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W. H. King

DECISION



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

FILE: B-207073

DATE: April 23, 1982

MATTER OF: American Waste and Wiper Co.

DIGEST:

Agency properly evaluated the awardee's offered discount for payment within 20 days in determining the firm's bid to be low notwithstanding that the cost of money to the Government resulting from early payment would, according to protester, result in the awardee's bid being higher than protester's, because the IFB provided that such prompt payment discounts would be evaluated and did not provide for considering the cost of money to the Government in evaluating bids.

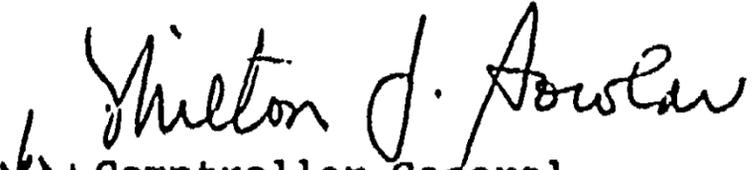
American Waste and Wiper Co. (American) has filed a protest under Air Force invitation for bids (IFB) No. F20613-82-B0011. American contends that the Air Force improperly evaluated a competitor's bid price of \$15.95 per unit, less a one-percent discount for payment within 20 days, to be lower than American's bid price of \$15.82, without any discount but permitting payment anytime within 30 days. The protester argues that its competitor's offered discount is not large enough to offset the cost to the Government of making payment ten days sooner than would be required for payment to American. We summarily deny the protest.

Defense Acquisition Regulation (DAR) § 2-407.3(b) (1976 ed.) provides that offered discounts for prompt payment within 20 or more days will be evaluated in determining the low bidder, whereas there is no provision for considering the cost of money to the Government in making that determination. The protester does not suggest that the IFB contained other than the required prompt payment discount provision. Since

the award must be made in accordance with the terms of the IFB, the Air Force thus could consider only the prompt payment discount, and not the cost of money to the Government, in determining the low bidder, Beacon Winch Company, B-204787, October 9, 1981, 81-2 CPD 299.

In addition, to the extent American is questioning the IFB's failure to provide that the cost of money to the Government would be considered, this objection is untimely since it was not filed prior to bid opening, as required by our Bid Protest Procedures, See 4 C.F.R. § 21.2(b)(1) (1981). We note, however, that both the Department of Defense and the General Services Administration currently are considering amending the FAR and the Federal Procurement Regulations, respectively, to eliminate the evaluation of prompt payment discounts due to various problems associated with evaluating them, including the cost of money to the Government.

The protest is summarily denied.

for 
Comptroller General
of the United States