

**DECISION**



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

FILE: B-185340

DATE: February 10, 1976

MATTER OF: Boise Cascade Envelope Division

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 where due to nature of suspected mistake contracting officer adequately discharged bid verification duty by calling to bidders attention variance in bids received and requested confirmation of low bid which bidder verified.

Pursuant to a mistake in bid alleged after award, the Boise Cascade Envelope Division (Boise Cascade) requests modification of its contract awarded under jacket (IFB) No. 682-033 issued by the Denver Regional Printing Procurement Office, United States Government Printing Office (GPO).

The IFB soliciting bids for the production of 240,000 envelopes was sent to fifteen firms. Boise Cascade's bid of \$2,613.60 was the lowest received from the six firms responding at the October 16, 1975, bid opening. The remaining bids received were: \$3,504.00, \$3,780.00, \$4,396.80, \$5,589.60, and \$7,771.20. On October 28, 1975, the contracting officer requested Boise Cascade to review its bid and verify its intended price. After verification, the contract was awarded to Boise Cascade on October 29, 1975.

On November 5, 1975, Boise Cascade claimed that its quoted price of \$2,613.60 (\$10.89 per thousand less 5 percent - 20 day prompt payment discount) was in error due to the inadvertent omission of some raw material costs. It contended that the company's basic cost for performance (including the omitted materials) was \$17.10 per thousand (\$4,104), and in view thereof, it should have submitted a bid of \$19.85 per thousand (\$4,764.00) to perform the contract. In order to reduce the amount of its

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loss, Boise Cascade requests a price increase of \$4.28 per thousand (\$1,027.20) which would bring its total price with discount (\$3,458.76) to slightly below the second low bid of \$3,504.00.

GPO states that it had no independent estimate on the possible cost of the envelopes. In addition, it noted there was no discrepancy on the face of the GPO "Bid and Acceptance" form since Boise Cascade's unit price equaled the total amount submitted as the intended bid. However, because of the variation between the low bid and other bids received, GPO reports that the contracting officer requested verification of Boise Cascade's price.

Boise Cascade acknowledges that the bid verification was made by its Denver employee who signed the bid but noted that this person was a secretary who merely checked for clerical errors. The alleged pricing error was said to have been made by, and subsequently discovered at Boise Cascade's Cleveland Plant which maintained all the cost estimate data for the bid. In this regard substantial documentation was submitted as evidence to verify the alleged cost of the raw materials used in the performance of the contract.

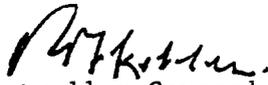
The general rule applicable to a mistake in bid alleged after award is that the sole responsibility for preparation of a bid rests with the bidder, and where a bidder makes a mistake in bid it must bear the consequences of its mistake unless the mistake is mutual or the contracting officer was on actual or constructive notice of error prior to award. See Autoclave Engineers, Inc., B-182895, May 29, 1975, 75-1 CPD 325. 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 the alleged error in the Cleveland Plant's data used by Boise Cascade in the computation of its price 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

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the contracting officer's verification duty was adequately discharged when it was brought to Boise Cascade's attention that the possibility of an error existed in its low bid due to the noticeable variance between the bids received.

Accordingly, the award to Boise Cascade Envelope Division 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