

Chapter 10. Competitive Sealed Bidding: Canceling the Procurement or Rejecting All Bids

Summary

This chapter identifies the circumstances and establishes the procedure when it is necessary or desirable to cancel the invitation for bids or to reject all bids.

Essential Information in this Chapter
<ul style="list-style-type: none">• At any time prior to award of the contract, the purchasing agent may cancel the invitation for bids or reject any or all of the bids.• The purchasing agent may cancel the invitation for bids or reject any or all of the bids for any reason, except to avoid awarding a contract to a particular responsive and responsible bidder.
Key References to the Code of Virginia
Section 2.2-4301: Definitions of competitive sealed bidding and other key terms Section 2.2-4303(A): When competitive sealed bidding required, generally Section 2.2-4319(A): Authority to cancel or reject all bids

10-1 General

At any time prior to award of the contract, and for any reason except as provided in Section 10-3, the purchasing agent may cancel the invitation for bids or reject any or all of the bids.

10-2 Circumstances When Cancellation or Rejection is Justified

Following is a list of circumstances in which cancellation or rejection may be considered:

- Invitation for bids too narrowly written: The purchasing agent may consider canceling the invitation for bids or rejecting all bids if he determines that the specifications or other requirements of the invitation for bids were written in such a way that precluded a reasonable pool of vendors from submitting bids. The purchasing agent should consider canceling the invitation for bids or rejecting all bids if the number of bids received is inadequate to ensure that the procurement process is competitive.
- Ambiguous instructions: The purchasing agent may consider canceling the invitation for bids or rejecting all bids if, upon review of the bids, it is apparent that numerous vendors were determined to be nonresponsive for a similar reason, and it is determined that the cause for the

nonresponsiveness may be the result of ambiguous instructions in the invitation for bids. The purchasing agent should consider rejecting all bids if it is determined that there is an inadequate number of responsive bidders.

- Substantial omission in the specifications: The purchasing agent may consider rejecting all bids if it is determined that an essential requirement was omitted from the specifications. The purchasing agent should consider cancellation or rejection if he is unable to determine whether the goods or services will meet the County's needs absent compliance with the omitted requirement or if, in taking into account the omitted requirement during the bid evaluation process, fairness, impartiality or competitiveness in the procurement process is compromised.
- All prices bid exceed available funds: The purchasing agent should not consider canceling the invitation for bids or rejecting all bids if the price bid by the apparent low bidder exceeds available funds unless the purchasing agent and the selection committee have first negotiated with the apparent low bidder pursuant to Section 9-9.
- Reasonable suspicion of collusive bidding: The purchasing agent should reject all bids if a reasonable suspicion exists that collusive bidding has occurred, based upon the guidelines set forth in Section 6-11.

This list is not exhaustive.

10-3 Circumstances When Cancellation or Rejection is Prohibited

The purchasing agent shall not cancel an invitation for bids or reject all bids solely to avoid awarding a contract to a particular responsive and responsible bidder.

10-4 Procedure to Cancel the Invitation for Bids or to Reject All Bids

If the invitation for bids is canceled, or if any or all of the bids received are rejected, the purchasing agent shall state his reasons in writing and place it in the contract file.