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Donna E. Lee
Case



DECISION

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

FILE: B-204518

DATE: December 21, 1981

MATTER OF: Northern Virginia Van Lines, Inc.

DIGEST:

Protest that contracting agency should have rounded off weighted line item prices (for example, \$5.04375 to \$5.04) before summing them to determine lowest weighted cumulative price is denied. Contracting agency evaluated bids in strict accord with evaluation scheme in invitation for bids which did not call for rounding, and evaluation scheme reflects low cost to the Government. Allegation that agency rounded in prior procurements using similar scheme is irrelevant.

Northern Virginia Van Lines, Inc., protests against award of a contract for moving services to Commercial Transfer Systems, Inc., by the United States Department of Labor pursuant to invitation for bids No. D/L 81-7. Northern Virginia Van Lines contends that it offered the lowest price, but the Department of Labor improperly evaluated bids which resulted in award to other than the lowest priced bidder. Alternatively, Northern Virginia Van Lines argues that, if the Department of Labor's application of the invitation's evaluation criteria was reasonable, then the stated evaluation criteria contained a latent ambiguity which mandates resolicitation of this requirement. Since we find no merit to either argument, we are denying the protest.

The schedule in the invitation for bids (Article II) required bids on an hourly rate for six different labor categories (including both labor services and necessary equipment) as follows: (1) moving supervisor (regular time); (2) moving supervisor (overtime); (3) driver and truck (regular time); (4) driver and truck (overtime); (5) laborers, general mover (regular time); and (6) laborers, general mover (overtime).

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The bids were to be evaluated in accord with Article XXII which stated:

"A. Weightings Assigned

Weight factors have been assigned to the items under Article II as follows:

<u>Labor Category</u>	<u>Weight Factor</u>
1. Moving Supervisor (Regular Time)	.045
2. Moving Supervisor (Overtime)	.005
3. Driver and Truck (Regular Time)	.089
4. Driver and Truck (Overtime)	.005
5. Laborers, General Mover (Regular Time)	.807
6. Laborers, General Mover (Overtime)	.049
	1.00

"B. Mechanics of Evaluation

After the bid opening, award shall be made to that firm with the lowest 'cumulative weighted price,' as outlined below, and only if the firm has been determined to be responsible and responsive to the Government's needs.

The price bid against each item in Article II, of this Contract Schedule will be multiplied by the respective weight factor to yield a 'weighted price' for each item. The 'weighted price' for all items will then be added for a single 'cumulative weighted price' for all items. The 'cumulative weighted price' shall serve as the criteria for price comparison during the Contracting Officer's evaluation. The respective weighting assigned to each item represents, at this time, the Government's best estimate of the anticipated incidence of use of the item in the performance of the contract. The

weightings are predicated, to the maximum practical extent, on the recent past history for the items."

Under this evaluation formula, the Department of Labor was required to multiply each line item's hourly rate by the assigned weight factor to obtain a weighted unit price for each line item. Northern Virginia Van Lines argues that the Department of Labor should have rounded off each line item's weighted unit price to only two decimal places before summing all six weighted unit prices to arrive at a cumulative weighted price. The Department of Labor, however, did not round off the figures which were carried out to five decimal places by virtue of the multiplication.

The following chart shows the difference between these two approaches:

Northern Virginia Van Lines Bid

<u>Line Item No.</u>	<u>Bid Wage/Hour</u>	<u>Weight Factor</u>	<u>Unrounded Line Item Weighted Price</u>	<u>Rounded Line Item Weighted Price</u>
1	\$ 4.55	x .045	= \$0.20475	\$0.20
2	4.99	x .005	= 0.02495	0.02
3	13.20	x .089	= 1.17480	1.17
4	0.00	x .005	= 0.00000	0.00
5	6.25	x .807	= 5.04375	5.04
6	6.49	x .049	= 0.31801	0.32
Cumulative Weighted Price:			<u>\$6.76626</u>	<u>\$6.75</u>

