

DECISION

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

60680

FILE: B-185873

DATE: March 26, 1976

MATTER OF: Ames Color-File Corporation

98445

DIGEST:

Request for modification of contract price due to alleged error in bid claimed after award cannot be allowed since valid and binding contract resulted when due to nature of suspected mistake contracting officer adequately discharged bid verification duty by calling to bidder's attention variance in bids received and bidder verified bid.

On the basis of a mistake in bid alleged after award, the Ames Color-File Corporation (Ames) requests modification of its contract awarded under jacket (IFB) No. 599-342, issued by the United States Government Printing Office (GPO), Washington, D. C.

The IFB soliciting bids for the production of 100,000 expansion type file folders with printing in one color was sent to 20 firms. Ames' bid of \$6,900 was the lowest received from the 4 firms responding at the January 13, 1976, bid opening. The remaining bids received were: \$10,500, \$11,400 and \$14,200. Since the low bid was substantially less than the other bids received, on January 14, 1976, the contracting officer requested that Ames review the specifications and confirm its bid because it was substantially lower than any other bid. By letter dated January 14, 1976, Ames confirmed that its price of \$6,900 (computed at the rate of \$69 per thousand) was correct. Consequently, the contract was awarded to Ames on January 16, 1976.

On or about January 28, 1976, Ames claimed that its bid was \$3,080 less than intended due to an error made in computing the cost of paper required to be used under the contract. It stated that the errors in computation and subsequent bid confirmation resulted from confusion caused by the company's receipt of a similar solicitation from the United States Army for one million folders. Since the computations indicated that the Army solicitation could be performed at a cost of \$68 per thousand, Ames decided to increase this amount by one dollar per thousand for the GPO invitation. After award, Ames alleges it discovered that the GPO specifications called for 18 pt. stock paper rather than the 11 pt. stock paper required by the Army solicitation. Ames

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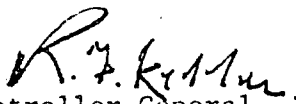
maintains that this mistake affected its price because the 18 pt. stock paper is 65 percent heavier, and costs more than the 11 pt. paper. Therefore, Ames asserts that the error in bidding on the GPO solicitation amounted to \$3,080 since the difference between the actual price of \$48.80 for the 18 pt. stock paper, less the \$18/M bid was \$30.80 per thousand for the 100,000 folders.

GPO states that it had no independent estimate on the value of the procurement. In addition, it noted there was no discrepancy on the face of the GPO "Bid and Acceptance" form since Ames' unit price equaled the total amount submitted as the bid.

The general rule applicable to a mistake in bid alleged after award is that the sole responsibility for preparation of a bid rests with the bidder, and where a bidder makes a mistake in bid it must bear the consequences of its mistake unless the mistake is mutual or the contracting officer was on actual or constructive notice of error prior to award. See Pak/Master, Inc., B-183620, July 10, 1975, 75-2 CPD 27. When, as in this case, a bidder is requested to and does verify its bid, the subsequent acceptance of the bid consummates a valid and binding contract. However, proper verification requires that in addition to requesting confirmation of the bid price, the contracting officer must apprise the bidder of the mistake which is suspected and the basis for such suspicion. General Time Corporation, B-180613, July 5, 1974, 74-2 CPD 9; Federal Procurement Regulations § 1-2.406-1 (1964 ed. circ. 1).

Since Ames' alleged error in price computation was not apparent or capable of being discovered from the bid, the contracting officer had no basis for suspecting the specific nature of a possible error in bid. Therefore, we believe the contracting officer's verification duty was adequately discharged when it was brought to Ames' attention that the possibility of an error existed in its low bid due to the variance between it and the other bids received.

Accordingly, the award to Ames Color-File Corporation at its bid price consummated a valid and binding contract and no legal bases exist for allowing a price adjustment in the contract.


Deputy Comptroller General
of the United States