**Section 8.2040 Cancellation of Solicitations; Rejection of Bids or Proposals**

a) Policy. Any solicitation may be canceled before or after opening when the SPO believes cancellation to be in the State's best interest. An SPO may request from CDB any information necessary to assist the SPO in reaching a determination of whether cancellation is in the State's best interest. Nothing shall compel the award of a contract.

b) Cancellation of Solicitation; Rejection of All Bids or Proposals

1) A solicitation may be canceled in whole or in part when the SPO determines in writing that the action is in the State's best interest for reasons including, but not limited to:

A) the State no longer requires the supplies or services;

B) the State no longer can reasonably expect to fund the procurement;

C) proposed amendments to the solicitation would be of such magnitude that a new solicitation is desirable;

D) ambiguous or otherwise inadequate specifications;

E) the solicitation did not provide for consideration of all factors of significance to the State;

F) prices potentially exceed available funds and it would not be appropriate to adjust quantities to come within available funds;

G) all otherwise acceptable bids or proposals received are at clearly unreasonable prices; or

H) there is reason to question whether the bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith.

2) When a solicitation is canceled, notice of cancellation shall be posted to the Bulletin.

3) The notice of cancellation shall:

A) identify the solicitation;

B) briefly explain the reason for cancellation or rejection; and

C) when appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurements of similar supplies or services.

c) Rejection of Individual Bids or Proposals

1) Individual bids or proposals may be rejected for reasons including, but not limited to:

A) the bid or proposal is not responsive (i.e., it does not conform in all material respects to the submission requirements for the solicitation);

B) the vendor that submitted the bid or proposal is not responsible as determined under Section 8.2046 (Responsibility and Eligibility);

C) the supply or service item offered in the bid or proposal is unacceptable by reason of its failure to meet the announced requirements of the solicitation, including, but not limited to, specifications or permissible alternates or other acceptability criteria set forth in the solicitation, statement of work or quotation; or

D) the proposed price, including options, is clearly unreasonable.

2) Notice of Rejection. Bidders or offerors whose bids or proposals have been rejected shall be advised of the reasons for rejection.

d) Documentation. The reason for cancellation or rejection shall be made a part of the procurement file and shall be available for public inspection.