

PART 814—SEALED BIDDING

TABLE OF CONTENTS

SUBPART 814.1—USE OF SEALED BIDDING

- 814.103 Policy.
- 814.103-1 General.
- 814.104 Types of contracts.
- 814.104-70 Fixed-price contracts with escalation.

SUBPART 814.2—SOLICITATION OF BIDS

- 814.201 Preparation of invitations for bids.
- 814.202 General rules for solicitation of bids.
- 814.202-4 Bid samples.
- 814.203 Methods of soliciting bids.
- 814.203-1 Mailing or delivery to prospective bidders.
- 814.204 Records of invitations for bids and records of bids.
- 814.205 Solicitation mailing lists.
- 814.205-1 Establishment of lists.
- 814.205-2 Removal of names from solicitation mailing lists.
- 814.205-5 Release of solicitation mailing lists.
- 814.208 Amendment of invitation for bids (construction).

SUBPART 814.3—SUBMISSION OF BIDS

- 814.301 Responsiveness of bids.
- 814.302 Bid submission.
- 814.304 Late bids, late modifications of bids, or late withdrawal of bids.
- 814.304-2 Notifications to late bidders.
- 814.304-4 Records.

SUBPART 814.4—OPENING OF BIDS AND AWARD OF CONTRACT

- 814.402 Opening of bids.
- 814.403 Recording of bids.
- 814.404 Rejection of bids.
- 814.404-1 Cancellation of invitations after opening.
- 814.404-2 Rejection of individual bids.
- 814.404-70 Questions involving the responsiveness of a bid.
- 814.407 Mistakes in bids.
- 814.407-3 Other mistakes disclosed before award.
- 814.407-4 Mistakes after award.
- 814.408 Award.
- 814.408-70 Award when only one bid is received.
- 814.408-71 Recommendation for award (construction).
- 814.409 Information to bidders.

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Part 814 - Sealed Bidding

PART 814 - SEALED BIDDING

SUBPART 814.1 - USE OF SEALED BIDDING

814.103 Policy.

814.103-1 General.

Contracts in excess of the small purchase limitation or in excess of \$1,000 for contracts made for repairs to property acquired by Department of Veterans Affairs under chapter 37, title 38, United States Code, will be made by sealed bidding when all of the elements necessary for sealed bidding as prescribed in FAR 6.401(a) are present.

814.104 Types of contracts.

814.104-70 Fixed-price contracts with escalation.

When contracts of this nature are authorized pursuant to 816.102(b), contracting officers will be guided by the provisions of FAR 16.203.

SUBPART 814.2 - SOLICITATION OF BIDS

814.201 Preparation of invitations for bids.

(a) Invitations for bids for supplies, equipment and services will be serially numbered at the time of issue. The number will consist of the facility or National Acquisition Center division number, the serial number of the invitation, and the fiscal year in which issued, e.g., 101-24-84. A series beginning with the number 1 will be started each fiscal year. Invitations for bids for supplies, equipment and services which are issued, accepted and become contracts in the same fiscal year but, because of procurement lead time, will not be performed until the ensuing fiscal year will be numbered in the series of the year in which they are issued. However, invitations issued in one fiscal year that will result in a contract that will become effective and performed only in the ensuing fiscal year will be numbered in the ensuing fiscal year series.

(b) Invitations for construction contracts will bear the applicable IFB number and project number, if assigned.

(c) In order to preclude adverse criticism of the Department of Veterans Affairs by prospective bidders relative to the disclosure of bid prices prior to bid opening, the provision entitled "Caution to Bidders Bid-Envelopes," as set forth in 852.214-70, will be prominently placed in all invitations for bids.

Part 814 - Sealed Bidding

(d) To realize the greatest possible price advantage for the Government, items that may be processed by a contractor to effect a reduction in cost factors such as production, inspection and delivery, may be listed for award on both individual item and summary item bases. Items will be listed individually and, in addition, a summary price will be solicited for those items the contracting officer determines to be of a related character and normally handled by a majority of prospective bidders.

(1) When different products are to be combined for a summary price, the quantity, unit and unit price columns opposite the summary item will be crossed out, e.g.:

(Item No.) Summary bid for furnishing items _____ to _____ inclusive on an all or none basis:

| Quantity | Unit | Unit Price | Summary |
|----------|---------|------------|---------|
| XX..... | XX..... | XX..... | \$ XX |

(Bidder will enter summary amount.)

