

# APD ALERT



## **Cancellation of Invitation for Bids and Conversion from Sealed Bidding to Negotiation Procedures**

### **PURPOSE**

Federal Acquisition Regulation (FAR) Part 14.404-1 and Agriculture Acquisition Regulation (AGAR) Part 414.404-1 provide regulatory requirements for cancellation of Invitation for Bids (IFB's) and conversion to negotiation procedures. This Policy Memorandum provides information regarding the approval process for cancellation of sealed bidding, and conversion to negotiated procedures.

### **GUIDANCE**

In accordance with AGAR 414.404-1, the determinations required under FAR 14.404-1(c) and (3)(1) may be an acquisition official at a level above the contracting officer. AGAR 402.101 defines an acquisition official as “an individual who has been delegated authority to manage or to exercise acquisition functions and responsibilities.” For example, the Head of the Contracting Activity Designee is only required to make such determinations if the contracting officer on the action is a Business Service Center (BSC) Acquisition and Property Branch Chief (Branch Chief). Branch Chiefs would make determinations for their Contracting Officers (CO).

Requests for approval of such actions should be signed by the requestor and must include the information shown in the sample submission format in Enclosure 1 if requesting approval to cancel an IFB, or Enclosure 2 if also requesting approval to convert from sealed bidding to negotiation procedures.

## **REQUIREMENTS FOR REE CONTRACTING OFFICERS**

Ensure that the criteria included in FAR 14.404-1 are addressed and that all other information included in the enclosed samples is submitted to the HCAD/Branch Chief for each proposed IFB cancellation or request for conversion from sealed bid to negotiation.

## **APD POINT OF CONTACT**

Acquisition Programs and Oversight Branch, E-mail at [APOB@ars.usda.gov](mailto:APOB@ars.usda.gov) or phone at 301-504-1725.

2 Enclosures

**ISSUE DATE: MAY 2011**

**UPDATED: MAY 2012**

**APD ALERT 2011-14**

MEMORANDUM

SUBJECT: Cancellation of Invitation for Bids No.

TO: Head of the Contracting Activity, APD/BSC Acquisition and Property  
Branch Chief

FROM: BSC Acquisition and Property Branch Chief/ Contracting Officer

In accordance with FAR 14.401-1 and AGAR 414.404-1, we are requesting approval to cancel an Invitation for Bid (IFB). Accordingly, we are providing the following information for you to consider in making your determination:

- a. DESCRIPTION OF SUPPLIES/SERVICES:
- b. LOCATION OF REQUIRING SUPPLIES/SERVICES:
- c. DATE FEDERAL BUSINESS OPPORTUNITIES (FEDBIZOPPS) SYNOPSIS PUBLISHED:
- d. RESULTS OF FEDBIZOPPS SYNOPSIS:
- e. DATE IFB ISSUED:
- f. AMENDMENTS:
- g. BID OPENING DATE:
- h. BID ACCEPTANCE PERIOD:
- i. BIDDERS:
- j. BID PRICES:
- k. REASON FOR CANCELLATION: Provide a narrative as to which reason cited in FAR 14.404-1(c)(1-10) applies.

NOTE:

- a. If the IFB has been canceled for the reasons specified in subparagraphs 14.404-1(c)(6), (7), or (8), and the HCAD has authorized, as shown in Enclosure (2), the completion of the acquisition through negotiation, the Contracting Officer (CO) shall proceed in accordance with FAR 15.103.

b. If the IFB has been canceled for reasons specified in FAR 14.404-1(c)(1), (2), (4), (5), or (10) or the reasons in (c)(6), (7), or (8), and completion through negotiation is not authorized by the HCAD, the CO shall proceed with a new acquisition.

1. CO'S RECOMMENDATION TO CANCEL THE INVITATION FOR BIDS AND CERTIFICATION AS TO THE ACCURACY OF THE JUSTIFICATION

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**HCAD/BRANCH CHIEF DETERMINATION**

In accordance with FAR 14.401-1 and AGAR 414.404-1, I hereby determine that the above cited IFB may be canceled based on the information presented above.

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Head of the Contracting Activity Designee/  
BSC Acquisition and Property Branch Chief

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Date

MEMORANDUM

SUBJECT: Cancellation of Invitation for Bids No.

TO: Head of the Contracting Activity, APD/BSC Acquisition and Property  
Branch Chief

FROM: Acquisition and Property Branch Chief/Contracting Officer

In accordance with FAR 14.401-1 and AGAR 414.404-1, we are requesting approval to cancel an Invitation for Bid (IFB) and convert from sealed bidding to negotiation procedures. Accordingly, we are providing the following information for you to consider in making your determination:

- a. DESCRIPTION OF SUPPLIES/SERVICES:
- b. LOCATION OF REQUIRING SUPPLIES/SERVICES:
- c. DATE FEDERAL BUSINESS OPPORTUNITIES (FEDBIZOPPS) SYNOPSIS PUBLISHED:
- d. RESULTS OF FEDBIZOPPS SYNOPSIS:
- e. DATE IFB ISSUED:
- f. AMENDMENTS:
- g. BID OPENING DATE:
- h. BID ACCEPTANCE PERIOD:
- i. BIDDERS:
- j. BID PRICES:
- k. REASON FOR CANCELLATION: An invitation for bids can be converted from sealed bidding to negotiation procedures only if the reasons cited in FAR 14.404-1(c)(6), (1), or (8) apply. A narrative is to be provided as to how the cited reason applies.
- l. CONTRACTING OFFICER'S RECOMMENDATION TO CANCEL THE INVITATION FOR BID AND CONVERT TO NEGOTIATION PROCEDURES AND CERTIFICATION AS TO THE ACCURACY OF THE JUSTIFICATION.

**HCAD/BRANCH CHIEF DETERMINATION**

In accordance with FAR 14.401-1 and AGAR 414.404-1, I hereby determine that the above cited IFB may be cancelled based on the information presented and authorize the completion of the acquisition by negotiation.

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Head of the Contracting Activity Designee/  
BSC Acquisition and Property Branch Chief