Commercial Transfer Systems Bid

<u>Line Item No.</u>	<u>Bid Wage/Hour</u>	<u>Weight Factor</u>	<u>Unrounded Line Item Weighted Price</u>	<u>Rounded Line Item Weighted Price</u>
1	\$ 0.00	x .045	\$0.00000	\$0.00
2	12.00	x .005	0.06000	0.06
3	11.00	x .089	0.97900	0.98
4	21.80	x .005	0.10900	0.11
5	6.56	x .807	5.29392	5.29
6	6.50	x .049	0.31850	0.32
Cumulative Weighted Price:			<u>\$6.76042</u>	<u>\$6.76</u>

Thus, the Department of Labor determined, using the unrounded (five decimal place) column, that Commercial Transfer Systems' cumulative weighted price of \$6.76042 was lower than Northern Virginia Van Lines' cumulative weighted price of \$6.76626. Northern Virginia Van Lines' suggested approach, rounding off weighted line item prices, yields the opposite result.

Northern Virginia Van Lines argues that, since the invitation's evaluation criteria stated that the "weighted price" for all line items would be summed to determine the low bid, rounding off to two decimal places was mandatory, because the word "price" means a "monetary equivalent in dollars and cents." The protester cites People v. Carrillo, 246 N.Y.S. 2d 692 (1964), in support of this argument. Essentially, Northern Virginia Van Lines believes that the common definition of "price" in terms of dollars and cents means that using more than two decimal places is prohibited. We find this argument to be without merit.

A contracting agency may not evaluate bids in a manner which is inconsistent with the evaluation scheme set forth in the invitation for bids. To permit otherwise would be contrary to the legal requirement that all evaluation factors be made known in advance of bid opening so that all bidders can compete on an equal basis. International Technical Services Corporation, B-198314, January 13, 1981, 81-1 CPD 18.

Here, the evaluation scheme set forth in the invitation did not indicate that any of the figures would be rounded off. Therefore, the Department of Labor's evaluation of bids was in accord with the stated criteria. In fact, rounding off would have been improper in view of the fact that the invitation did not indicate to all bidders that rounding off would be a factor in the evaluation. In our opinion, it was unreasonable for the protester to assume that weighted line item prices would be rounded off to two decimal places.

We find that the use of a "weighted price" for evaluation purposes expressed in terms of fractions of a cent is proper, so long as the resulting evaluation

results in the lowest cost to the Government. In this regard, the contractor will be paid on an hourly basis at a "dollar and cent" rate rather than at the "weighted price." Therefore, the evaluation at the "weight" factors accurately reflects the lowest cost to the Government. To demonstrate this, if the Department of Labor had used whole numbers representing, for example, the estimated hours for each category, instead of fractions to represent appropriate weights (for example, 45 instead of .045 for the weight factor for line item No. 1), then the weighted line item prices would contain only two decimal places ("dollar and cent" prices).

The protester's reliance on the Carillo case is misplaced. The Carillo court merely stated that price is a "monetary equivalent in dollars and cents" when it ruled that posting of placards (announcing that "S&H Green Stamps" would be given to gasoline purchasers) did not amount to a violation of a criminal statute regulating the posting of prices in gas stations. The Carillo court did not hold that price had to be expressed in only two decimal places as the protester argues.

In support of resolicitation, the protester has submitted past Department of Labor procurement documents using similar bid evaluation criteria where "weighted prices" were routinely rounded. According to the protester, this shows the reasonableness of its interpretation of the evaluation clause, a resultant ambiguity, and the need for resolicitation. Although the Department of Labor did not respond to this charge, its validity is irrelevant since, even if true, prior procurement irregularities do not justify such treatment here. International Salt Company, B-200128, January 7, 1981, 81-1 CPD 142.

Accordingly, we find no fault in the Department of Labor's evaluation of bids and, therefore, the protest is denied.

Harry R. Van Cleave
For Comptroller General
of the United States