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R. Little, Proc II

DECISION



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

FILE: B-184152

DATE: December 9, 1976

MATTER OF: Colonial Moving and Storage, Inc.

DIGEST:

Contract dispute as to existence and amount of Government's liability to contractor for his supplying containers which should have been furnished by Government must be pursued under contract "Disputes" clause.

Colonial Moving and Storage, Inc. has submitted a claim for an alleged underpayment for services rendered under contract DA-15-014-A1-10349 with the United States Army. On October 29, 1976, the contracting officer issued his final decision pursuant to the "Disputes" clause of the contract in which he concluded that Colonial was entitled to an increase of \$8,190.84 in its contract price for supplying shipping containers which should have been furnished by the Government.

This matter is for settlement pursuant to the procedures set out in the "Disputes" clause which is contained in the contract. Those procedures provide for a decision by the contracting officer, with the contractor having a right of appeal from the decision to the Secretary. Both the contractor and the Government are bound to follow the procedures set out in the contract for the administration of disputes arising out of the contract and the contractor must exhaust its administrative remedies under the "Disputes" clause before appealing to the courts.

Accordingly, any remedy available to Colonial must be pursued according to procedures set forth in the "Disputes" clause of the contract.


Paul G. Dembling
General Counsel