsibilities by both parties prior to the ending date specified in the contract.

UNIT DEFINITION

In a unit rate contract, the unit of measure that is the basis for the contractor to bill and be paid.

UNIT RATE

A set amount a contractor is paid for an identified unit.