

Title:		Procedure No. PP-0400
REJECTION OF LOW BID		Submitted By: Purchasing Division
		Approved By: Purchasing Agent
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Policy

Every contract award made to other than the low bidder, which exceeds \$5,000 shall be reviewed by the Purchasing Agent.

Basic Procedures

To reject low bid, the Purchasing Agent will compile a list of technical reasons for the rejection of lower bids based on non-compliance with specifications, or other reasons. An explanation in simple non-technical terms should be included.

Example:

<u>Specifications for computer</u>	<u>Low Bid</u>	<u>2nd Low</u>
<i>Pentium III 600 mHz processor</i>	<i>Celeron 600 mHz</i>	<i>As specified</i>
<i>56K modem</i>	<i>28.8K modem</i>	<i>As specified</i>
<i>17" monitor</i>	<i>21" monitor</i>	<i>As specified</i>
<i>Lot Price (10 units)</i>	<i>\$21,500.00</i>	<i>\$22,375.00</i>

- *The Pentium III processor is designed for business applications and power users. Our imaging software application is power intensive. The Celeron processor is designed for the home applications and does not meet our needs.*
- *The 56K modem is twice as fast as a 28.8K modem, resulting in quicker downloads and transmissions.*
- *The 21" monitor actually exceeds the size specifications but its overall dimensions are too large for the workstations and therefore unacceptable.*

Once the Purchasing Agent has approved the rejection of the low bid, the Purchasing Agent may proceed with the issuance of the purchase order to the next lowest bidder.

Award must be made to the overall lowest, responsive and responsible bidder.

General Points To Consider

Reasons for rejection should be based on non-conformance with the bid specifications and requirements and the inability to meet the functional needs of the end user.

State specific reasons why alternate offers are not suitable for the end use, and performance required.

Generally, opinions cannot be used, unless given by a recognized expert in the field.

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Rejections based on negative past performance is not sufficient unless supported by detailed records and documentation of specific incidents, service records, etc.

Do not reject low bidder(s) if relevant information was not distributed to all bidders, *e.g., urgent delivery requirement.*

Actual performance testing and evaluation, properly documented, may be an appropriate reason for rejection.

A bidder who fails to provide adequate literature, samples, clarifications, etc. after repeated attempts by the Purchasing Agent, may be rejected, on the basis of “non-responsiveness.”

Bidders will not be allowed to change their offers after the bid deadline. Bids must be evaluated based on face value. Changes in prices, specifications, terms and conditions may be permitted with the successful bidder by the Purchasing Agent only after an award has been made and due to extenuating circumstances.

Contacting Bidders

Bidders should be contacted only when it is necessary to obtain additional product/service information or demonstrations.

Bidders cannot change their offers. Bids, changes in price, specifications or terms and conditions should not be discussed with bidders.

Do not discuss the results of departmental tests or other aspects of the evaluation with the bidders until after an award has been made.