

Government Contracting Glossary

Quick Reference Guide

[A](#)

[B](#)

[C](#)

[D](#)

[E](#)

[F](#)

[G](#)

[H](#)

[I](#)

[J](#)

[K](#)

[L](#)

[M](#)

[N](#)

[O](#)

[P](#)

[Q](#)

[R](#)

[S](#)

[T](#)

[U](#)

[V](#)

[W](#)

[X](#)

[Y](#)

[Z](#)

A

ACO	Administrative Contracting Officer. They administer day-to-day activities after the contract award. The ACO may not have official Contracting Officer status but may be a delegate of the Contracting Officer.
ACRN	Accounting Classification Reference Number. It is a prefix used for tracking expenditures against contract line items.
ADR	Alternative Dispute Resolution. It provides for arbitration and assisted settlement negotiations between the contractor and contracting officer.

B

B&P	Bid and Proposal. The costs incurred in preparing bids and proposals on potential government contracts.
Backlog	This is the remaining amount of a contract's current funding or total potential value.
BAFO	Best and Final Offer. Upon completion of discussions during a negotiated procurement, contractors within the competitive range may submit a revised proposal to the contracting officer addressing issues raised during negotiations. This proposal is considered the best and final offer.
BCA	Board of Contract Appeals. Board of panel members put together by the Federal Government to oversee contract disputes.
Billing rate	An indirect cost rate established temporarily for interim reimbursement of incurred indirect costs and adjusted as necessary pending settlement of a final indirect cost rate. See FAR 42.7 .
BOA	Basic Ordering Agreement. It is a written instrument of understanding negotiated between an agency, contracting activity, or contracting office and a contractor, that contains terms and clauses applying to future contracts between the parties during its term; a description, as specific as practicable, of supplies or services to be provided, and; methods for pricing, issuing, and delivering future orders under the BOA. It is not a contract. See FAR 16.703 .
BOE	Basis of Estimate. This explains the logic, rationale, method, data and calculations used to estimate the resources required to perform the work.
BOM	Bill of Materials. This is a list of the quantities of materials required to produce a product; a normal format used to summarize the material costs a contractor has included in its estimate of contract price.
BPA	Blanket Purchase Agreement. This type of procurement vehicle allows the federal government to buy goods or services at a pre-negotiated price with pre-negotiated terms. BPAs are usually annualized contracts.

[A](#)
[B](#)
[C](#)
[D](#)
[E](#)
[F](#)
[G](#)
[H](#)
[I](#)
[J](#)
[K](#)
[L](#)
[M](#)
[N](#)
[O](#)
[P](#)
[Q](#)
[R](#)
[S](#)
[T](#)
[U](#)
[V](#)
[W](#)
[X](#)
[Y](#)
[Z](#)

C

CACO	Corporate Administrative Contracting Officer. A CACO may be assigned only when the contractor has at least two locations with resident ACOs, or the need for a CO is approved by the agency head or designee. See FAR 42.601 .
CAGE Code	Contractor and Government Entity Code. It is a required five-digit number assigned to a company in order to work with the government.
CAOC	Chief Acquisition Officers Council. It is an interagency council of senior executives designed to create an acquisition workforce of mission-focused business leaders who optimize technology as a key business enabler, lead collaboration to achieve desired business results and effectively integrate socio-economic programs in the federal acquisition system.
CAS	Cost Accounting Standards. Regulations applicable to select contractors to address the measurement, assignment, and allocation of costs to government contracts.
CBD	Commerce Business Daily. Published by the Department of Commerce, this publication is the common method of contract advertisement for procurement and contract awards of \$25,000 and up.
CCA	Clinger Cohen Act. This act of 1996 provides that the government information technology shop be operated exactly as an efficient and profitable business would be operated. CCA emphasizes an integrated framework of technology aimed at efficiently performing the business of the Department of Defense.
CDRL	Contract Data Requirements List (DD Form 1423). It is a list of authorized requirements for a specific acquisition that is made part of the contract.
CLIN	Contract Line Item Number. A specific unit of work to be performed by the contractor.
CO	Contracting Officer (sometimes referred to as "KO"). A person with delegated written authority, by an agency's Senior Procurement Executive or designee, to enter into, administer, and/or terminate contracts and assistance agreements and make related determinations and findings.
CPAF	Cost-Plus-Award-Fee. Type of contract that reimburses the contractor for allowable costs and adds a fee consisting of a base fee (which may be zero) and an award fee, determined at periodic milestones set forth in the contract.
CPFF	Cost-Plus-Fixed-Fee. Type of contract that reimburses the contractor for costs and adds a negotiated fee.
CPIF	Cost-Plus-Incentive-Fee. Type of contract that reimburses the contractor for costs and adds a negotiated fee, which is adjusted by a formula based on target costs, providing an incentive to keep costs low.

