

DOCUMENT RESUME

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[Claim for Equipment Lease and Maintenance Costs]. B-189431.
July 18, 1977. 2 pp.

Decision re: Potter Instrument Co.; by Paul G. Dembling (for
Elmer B. Staats, Comptroller General).

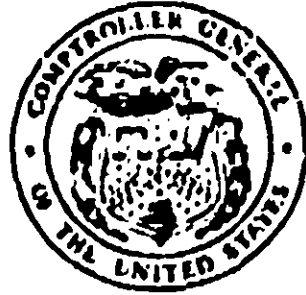
Issue Area: Federal Procurement of Goods and Services (1900).
Contact: Office of the General Counsel: Procurement Law II.
Budget Function: National Defense: Department of Defense -
Procurement & Contracts (058).
Organization Concerned: Defense Logistics Agency.
Authority: B-182584 (1974). B-182437 (1976). B-183289 (1975).

Claimant requested \$23,087.08, representing the
reasonable value of certain equipment leased to the Government
and maintained by the claimant without a formal contract.
Payment may be made on quantum valibat/quantum meruit basis for
interim period not covered by formal contract since the benefit
was received, and unauthorized action has been implicitly
ratified. (Author/QM)

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Freedman



DECISION

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

FILE: B-189431

DATE: July 18, 1977

MATTER OF: Potter Instrument Company

DIGEST:

Payment for equipment leased to Government and maintained by contractor may be made on quantum valibat/quantum meruit basis for interim period not covered by formal contract since Government received benefit and unauthorized action has been implicitly ratified.

Potter Instrument Company claims \$23,087.08, representing the reasonable value of certain equipment leased to the Government and maintained by Potter without the benefit of a formal contract.

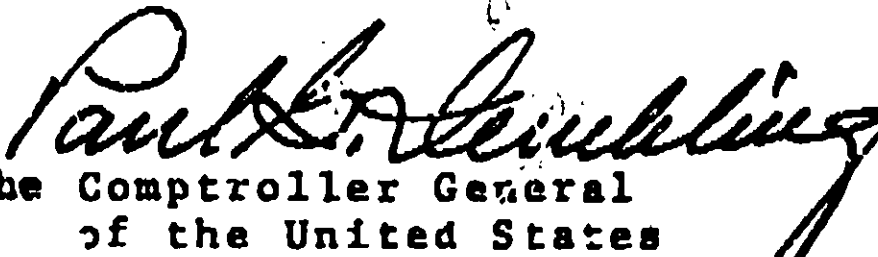
The record shows that a formally executed contract between the Defense Logistics Agency and Potter, calling for Potter to lease equipment to the Government and provide maintenance services therefor, expired on June 30, 1974. The contract was renewed and purchase orders were issued on January 14, 1975 for rental and on April 30, 1975 for maintenance. The claim is for the value of the rental and maintenance services which Potter provided during the interim period.

Absent a formally executed contract, relief in certain situations may be granted to a claimant "* * * for goods furnished on a quantum valebat basis for the reasonable value of goods sold and delivered or for services rendered on a quantum meruit basis for the reasonable value of work or labor." Acme, Inc., B-182584, December 4, 1974, 74-2 CPD 310. However, it must be shown that a benefit was received by the Government and that the unauthorized action by the claimant has been ratified by authorized contracting officials. See Monitor Products Company, Inc., B-182437, July 27, 1976, 76-2 CPD 85.

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In this instance, the claimant is reported to have provided the services to the Government in good faith, in response to a Government request that it do so. It is further reported that the Government has benefited from the services and that the contracting officer considers the prices quoted by the claimant to be reasonable. Moreover, the Government's request for and acceptance of the services rendered by Potter constituted implicit ratification of the claimant's actions. See Acme, Inc., supra; RCA Corporation, B-183289, December 3, 1975, 75-2 CPD 369.

Accordingly, payment of the amount claimed may be allowed if otherwise proper and correct.


For the Comptroller General
of the United States