

751—5.4(8D) Agency rights and vendor performance.

5.4(1) *Rejection of bids.* The commission reserves the right to reject any or all bids or proposals at any time prior to the execution of a contract. The commission may reject a bid for any reason, including but not limited to:

- a. The financial insecurity of the vendor.
- b. Failure to meet the specifications or terms of the solicitation.
- c. Evidence of unfair bidding procedures or collusion.
- d. Cancellation of the project or insufficient funds.
- e. When the best interests of the commission will be served by rejection.

5.4(2) *Suspension and debarment.* The commission may suspend or debar a vendor from participating in future solicitations if the vendor has demonstrated a failure to perform or other serious misconduct.

a. *Causes.* Causes for suspension or debarment include:

- (1) Material failure to perform in accordance with the terms of a previous contract;
- (2) Failure to deliver goods or services on time;
- (3) Attempts to influence the decision of any commission employee involved in the procurement process;
- (4) Debarment by the federal government or another state agency;

b. *Process.* The commission shall notify the vendor of the intent to suspend or debar and provide an opportunity to respond. The suspension or debarment shall be for a specific period of time commensurate with the severity of the offense.

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