

**Matter of:** Vista Contracting, Inc.

**File:** B-255267

**Date:** January 7, 1994

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Howard A. Pollack, Esq., Braude & Margulies, P.C., for the protester.  
Douglas L. Patin, Esq., and Stuart C. Nash, Esq., Kilcullen, Wilson & Kilcullen, Chartered, for P.E.I., Inc., an interested party.  
Edward J. Obloy, Esq., and Edward N. Hershon, Esq., Defense Mapping Agency, for the agency.  
Behn Miller, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

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#### **DIGEST**

1. Bidder's failure to indicate its cumulative bid price on Standard Form 1442 bid cover sheet does not render bid nonresponsive where bidder has properly completed its bid pricing schedule--by setting forth a fixed price estimate for every required contract line item number--and thus bidder's total price offer is easily determinable from the face of its bid documents.
2. Where bid bond properly references accompanying bid by solicitation number, is otherwise properly executed, and where the cumulative bid price is ascertainable from the face of the submitted bid pricing schedule, fact that bidder indicated bid bond indemnification amount as a percentage rather than exact numerical amount does not require rejection of bid as nonresponsive since the surety is clearly bound to indemnify the government in the required amount.

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#### **DECISION**

Vista Contracting, Inc. protests the award of a contract to P.E.I., Inc. (PEI), under invitation for bids (IFB) No. DMA800-93-B-7033, issued by the Defense Mapping Agency (DMA) for renovation of the agency's mapping and charting library located in Brookmont, Maryland. Vista contends that PEI's bid should have been rejected as nonresponsive since the awardee failed to insert a total bid price in the appropriate block of its bid cover sheet.

We deny the protest.

#### BACKGROUND

On August 30, 1993, DMA issued the IFB to 79 contractors. Bidders were to complete and submit a pricing schedule, set forth at section B of the solicitation, which contained three contract line item numbers (CLIN) and required price estimates for furnishing all labor, materials, supplies and equipment necessary to repair and alter the first and second floors of the library, CLIN 0001AA; providing and installing systems furniture, CLIN 0001AB; and providing and installing a moveable map file and filing system, CLIN 0001AC. Bidders also were required to complete and submit the solicitation's standard form (SF) 1442 cover sheet which contained an "AMOUNTS" blank and an "ACKNOWLEDGMENT OF AMENDMENTS" certification blank. Finally, the IFB required bidders to submit a bid bond in the amount of 20 percent of the bid price for CLIN 0001AA.

Between August 30 and September 24, a total of eight amendments were issued by the agency in response to various questions from bidders. In particular, on September 17, the agency issued amendment No. 0005, which advised bidders that the "amount" requested in block 17 of the solicitation's SF 1442 cover sheet referred to each bidder's "cumulative bid price"--that is, in this block of the cover sheet, bidders were to insert the sum of the three CLINs specified in the solicitation's pricing schedule.

At the September 29 bid opening, 11 bids were received; PEI was the apparent low bidder. That same day, Vista filed an agency-level protest with the contracting officer, challenging any proposed award to PEI as improper due to that firm's failure to insert a total bid price in block 17 of PEI's SF 1442. Vista contended that without a cumulative bid price figure on PEI's SF 1442 cover sheet, the awardee's bid and accompanying SF 24 bid bond sheet were nonresponsive. Vista argued that because PEI had expressed its bid bond guarantee amount on SF 24, the standard bid bond form, as "20%" of its bid price, but had neglected to insert a cumulative bid price figure in block 17 of SF 1442 or otherwise convert the percentage listed on the bid bond form to an exact number, neither PEI's total bid obligation nor the amount of its bid guarantee could be ascertained from the face of its bid.

After reviewing PEI's bid documents, the contracting officer determined that the lack of a total bid price in block 17 of the SF 1442 did not render PEI's bid nonresponsive because the total amount of PEI's bid was otherwise evident from PEI's submitted pricing schedule. Further, because PEI's bid bond clearly identified this IFB by solicitation number,

and because the bond clearly set forth a "20%" obligation in the designated "percent of bid price" block of the bid bond form and was otherwise properly executed, the contracting officer concluded that PEI's bid bond complied with the solicitation's bid guarantee requirement. Consequently, on September 30, the contracting officer denied Vista's agency-level protest and awarded the contract to PEI as the lowest priced, responsible, responsive bidder.

