



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Ruchman & Associates, Inc.

File: B-257766

Date: July 8, 1994

DECISION

Ruchman & Associates, Inc. protests the Department of Health and Human Services' refusal to exercise an option under contract No. HHS-100-93-0015.

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

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.

The protester states that the agency intends to award a new contract under the section 8(a) program, and asserts that as a small business it would be adversely affected by that action. At such time as the Small Business Administration (SBA) elects to accept this effort for the section 8(a) program, Ruchman may protest if it believes that the SBA did not make the required adverse impact determination before reaching its decision to accept a section 8(a) contract.

A handwritten signature in cursive script that reads "Ronald Berger".

Ronald Berger
Associate General Counsel