

10 Procurement Acronyms

| Acronym | What It Stands For | Definition | How to Use It |
|---------|-------------------------|--|--|
| BAFO | Best and Final Offer | A supplier's final revised proposal. | Used during final negotiation stage. |
| ITB | Invitation to Bid | A formal request for suppliers to submit price-based bids. | Used to request competitive bids when price is a primary factor. |
| MA | Master Agreement | A contract establishing terms for future work. | Used for long-term contracts or agreements. |
| NTP | Notice to Proceed | A document authorizing a supplier to begin work. | Issued after contract execution. |
| PO | Purchase Order | A document authorizing the purchase of goods or services. | Used to confirm and approve purchases. |
| RFI | Request for Information | A document used to collect general supplier or market information. | Used before issuing a formal solicitation. |
| RFP | Request for Proposal | A formal solicitation document requesting supplier solutions and project approach. | Used for complex procurements requiring detailed proposals. |
| RFQ | Request for Quotation | A solicitation document requesting pricing for specific goods or services. | Used when requirements are clearly defined. |
| SLA | Service Level Agreement | A document defining service performance standards. | Used in ongoing service agreements. |
| SOW | Statement of Work | A document outlining project tasks and deliverables. | Used in service-based contracts. |