(2) When a single unit price is solicited for a single product for delivery to various destinations, or for multiple deliveries, the total quantity required will be listed opposite the summary item, e.g.:

(Item No.) Summary bid for furnishing items _____ to _____ inclusive on an all or none basis:

| Quantity | Unit | Unit Price | Summary |
|----------|---------|------------|---------|
| XX..... | XX..... | XX..... | \$ XX |

(Bidder will enter unit price and summary amount)

(3) Invitations containing a summary bid request will contain the following statement:

"The award will be made on either an individual item basis or summary bid basis, whichever results in the lowest cost to the Government. Therefore, to assure proper evaluation of all bids, a bidder quoting a summary bid price must also quote a price on each individual item included in the summary bid price".

Part 814 - Sealed Bidding

(e) Bid invitations for supplies, equipment, or services (other than construction) must define the extent to which alternate bids will be authorized and considered. Alternates specified on construction projects will be considered for acceptance only as a part of the basic item.

(1) When an alternate item will be considered only if no bids or insufficient bids are received on an item desired, the clause set forth in 852.214-71(a) will be included in the invitation.

(2) When an alternate item will be considered on an equal basis with the item specified, the clause set forth in 852.214-71(b) will be included in the invitation.

(3) In addition to the clauses referenced in paragraph (e)(1) or (2) of this section, the clause set forth in 852.214-71(c) will be included in the invitation when bids will be allowed on different packaging, unit designation, etc.

(f) When a contracting officer determines that it will be advantageous to the Government to make the award by group or groups of items, a provision for such award will be included in the invitation for bids.

(1) This may apply when:

(i) The items in the group or groups are readily available from sources to be solicited; and

(ii) It is desirable to make a minimum number of contracts; or

(iii) Furniture or fixtures are required for a single project and uniformity of design is desirable; or

(iv) The articles required will be assembled and used as a unit.

(2) Solicitations for supplies and services, other than construction, will contain the provision set forth in FAR 52.214-22.

(3) Solicitations for construction contracts which solicit prices on an item and alternate item basis (when it is intended that a single aggregate award will be made for all items in the solicitation within certain fiscal limitations) will contain a statement as to the order of

Part 814 - Sealed Bidding

priority in which the alternate items will be awarded. This priority will be based on the relative importance of an item, the Department of Veterans Affairs' estimate, and the amount of funds available. Such schedules will be substantially as follows:

Item No. 1--Furnish all labor, material, equipment, etc. to paint buildings No. 1, 2, and 3, \$_____.

Alternate items in order of priority. Furnish all labor, material, equipment, etc., to paint:

Item No. 2--Building No. 1 only \$_____.

Item No. 3--Building No. 2 only \$_____.

A single award will be made on Item No. 1, but in the event the offer exceeds the funds available, a single award will be made on Item No. 2, or a combination of Items Nos. 2 and 3. Offerors should quote a price on each item listed.

814.202 General rules for solicitation of bids.

814.202-4 Bid samples.

When it has been determined that samples are necessary to the proper awarding of a contract, the provision set forth in 852.214-73 will be added to the provision in FAR 52.214-20.

814.203 Methods of soliciting bids.

814.203-1 Mailing or delivery to prospective bidders.

The contracting officer will include either a bid envelope, or OF 17, Sealed Bid Label, with each invitation for bids furnished to prospective bidders.

814.204 Records of invitations for bids and records of bids.

(a) A single register will be established and maintained by the issuing office on a fiscal year basis for all solicitations by invitations for bid or requests for proposal number, date of issue, date of opening, commodity or service involved and disposition, i.e., contract number or purchase order number or, when applicable, no award.

Part 814 - Sealed Bidding

(b) Maintenance of the contract file prescribed by part 804 and retention of canceled Invitation for Bid files will fulfill the requirements set forth in FAR 14.204.

814.205 Solicitation mailing lists.

814.205-1 Establishment of lists.

From the solicitation mailing list applications received, each contracting activity will compile and keep current a Solicitation Mailing List file. The lists will be maintained according to the commodity classification or group of items normally listed on the same invitation for bids.

814.205-2 Removal of names from solicitation mailing lists.

Except as provided for in FAR 14.205-2, no Department of Veterans Affairs contracting officer, or other employee, shall remove from the solicitation mailing list the name of any prospective bidder.

814.205-5 Release of solicitation mailing lists.

