

CLIENT ALERT

Sequestration Found Valid Basis for Canceling Solicitation

Sep.23.2013

In *Vinculum Solutions, Inc.* (Aug. 5, 2013), GAO, relying on the "broad discretion" afforded to agencies to define their needs and manage their procurements, concluded that the IRS's need to reduce costs due to the ongoing budget sequestration was a valid basis for canceling a solicitation. This appears to be the first decision in which GAO has considered the impacts of sequestration on the procurement process, and it may green-light similar actions in the months ahead for agencies coping with the ongoing sequester and the uncertainties of the FY14 appropriations process.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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