A	D	
B	DAB	Defense Acquisition Board. This is the senior advisory board that controls the initiation and continuation of major acquisition programs in the Department of Defense.
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D	DACA	Days After Contract Award. This is generally used in scheduling to refer to due dates for various stages of the project.
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F	DCAA	Defense Contract Audit Agency. The office is responsible for auditing Department of Defense contracts and can be brought in by other agencies to assist with audits.
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H	DCAAP	Defense Contract Audit Agency Pamphlet. Contractors needing assistance in developing or improving their accounting systems and procedures may request a copy of DCAAP 7641.90 .
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J	DCMA	Defense Contract Management Agency. The agency responsible for administering contracts for the Department of Defense.
K	Debarring Official	An agency head or designee authorized by the agency head to impose debarment. See FAR 9.403 .
L	DEC	Department of Environmental Conservation
M	DEP	Department of Environmental Protection
N	DEQ	Department of Environmental Quality
O	DFARS	Defense Federal Acquisition Regulation Supplement. A supplement to the Federal Acquisition Regulation (FAR) issued by the Department of Defense.
P	DFAS	Defense Finance and Accounting Service. Pays vendors via electronic transfer.
Q	DHS	Department of Homeland Security
R	DISA	Defense Information Systems Agency
S	DLA	Defense Logistics Agency
T	DLIS	Defense Logistics Information Systems
U	DO	Delivery Order
V	DOC	Department of Commerce
W	DOD	Department of Defense
X	DOE	Department of Energy
Y	DOI	Department of Interior
Z	DOJ	Department of Justice
	DOL	Department of Labor
	DOS	Department of State
	DOT	Department of Transportation
	DUNS	Data Universal Numbering System. Provided by Dun and Bradstreet , a DUNS number is used by government to identify contractors and their locations.

[A](#)

[B](#)

[C](#)

[D](#)

[E](#)

[F](#)

[G](#)

[H](#)

[I](#)

[J](#)

[K](#)

[L](#)

[M](#)

[N](#)

[O](#)

[P](#)

[Q](#)

[R](#)

[S](#)

[T](#)

[U](#)

[V](#)

[W](#)

[X](#)

[Y](#)

[Z](#)

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EAC	Estimate at Completion. This is the total estimated cost of a project at completion.
ED	Department of Education
EDI	Electronic Data Interchange. This is a standardized system for exchanging data electronically between trading partners. Typical EDI documents are purchase orders, invoices, and bids.
EPA	Environmental Protection Agency
ETC	Estimate to Complete. This is the remaining work needed to complete an activity, in hours or dollars.
EVM	Earned Value Management. A project management methodology to support project planning, execution, and assessment of how the project is performing against the plan.

F

FAR	Federal Acquisition Regulations. This is the primary set of rules that governs the US government's procurement of goods and services.
FASA	Federal Acquisition Streamlining Act. The 1994 law streamlining the procurement process and setting up electronic contracting.
FASB	Financial Accounting Standards Board. The independent nonprofit organization that sets accounting and financial reporting standards in the private sector following the Generally Accepted Accounting Principles (GAAP).
FFP	Firm-Fixed Price. The price set and fixed by unit of product or measure. FFP contracts impose the maximum risk on the Contractor and minimum administrative burden on the customer.
FLSA	Fair Labor Standards Act. Commonly known as the "Federal Wage and Hours Law," this is the law that sets the minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in federal, state, and local governments.
FPE	Fixed-Price Contract with Escalation. This establishes a fixed contract price but provides for adjustment based on specified contingencies, such as an economic price adjustment.
FPI	Fixed-Price Incentive. Type of contract that provides for adjusting profit and establishing the final contract price by application of a formula based on the total target cost.
FPP	Forward Pricing Plan
FPRA	Forward Pricing Rate Agreement. This is an agreement between a contractor and a government agency in which certain indirect rates are set for a specified period. See FAR 15.407-3 .

