

6155
DECISION

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

FILE: B-190724

DATE: April 27, 1978

MATTER OF: Active Fire Sprinkler Corporation

DIGEST:

1. Correction of mistake in bid will be permitted where bidder's worksheets clearly show that bidder made a mathematical error in transferring subtotal for equipment and miscellaneous work from bid worksheet to final summary sheet. Questions raised concerning portions of bidder's worksheets which have no relation to type of error alleged do not preclude correction where clear and convincing evidence establishes mistake and actual bid intended.
2. Upon correction of mistake in bid, where bidder initially "rounded off" total bid price in submitting its bid, corrected total bid price is also subject to adjustment to reflect "rounding off".

Pursuant to a mistake in bid alleged before award, Active Fire Sprinkler Corporation (Active) requests an upward correction of its bid under invitation for bids (IFB) INY77081-(INY75015) issued by the Construction Management Division, General Services Administration (GSA), New York, on August 29, 1977. By letter dated March 13, 1978, the General Counsel of GSA states that precedent "seems to leave no alternative but to allow correction here."

The IFB, as amended, which requested lump sum bids for the furnishing of all labor and materials for the installation of an automatic wet pipe sprinkler system at the United States Customs Court and Federal Office Building, New York, established September 19, 1977, as the bid opening date. On that date, eight bids were received. Active's bid was low at \$1,490,000. The next low bid was \$1,848,000 while the remaining bids ranged from \$1,888,000 through \$2,077,000. By letter

dated September 20, 1977, Active alleged that it had made an error in its bid price and stated as follows:

"We are hereby requesting a correction in our bid on the above referenced project.

"The reason for this request is because of a mistake in transferring the amount from the equipment & miscellaneous schedule sheet to the summary bid sheet.

"OUR INTENDED BID IS: (ONE MILLION SIX HUNDRED SEVENTY ONE THOUSAND SIX HUNDRED NINE DOLLARS)

"Head Price Sheet Schedule	\$1,361,239
"Plaster Hole Sheet Schedule	81,000
"Pipe Count Schedule	29,275
"Equipment & Misc. Schedule	200,095
	<u>\$1,671,609</u>

"OUR MISTAKEN BID IS: (ONE MILLION FOUR HUNDRED NINETY THOUSAND DOLLARS)

"Head Price Sheet Schedule	\$1,361,239
"Plaster Hole Sheet Schedule	81,000
"Pipe Count Schedule	29,275
"Equipment & Misc. Schedule	20,095
	<u>\$1,491,609</u>

"Rounded Off \$1,490,000

"The mistake was made when we entered figure of \$20,095.00 instead of \$200,095.00.

"Enclosed herein for your information are the original backup and support sheets of our intended bid."

A prior solicitation for essentially the same work, issued by GSA in June 1977, had been canceled after it was discovered that the solicitation had been improperly restrictive in the specification of certain firestopping material. GSA thereupon deleted the requirement for firestopping in the current solicitation. Active, having bid on the prior invitation, used portions of the estimates on the worksheets that it had generated in the previous solicitation as the basis for its current bid. These worksheets from the prior solicitation were also submitted by Active to the contracting officer to support its allegation of error and the bid actually intended.

After review of both sets of worksheets, including bid worksheet #5, which contained Active's estimate for equipment and miscellaneous work, the contracting officer advised Active that its request for correction was denied but that it would be allowed to withdraw its bid. Active had previously explained to the contracting officer that after subtracting the firestopping and certain additional deleted items from its estimate for the prior solicitation, the new bid estimate for the current solicitation was "within a ballpark figure" of the prior estimate. The contracting officer disputed this and made a determination disallowing correction on the basis of alleged discrepancies, after subtracting the deleted items, between the estimates for the total bid price for the remaining sprinkler work contained in the two sets of worksheets. The contracting officer also questioned why two items totalling \$6,500 were included in worksheet #5 for the subject bid but not in the corresponding worksheet in the prior bid. Active immediately protested this determination by the contracting officer to our Office.

We have consistently held that to permit correction of an error in bid prior to award, a bidder must submit clear and convincing evidence that an error had been made, the manner in which the error occurred, and the intended bid price. 51 Comp. Gen. 503, 505 (1972); 49 Comp. Gen. 480, 482 (1970). These same basic requirements for the correction of a bid are found in the Federal Procurement Regulations (FPR) § 1-2.40 -3(a) (2) which provides:

"* * * if the evidence is clear and convincing both as to the existence of the mistake and as to the bid actually intended, and if the bid, both as uncorrected and as corrected, is the lowest received, a determination may be made to correct the bid and not permit its withdrawal."

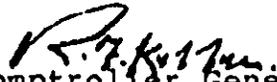
In the present case, after consideration of the evidence submitted in support of the alleged error, we believe Active has satisfied these requirements. Bid worksheet #5, on which the equipment and miscellaneous work was estimated, consists of 16 separately priced items which together total \$200,095. On the final summary sheet, it clearly appears that the total for these items was erroneously transferred as \$20,095. The adding machine tape showing the calculations arriving at the total bid price, before "rounding off", of \$1,491,609, also reflects this erroneous amount of \$20,095 for the equipment and miscellaneous work. With regard to the contracting officer's reasons for disallowing correction of Active's bid, we have specifically held, in a case involving this same bidder, that questions raised concerning portions of a bidder's worksheets which have little or no relation to the type of error alleged or to the

part of the work affected by the error do not preclude correction where clear and convincing evidence establishes the specific mistake and the actual bid intended. Active Fire Sprinkler Corporation, B-187039, August 17, 1976, 76-2 CPD 168. In this case one of the alleged discrepancies concerns the omission of two items in the earlier version of worksheet #5. Active indicates that it discovered the omission of these items on the initial version of worksheet #5 and actually used the latest version, which included the two items, in calculating both bids. In any event, this alleged discrepancy is unrelated to the nature of the error claimed and only results when the current worksheets are compared to those of a prior bid. It is still clear that a simple mathematical error occurred in transferring a subtotal for equipment and miscellaneous work from bid worksheet #5 to the final summary sheet. Correction, therefore, is proper under the circumstances.

However, since Active, in its final summary sheet arrived at an initial total bid price of \$1,491,609 and then "rounded off" that amount to \$1,490,000, we believe the corrected amount should also be subject to adjustment to reflect this "rounding off". See Chris Berg, Inc. v. United States, 426 F. 2d 314 (Ct. Cl. 1970). Had the correct amount of \$200,095 for the equipment and miscellaneous work been totalled on the final summary sheet, it would have produced a total bid price of \$1,671,609. Therefore, the bid of Active should be corrected to show a total bid price of \$1,670,000 for the project.

Accordingly, Active's bid, as corrected, which will be still the lowest bid received, should be considered for award.

Deputy


Comptroller General
of the United States