

**DECISION**



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

40379

FILE: B-180285

DATE: January 25, 1974

MATTER OF: Say Steel Company

**DIGEST:** Under invitation for bids for furnishing 770 pipe frames, bidder who, after award, alleged that quoted unit price of \$8.10 was incorrect and that quoted total price of \$8,547 was correct may have unit price corrected to read \$11.10 so as to agree with extended total price notwithstanding fact bid was verified since bid verification was inadequate.

On May 11, 1973, invitation for bids (IFB) No. DACW35-73-B-0071 was issued by the U. S. Army Engineer District, Detroit, Corps of Engineers, Department of the Army, Detroit, Michigan. The solicitation requested bids for furnishing specified quantities of pipe frames. In response, the Say Steel Company offered to furnish, among other items, the 770 pipe frames under item 1.a at a unit price of \$8.10 and the extended total price for that item was shown at \$8,547. The seven other bidders on item 1.a quoted unit prices ranging from \$14.60 to \$27.40.

The record indicates that in a letter dated May 17, 1973, addressed to itself, the Corps of Engineers listed the unit and total prices quoted by Say Steel in its bid and that it requested the company to confirm such prices by signing the copy of the letter and returning it to the Corps of Engineers. The company returned to the Corps of Engineers a signed copy of the letter of May 17, 1973, which showed a unit price of \$8.10 and a total price of \$8,547 for item 1.a. On May 23, 1973, Say Steel was awarded contract No. DACW35-73-C-0172 for furnishing the pipe frames under item 1.a. The Notice of Award specified \$8,547 as the total contract price for item 1.a but did not mention any unit price for such item. In addition to the cover letter, the contract cover sheet, Standard Form 33, entitled "Solicitation Offer and Award" indicated in the section entitled "Award," Block 22, the amount, \$8,547.


It is reported that after the pipe frames were delivered by Say Steel, the disbursing officer advised the company that until sufficient evidence was furnished by it to the Government, the unit price rather than the total price would control and that payment to the firm for the supplies delivered was to be made on the basis of the unit price quoted in its bid.

Say Steel alleges that while its total bid price for item 1.a is correct, the unit bid price for that item is incorrect. The company states that when it received the confirming letter of May 17, 1973, it did not notice the unit price listed therein for item 1.a but only noted the total price listed for such item. Say Steel has requested that the contract unit price for item 1.a be changed from \$8.10 to \$11.10 so that it will agree with the extended total price shown in its bid for that item. It also has requested an additional payment of \$2,233 for the pipe frames delivered by it under item 1.a.

Generally, when a bidder is requested to and does verify his bid, the subsequent acceptance of the bid consummates a valid and binding contract. Nevertheless, the contracting officer cannot discharge his verification duty merely by requesting confirmation of the bid price--the Government must apprise the bidder of the mistake which is suspected and the basis for such suspicion. See 44 Comp. Gen. 333, 386 (1965) and B-167954; October 14, 1969. Paragraph 2-406.1 of the Armed Services Procurement Regulation specifically provides that  
" \* \* \* in cases where the contracting officer has reason to believe that a mistake may have been made, he shall request from the bidder a verification of the bid, calling attention to the suspected mistake.

The record does not indicate that at the time of the request for verification, the contracting officer called the attention of Say Steel to the suspected mistake. Also, while in its confirming letter Say Steel confirmed the erroneous unit price, it also confirmed the alleged correct total price of \$8,547 for item 1.a. Moreover, it should be noted that in the notice of award the contracting officer advised Say Steel that its bid on item 1.a was being accepted on the basis of its total price of \$8,547 for that item. No mention of a unit price was made in the notice of award. In the circumstances, and since the error has been satisfactorily explained, Say Steel should not be required to furnish the pipe frames at the unit price quoted in its bid. Correction of the unit price will not change the total price of the contract. The bid when corrected will still be lower than the other bids received.

Accordingly, the contract may be modified to reflect a unit price of \$11.10 and payment for the pipe frames delivered by Say Steel is authorized to be made on that basis, as administratively recommended.

  
Deputy Comptroller General  
of the United States