A	FSS	Federal Supply Service. The arm of the General Services Administration (GSA) that makes purchases for the purpose of reselling to other federal government agencies.
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C	FTR	Federal Travel Regulations. This sets the travel and relocation policy for all federal civilian employees and other authorized to travel at the government's expense.
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G	G&A	General and Administrative. This is an indirect cost pool that collects costs related to the overall operation of the business.
H	GAAP	Generally Accepted Accounting Principles. This is the network of concepts, principles, and procedures developed by the accounting profession to assure that external financial statements are relevant and reliable.
I	GSA	General Services Administration. This is the government's major supply arm that does most of the government's buying.
J	GSAR	Government Services Administration Regulations
K	GWAC	Government Wide Acquisition Contract. A multiple award, indefinite quantity contract that helps agencies meet their technology requirements through a customizable solution.
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R	HUBZone	Historically Underutilized Business Zone. Contracts awarded under the HUBZone GWAC are for five-year periods and provide a wide variety of technology services in seven functional areas. HUBZone enables federal agencies to purchase technology services from companies located in HUBZones, spurring economic expansion and job creation in areas of unemployment and underdevelopment. Federal agencies benefit by gaining access to pre-competed contracts while meeting their 3% statutory procurement preference goals. See HUBZone Program .
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U	IAW	In Accordance With. When used in government contracting, it is usually followed by a reference to a FAR number.
V	ICE	Incurred Cost Electronically. This model is intended to aid the contractor in providing an adequate submission to DCAA. Its use does not guarantee that the submission will be judged adequate. It is the purview of the DCAA Office to determine, in the judgment of the auditor reviewing the submission, whether or not it is adequate, regardless of what model is used. See DCAA ICE Model .
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A	IDIQ	Indefinite Delivery Indefinite Quantity. An IDIQ is a type of procurement vehicle or contract. With an IDIQ, the government allots a certain amount of money for purchases it will make with specified vendors, but leaves open the dates the purchases will be made and the exact quantity of each item that will be bought. The contract ends when the money is gone; but the agency may extend the IDIQ if it chooses.
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E	IFB	Information for Bid. This is generally used when the government is soliciting bids for goods or services that are simple to describe and quantify. Bids are opened publicly and lowest bid wins.
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G	IG	Inspector General. The Inspector General of the Department of Defense shall be the principal adviser to the Secretary of Defense for matters relating to the prevention of fraud, waste, and abuse in the programs and operations of the Department.
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J	JTR	Joint Travel Regulations. JTR implements policy and law to establish travel and transportation allowances for Uniformed Service members, DoD civilian employees, and others traveling at the DoD's expense. The Per Diem, Travel, and Transportation Allowance Committee has oversight of the JTR. The Defense Travel Management Office serves as the administrative staff for the PDTATAC by developing, administering, and maintaining the JTR.
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Q	MOCAS	Mechanization of Contract Administration Services
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T	OCAO	Office of the Chief Acquisition Officer. The OCAO reports directly to the GSA Administrator and is responsible for managing a broad range of acquisition activities including ensuring compliance with applicable laws, regulations and policies; fostering full and open competition for contract awards; developing the acquisition workforce, and accountability for acquisition decision making.
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W	OFPP	Office of Federal Procurement Policy. Part of the OMB, it keeps track of the various procurement regulations for every federal government agency. It also issues an annual report listing and totaling annual federal procurements.
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Y	OMB	Office of Management and Budget
Z	OPM	Office of Personnel Management

