



Comptroller General
of the United States
Washington, D.C. 20548

Decision

Matter of: Source AV, Inc.
File: B-256677
Date: March 16, 1994

DECISION

Source AV, Inc. protests the Department of the Army's determination not to exercise the options under Source AV's current contract, and to resolicit the procurement under invitation for bids No. DAKF03-94-B-0004.

We dismiss the protest because a contractor has no legal right to compel the exercise of a contract option.

Under Federal Acquisition Regulation (FAR) § 17.207(c), a contracting officer may exercise an option only after determining that funds are available; the requirement covered by the option fulfills an existing government need; the exercise of the option is the most advantageous method of fulfilling the government's need, price and other factors considered; and the option was synopsisized in accordance with the FAR. Here, the agency stated in January 1994 that major changes to the scope of work and the agency's minimum needs were being contemplated due to budget constraints and lack of funding; therefore, the agency determined to resolicit for its minimum needs.

The protester complains that its option period was only extended for 6 months instead of 1 year. Contract options are exercised solely at the discretion of the government, and a contractor cannot compel an agency to exercise an option in its contract. California Shorthand Reporting, B-236680, Dec. 22, 1989, 89-2 CPD ¶ 584. Those who bid on contracts containing option provisions assume the risk that the agency might not exercise the option. Arlington Public Schools, B-228518, Jan. 11, 1988, 88-1 CPD ¶ 16.

Christine S. Melody
Christine S. Melody
Acting Associate General Counsel