**Section 650.20 Definitions**

"Affidavit of Availability" – A sworn affidavit indicating all work under contract, pending awards, all subcontracts and value of subcontracts.

"Affiliate" – A member of a group of two or more companies related to one another through common ownership, common management, common control or the power to exercise common control. Two corporations are affiliated when one owns less than a majority of the voting stock of the other, or when both are subsidiaries of a third corporation.

"Applicant" – Any prospective contractor who has applied for prequalification in compliance with the procedures delineated in this Part. "Applicant" may be used interchangeably with "Contractor" throughout this Part.

"Application for Prequalification" – A package of forms titled "Application for Prequalification, Statement of Experience, Equipment and Financial Condition" (Form BC-8) required to be submitted by an applicant in support of its request for a determination of responsibility and a prequalification rating.

"Authorization to Bid" – The permission given to a contractor to submit a bid on a given Department letting item and the permission to have that bid made public.

"Available Bidding Capacity" − The applicable available work ratings and the available financial rating.

"Available Financial Rating" – Financial rating as indicated on the Certificate of Eligibility less the total value of all uncompleted work to be done with the applicant's own forces and work subcontracted to others.

"Available Work Rating" – The work rating in a particular category as indicated on the Certificate of Eligibility less all similar uncompleted work to be done with the applicant's own forces (for a listing of available work categories, see Appendix A of this Part).

"Certificate of Appraiser" – The certification by an appraiser that the appraisal is performed with no direct or indirect interest, financial or otherwise, in the business of the applicant.

"Certificate of Eligibility" – A certificate issued to the applicant by the Department indicating the applicant's financial rating, work ratings and the effective period of prequalification.

"Code" – The Illinois Procurement Code [30 ILCS 500].

"Combining Financial Statement" – A comprehensive financial statement that presents the assets, liabilities, net worth, and operating figures of two or more affiliated companies. The statement presents each affiliate's financial data in separate, adjacent columns and a total column for the combined affiliate data.

"Consolidated Financial Statement" – A financial statement that presents the assets, liabilities, and operating accounts of a parent company and its subsidiaries.

"Contract" – The written agreement between the Department and the contractor setting forth the obligations of the parties thereunder, including, but not limited to, the performance of the work, the furnishing of labor and materials, and the basis of payment. The contract consists of the invitation for bids, the proposal, the letter of award, the contract form and contract bond, any specifications and supplemental specifications, any special provisions, any general and detailed plans, and all agreements that are required to complete the construction of the work, including contract time, all of which constitute one instrument.

"Contractor" – The individual, partnership, corporation or other business entity recognized by law contracting with the Department for performance of prescribed work. An applicant which has been issued a Certificate of Eligibility. "Contractor" may be used interchangeably with "Applicant" throughout this Part.

"Department" – The Illinois Department of Transportation.

"Department of Human Rights Identification Number" – A number assigned to an applicant who has prequalified with the Department of Human Rights.

"Director" – The Director of the Division of Highways or the Director's designee.

"Eligible" – Satisfying the appropriate conditions as set forth in the contract solicitation documents.

"Engineer of Construction" – The individual responsible for directing the development of the Department's highway construction policies that assure uniform practices, interpretation and applications in Illinois.

"Financial Rating" – The measured ability of an applicant to sustain adequate cash flow for the duration of an awarded contract based on the submitted application for prequalification.

"Financial Statement" – A presentation of financial data, including accompanying notes, derived from accounting records that are intended to show an applicant's economic resources and obligations at a point in time or the changes therein for a period of time in conformity with a comprehensive basis of accounting.

"Joint Venture" – Two or three contractors combining their available financial and work ratings for the purpose of bidding a construction project.

"Letter of Subordination" – A signed statement from a stockholder, officer, director, employee, parent, subsidiary or affiliate agreeing not to withdraw a specific amount of money loaned to the applicant during the period of prequalification.

"Net Worth" – Total assets minus total liabilities.

"Parent" – A corporation that owns or controls subsidiary companies through the ownership of voting stock. A parent corporation is usually an operating company in its own right. Where the parent has no business of its own, the term "holding company" may apply.

"Prequalification" – The rating process established by the Department required of all prospective bidders, unless waived, prior to being considered for Authorization to Bid, as well as being considered for contracts to be awarded by local agencies requiring approval of award by the Department. Once prequalified, an applicant is issued a Certificate of Eligibility.

"Prequalification Section" – The section within the Bureau of Construction of the Department responsible for determining responsibility, financial ratings, work ratings, and the issuance of bidding proposals.

"Request for Authorization to Bid or Not for Bid Status" – A form, BDE 124, provided by the Department to assist a contractor in making a formal request for Authorization to Bid on the requested items.

"Responsibility" – The capability in all respects to perform fully the requirements of an awarded contract, and the integrity and reliability that will assure good faith performance.

"Special Letting" – A letting that is not listed on the Department's annual letting schedule as posted on the Transportation Procurement Bulletin.

"Specialty Items" – Items that are designated in the contract documents that are considered to require specialized construction techniques that are not ordinarily available in contracting organizations qualified to bid.

"Standard Specifications" – A Department publication entitled Standard Specifications for Road and Bridge Construction that sets forth the contract provisions for road and bridge construction.

"Subsidiary" – A corporation having more than 50% of the voting stock owned by another corporation called the "parent".

"Transportation Procurement Bulletin" – The public document that is the official publication and invitation issued by the Department for bids on construction projects.

"Working Capital" – Current assets less applied discounts and current liabilities.

"Work Rating" – The dollar value of work of a particular category of construction that an applicant can perform with his/her organization and equipment in one construction season.

(Source: Amended at 40 Ill. Reg. 7170, effective April 25, 2016)