When invitations for bids for supply and service contracts have been issued, contracting officers may furnish, upon request of an individual or institution having a bona fide interest in such information, a list of the prospective bidders to whom invitations for bids were submitted. The provisions of FAR 14.205-5 will be observed with respect to invitations for bids for construction contracts.

814.208 Amendment of invitation for bids (construction).

Amendments will be sent to holders of drawings and specifications by certified mail, return receipt requested. (Amendments may be made by telegram, if time does not permit mailing.)

SUBPART 814.3 - SUBMISSION OF BIDS

814.301 Responsiveness of bids.

Where the timeliness of the submission of a bid, modification or withdrawal cannot be administratively determined in accordance with FAR 14.301, the matter will be submitted by the contracting officer directly to the Comptroller General for decision. The submission will include copies of all pertinent papers. A copy of each submission will be forwarded to the Deputy Assistant Secretary for Acquisition and Materiel Management.

Part 814 - Sealed Bidding

814.302 Bid submission.

A bid handcarried by the bidder or his agent will be considered late unless delivered to the addressee designated in the bid invitation prior to the time set for opening.

814.304 Late bids, late modifications of bids, or late withdrawal of bids.

814.304-2 Notification to late bidders.

The notification to late bidders will specify the final date by which the evidence must be received to be considered. This date must be within the time allowed by the apparent low bidder for acceptance of his bid.

814.304-4 Records.

All bids received by mail (or telegram where authorized) will be time and date stamped immediately upon receipt at the VA installation mail room and in the office of the addressee designated in the invitation. This will firmly establish the time of receipt of bids, or when bids are received in the office of the addressee subsequent to the time of opening, and it will establish whether or not the delay was due to mishandling on the part of VA.

SUBPART 814.4 - OPENING OF BIDS AND AWARD OF CONTRACT

814.402 Opening of bids.

- (a) The contracting officer shall serve as, or designate, a bid opening officer, and shall also designate a recorder.

- (b) The form and amount of bid security and name of surety will be read aloud and recorded.

814.403 Recording of bids.

The information required for bid evaluation shall be recorded on the appropriate Abstract of Offers from (SF 1409 or OF 1419). The evaluation data may be recorded on supplemental sheets or forms such as VA Form 10-2237b, Request for Dietetic Supplies, providing that such supplemental sheets or forms are covered by one of the forms authorized above for recording bid or price data. In addition to those instructions set forth in FAR 14.403, the bid opening officer shall certify on the abstract the date and hour at which the bids were opened. Where erasures, strikeouts, or changes in price are noted at the time of opening, a statement to that effect will also be included on, or attached to, the abstract or record of bids.

Part 814 - Sealed Bidding

814.404 Rejection of bids.

814.404-1 Cancellation of invitations after opening.

(a) A copy of each invitation for bids which is canceled as provided for in FAR 14.404-1, together with the abstract showing to whom such bids were sent, will be filed in a separate folder identified by the invitation number. Invitations for bids which result in no bids being received will be handled in like manner. In each instance the abstract will be annotated to show why an award was not made. These folders will be retained for the current and two succeeding fiscal years.

(b) The authority to approve cancellation of invitations for bid after opening and the authority to approve the acquisition after cancellation as provided in FAR 14.404-1(e) is delegated to the head of the contracting activity. The contracting officer will submit a D&F to the head of the contracting activity for signature.

814.404-2 Rejection of individual bids.

(a) When a bid that is being considered for an award is found to be incomplete, e.g., all pages of the invitation have not been returned by the bidder, the contracting officer will take whichever of the following actions that is appropriate:

(1) Make a determination that the bid as submitted is in such a form that acceptance would create a valid and binding contract, requiring the contractor to perform in accordance with all of the material terms and conditions of the invitation. Such a determination may be based on the fact that the bid as submitted includes evidence that the offeror intends to be bound by all the material terms and conditions of the invitation.

(2) Make a determination that the bid as submitted is in such form that acceptance would not create a valid and binding contract.

(b) When a single bid is received in response to a solicitation, the offer shall not be rejected simply because it specifies a bid acceptance time which is shorter than that contained in the solicitation, unless a compelling reason exists for rejecting such a bid. Insufficient time to properly evaluate an offer shall be considered a compelling reason for rejection;

Part 814 - Sealed Bidding

however, the contracting officer will first request the offeror to extend the acceptance date of the bid to allow for proper evaluation.

