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**DECISION**



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D. C. 20548

FILE: B-201688.2

DATE: August 6, 1981

MATTER OF: Monarch Enterprises, Inc.--  
Reconsideration

**DIGEST:**

Because agency report to GAO (furnished to protester for comment) enumerated proper bases for sustaining solicitation cancellation upon which GAO relied in prior decision, GAO did not improperly raise own bases to validate cancellation and protester had opportunity to argue its case; therefore, prior decision is affirmed.

Monarch Enterprises, Inc. (Monarch), requests that we reconsider our decision in Monarch Enterprises, Inc., B-201688, June 15, 1981, 81-1 CPD 483. In that decision, we held that the United States Army Corps of Engineers (Corps) properly canceled an invitation for bids after bid opening because--even though the stated basis for cancellation (ambiguous specifications) was questionable--the underlying contemporaneous reasons and subsequently advanced reasons (e.g., revised specifications) supported the cancellation under the procurement regulations. We further held that even though the basis originally advanced may have been erroneous, a subsequently enunciated basis which would have supported cancellation had it been advanced originally is acceptable.

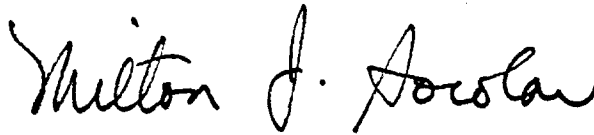
Monarch states that our Office had no authority to change the contracting officer's basis for cancellation and, in so doing, Monarch was unfairly denied an opportunity to argue the merits of the changed bases set forth in our decision. Monarch further notes that our decision ignored the fact that Monarch could not ascertain the exact reason for the cancellation because the agency considered and eventually discarded several reasons for cancellation before citing a basis (ambiguous specifications) we found to be questionable. Finally, Monarch requests that the contracting officer be asked to amend the cancellation determination to reflect proper grounds.

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Contrary to Monarch's contention, our Office neither changed the contracting officer's basis for cancellation nor deprived the protester of a fair opportunity to argue its case. The Corps' protest report to our Office, which was furnished to Monarch for comment, contained several statements and determinations of the contracting officer justifying the cancellation and specifically enumerating the reasons the original specifications had not expressed the minimum needs of the Government and required revision. Notwithstanding this, Monarch's comments offered no rebuttal, but merely argued that the specifications were not ambiguous. Our decision, rather than change the basis for cancellation, supported the basis clearly stated in the Corps' report.

We can understand the difficulty Monarch had in ascertaining the reason for cancellation due to the Corps' initial indecision and eventual letter to Monarch referring to ambiguous specifications. We trust that, in the future, the agency will expeditiously ascertain and clearly notify bidders of the proper bases for cancellation.

However, because Monarch has failed to show that our decision of June 15 was in error, we affirm that decision.



Acting Comptroller General  
of the United States