Standard Operating Procedure: Competitive Bid Cancellation

Approval Authority: Director, Procurement Services

Effective Date: March 2009

Application

This SOP is subject to the University Policy on the Procurement of Goods and Services.

Definitions

**Competitive Bid:** a formal acquisition process performed in an open, fair, and transparent manner in order to procure goods and services in a competitive environment.

The following are acceptable rationales for canceling competitive bids

- **Insufficient Budget:** all compliant responses submitted exceed the anticipated budgeted amount or the University is no longer able to commit funds to the project.
- **Specification Changes:** major modifications to specifications that change the original scope of work or anticipated outcome.
- **Insufficient Response:** too few compliant responses were received to prove fair market value, or could complete the work as specified.
- **Irrevocable Period Expiry:** the competitive bid is not concluded/awarded by the stated irrevocable period.

Process

1. Department Head provides the rationale for bid cancellation, in writing, to the Assistant Director, Procurement Services.

2. Procurement Services notifies bidders (if applicable) of the project cancellation, citing the reason for the cancellation (if applicable) within 48 hours of the notification.

3. The end user is responsible for notifying external consultants, third parties etc. (if any) working with the University on the competitive bid.

4. In cases where the irrevocable period has expired, Procurement Services will cancel the bid and notify the end user and the bidders of the cancellation.