On October 6, Vista filed this protest with our Office essentially reiterating its agency-level protest grounds.<sup>1</sup> As discussed below, we find that PEI's bid was properly determined responsive.

## DISCUSSION

### PEI's SF 1442

Although PEI failed to insert its cumulative bid price in block 17 of its SF 1442 bid cover sheet, this omission did not render PEI's bid nonresponsive. A bidder's failure to set forth a cumulative price figure in its bid may be waived as a minor informality under Federal Acquisition Regulation (FAR) § 14.405 so long as the total bid amount is otherwise clearly determinable from the face of the submitted bid documents--for example, the pricing schedule. TCI, Ltd., 65 Comp. Gen. 433 (1985), 85-2 CPD ¶ 433. Here, PEI's pricing schedule contains prices for all three required CLINs in the corresponding schedule blanks; thus, notwithstanding the apparent omission of a total bid price figure in block 17 of the SF 1442, the cumulative amount of PEI's bid could be ascertained by adding the three CLIN prices submitted on PEI's schedule. PEI's failure to enter a bid price total in block 17 of its SF 1442 cover sheet is simply a waivable clerical omission. OTKM Constr. Inc., 64 Comp. Gen. 830 (1985), 85-2 CPD ¶ 273.

### PEI's Bid Bond

Bid bonds are a form of bid guarantee designed to protect the government's interest in the event of a bidder's default; that is, if a bidder fails to honor its bid in any respect, the bid bond secures a surety's liability for all procurement costs. See N.G. Simonowich, 70 Comp. Gen. 28 (1990), 90-2 CPD ¶ 298. As such, a required bid bond is a material condition of an IFB with which there must be compliance at the time of bid opening; when a bidder submits

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<sup>1</sup>Instead of submitting written comments on the agency's administrative report, Vista merely requested that this protest be decided on the existing record, as permitted by our Bid Protest Regulations, 4 C.F.R. § 21.3(j) (1993).

a defective bid bond, the bid itself is rendered defective and must be rejected as nonresponsive. Blakelee, Inc., B-239794, July 23, 1990, 90-2 CPD ¶ 65; Minority Enters., Inc., B-216667, Jan. 18, 1985, 85-1 CPD ¶ 57. The determinative question as to the acceptability of a bid bond is whether the bid documents establish that the bond is enforceable against the surety should the bidder fail to meet its obligations. A. W. and Assocs., Inc., 69 Comp. Gen. 737 (1990), 90-2 CPD ¶ 254.

In this case, PEI's bid bond clearly complied with the IFB's bid guarantee requirement. First, PEI's bid bond referenced this IFB by solicitation number, thereby expressly demonstrating that the bond was executed to cover PEI's obligation under this solicitation. See Fitzgerald & Co., Inc.--Recon., B-223594.2, Nov. 3, 1986, 86-2 CPD ¶ 510. Next, PEI's bid bond was for the required amount; in the "percent of bid price" block of the SF 24, PEI inserted "20%." While PEI did not reduce this percentage to a numerical figure, because the bond referenced this IFB, and because the full amount of PEI's contract obligation--as discussed above--was evident from the face of PEI's pricing schedule, we think the SF 24 clearly obligated PEI's identified surety in the amount of 20 percent of the bid price. Because its SF 24 was otherwise properly executed by both PEI and its corporate surety, we conclude that PEI's bid bond complied with the solicitation's bid guarantee requirement.

The protest is denied.

Robert P. Murphy  
Acting General Counsel

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<sup>2</sup>In fact, although the solicitation only required a bid bond in the amount of 20 percent of the amount bid for CLIN 0001AA, because PEI's bid bond amount obligated the surety for 20 percent of PEI's total bid price, the PEI bid bond indemnified the government for more than the amount required.