NOTE: In those cases where more than one bid is received, an individual bid which is not in compliance with the Government's bid acceptance time shall be rejected as nonresponsive since consideration of such an offer would unfairly disadvantage other bidders.

814.404-70 Questions involving the responsiveness of a bid.

Questions involving the responsiveness of a bid which cannot be resolved by the contracting officer may be submitted to the Comptroller General through the Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team, or the Chief Facilities Management Officer, Office of Facilities Management, as appropriate. Pertinent documentation must accompany the submission.

814.407 Mistakes in bids.

814.407-3 Other mistakes disclosed before award.

(a) In accordance with the provisions of the FAR 14.407-3(e), the authority of the Secretary to make the administrative determinations set forth in FAR 14.407-3(a), (b), (c), and (d) is hereby delegated, without power of redelegation, to the Deputy Assistant Secretary for Acquisition and Materiel Management. This delegation in no way impairs the delegations contained in Unpublished Decision of the Comptroller General B-122003, dated November 22, 1954.

(b) When a bidder alleges a mistake in his or her bid prior to award, after complying with the provisions of FAR 14.407-3, the contracting officer will submit the complete file to the Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team, for an administrative determination. Based upon the evidence submitted, the Deputy Assistant Secretary for Acquisition and Materiel Management will determine the action to be taken by the contracting officer. Prior to its release to the contracting officer, this determination will be submitted to the General Counsel (025) for approval. Pending receipt of the determination, no award shall be made.

Part 814 - Sealed Bidding

(c) Based on the evidence, when the Deputy Assistant Secretary for Acquisition and Materiel Management believes that the case should be submitted to the Comptroller General for decision, he/she will prepare the submission and forward it to the Comptroller General through the General Counsel (025). The decision of the Comptroller General will be furnished to the contracting officer by the Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team. A copy of each such decision will be furnished to the General Counsel (025).

814.407-4 Mistakes after award.

(a) When a contracting officer corrects a mistake in bid pursuant to FAR 14.407-4(a), a copy of the contract amendment or supplemental agreement together with a copy of the contracting officer's determination will be forwarded to the Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team.

(b) For mistakes in bid alleged after award, the contracting officer's proposed determination, prepared in accordance with FAR 14.407-4, will be forwarded to the General Counsel (025) through the Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team, for legal coordination. The results of this coordination will be transmitted to the contracting officer by the Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team. The final determination on the alleged mistake in bid after award will be made by the contracting officer.

(c) The Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team, will maintain the agency records of mistakes in bids after award required by FAR 14.407-4.

814.408 Award.

814.408-70 Award when only one bid is received.

When only one bid is received in response to an invitation for bids, such bid may be considered and accepted if:

- (a) the specifications used in the invitation were not restrictive,
- (b) adequate competition was solicited,

Part 814 - Sealed Bidding

(c) the price is reasonable, and

(d) the bid is otherwise in accordance with the invitation for bids.

Such determination will be made in writing, and included on or attached to the abstract of bids.

814.408-71 Recommendation for award (construction).

(a) For Central Office contracts, the Chief Facilities Management Officer, Office of Facilities Management, after analyzing all bids received, will submit a memorandum to the Secretary (00) recommending award or other disposition of the project. A copy of each of the following will accompany the memorandum:

- (1) The invitation.
- (2) Each bid received.
- (3) The abstract.
- (4) Any other pertinent data.

(b) On facility level contracts, the Chief, Engineering Service, will analyze all bids received and submit to the contracting officer a memorandum recommending award or other disposition of the project. However, the final decision to accept or reject the lowest responsive bid and the determination as to the responsibility of a prospective contractor shall be made by the contracting officer alone.

814.409 Information to bidders.

(a) Prior to award, no information as to probable acceptance or rejection of any offer shall be given to any bidder or other person outside the Department of Veterans Affairs.

(b) Except as provided in paragraphs (c) and (d) of this section, information as to performance under contract or an accepted bid is not public information and will be released to persons outside VA only upon the authority of the immediate supervisor of the contracting officer.

VAAC 97-6 December 28, 1998

Department of Veterans Affairs Acquisition Regulation

Part 814 - Sealed Bidding

(c) Except as provided in paragraph (d) of this section, the contracting officer may furnish information as to performance under a contract to those having a legitimate interest, such as banks, other financial companies and Government departments and agencies.

(d) When litigation is involved, all information will be furnished through the General Counsel (025).

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