A	ORCA	Online Representations and Certifications Application. This is an e-Government initiative that was designed by the Integrated Acquisition Environment (IAE) to replace the paper based Representations and Certifications (Reps and Certs) process.
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C	OSDBU	Office of Small and Disadvantaged Business Utilization. Most federal departments and agencies have an OSDBU to ensure that they award an equitable share of prime and subcontracts to small firms.
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E	OSHA	Occupational Safety and Health Administration
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T	RFP	Request for Proposal. RFPs are generally issued when the government wants a detailed technical proposal with more information than can be conveyed in a simpler invitation for bid. With RFPs, contracts are negotiated (as opposed to low bid wins).
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V	RFQ	Request for Quote. RFQs are sometimes used for fact finding when the government is merely checking into the possibility of acquiring a product or service. They are not binding on either party but are sometimes the basis for issuing a government purchase order.
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Z	SADBU	Small and Disadvantaged Business Unit. SADBU is the office in most government agencies responsible for assisting small and disadvantaged businesses in getting government contracts.

A	SAM	System for Award Management. SAM.gov is the one-stop shop for government contractors.
B	SBA	Small Business Administration. As the government's small business advocate, the SBA oversees various federal procurement initiatives and serves as an information resource for small businesses looking to learn more about contracting.
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E	SBS	Small Business Specialist. This is the title of the person who works in an agency's SADBUI.
F	SCA	Service Contract Award. SCA requires that contractors pay not less than the prevailing wage rate and provide safe work conditions to service employees working within the US.
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H	SDB	Small Disadvantaged Business. This is the catch-all term used in federal procurement for minority-owned businesses.
I	SF	Standard Form. Prefix followed by two numbers used in front of government contract templates.
J	SIC	Standard Identification Classification. A code identifying every category of business the government deals with.
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L	SOW	Statement of Work. This is a document within a contract that specifies the work requirements and how they should be fulfilled.
M	SOX	Sarbanes-Oxley Act of 2002. This act requires officers of a public company to monitor and report on the effectiveness of the controls that ensure the integrity and accuracy of financial data. This is mandatory and all organizations must comply.
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O	Subcontract	An agreement between a prime contractor and another organization to provide goods or services, either directly for a federal contract or for another subcontract.
P		
Q	SOX	Sarbanes-Oxley Act of 2002. This act requires officers of a public company to monitor and report on the effectiveness of the controls that ensure the integrity and accuracy of financial data. This is mandatory and all organizations must comply.
R		
S	Subcontract	An agreement between a prime contractor and another organization to provide goods or services, either directly for a federal contract or for another subcontract.
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W	T&M	Time and Material. T&M payments are based on hourly rates and costs of materials used.
X	T4C	Terminate for Convenience. This allows the federal government to cancel part or all of a contract to accommodate current needs. This protects the government's interest when a product becomes obsolete or there is no longer a need for a service, so the contract isn't terminated by fault of the contractor.
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A	T4D	Terminate for Default. This is the exercise of the government's contractual right to partially or completely terminate a contract on account of the contractor's actual or anticipated failure to perform contractual obligations.
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C	TCO	Termination Contracting Officer. They are the contact persons if the government decides to terminate a contract for its convenience.
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E	Teaming	This is when a potential prime contractor agrees to partner with one or more other companies to increase the likelihood of winning a contract.
F	TINA	Truth in Negotiations Act. This is a public law enacted for the purpose of providing for full and fair disclosure by contractors in the conduct of negotiations with the government.
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J	UCF	Uniform Contract Format. The use of UCF facilitates the preparation of solicitations and contracts as well as references to, and the use of, those documents by offerors, contractors, and contract administrators.
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M	VAN	Value Added Network. There are private companies that help individual businesses find appropriate government procurement opportunities.
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P	Warrant	This gives government contracting professionals, usually the contracting officer, the right to effectively conduct government acquisition business. (See FAR 53.301.1402)
Q	WAWF	Wide Area Workflow. This is an electronic invoicing and receipt system that routes documents to the appropriate officials.
R	WBS	Work Breakdown Structure. This provides a hierarchy of program elements that supports the measurement
S	Withholding	The nonpayment of contract amounts by the contracting officer because the contractor failed to carry out some obligation under the contract. (withholding of funds clause, FAR 52.222-7)
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