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DECISION



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

FILE: B-220354 **DATE:** November 13, 1985
MATTER OF: Capitol Hill Blueprint Co.

DIGEST:

The Government Printing Office, whose procurement regulations permit the evaluation of offered prompt payment discounts in evaluating bids, properly reduced a bid offering an eligible prompt payment discount, thereby displacing a lower net bid, where the IFB incorporated by reference a provision that such discounts would be considered.

Capitol Hill Blueprint Co. (CHBP) protests the award of a contract to ABC Reprographics, Inc., under an invitation for bids (IFB) issued by the Government Printing Office (GPO) for the reproduction of drawings, Program 2897-S. CHBP contends that GPO improperly considered prompt payment discounts in evaluating the bids. We deny the protest.

CHBP bid \$252,398.79 net. ABC bid \$263,950.65 and offered a 5-percent discount for payment within 20 days. On evaluation of the bids, GPO reduced ABC's bid by \$13,197.53 for the discount, which made ABC's bid low at \$250,753.12. GPO evaluated the discount because the IFB incorporated by reference the provisions of Contract Terms No. 1, a GPO document prepared and issued for the benefit of prospective bidders and contractors, which expressly provides that prompt payment discounts offering 20 days or more will be evaluated. In this respect, the discount provision of Contract Terms No. 1 essentially repeats the provision at section 1e of GPO's Printing Procurement Regulation, which governs that agency's procurements.^{1/} The incorporation

^{1/} GPO, as a legislative branch agency, is not subject to the Federal Acquisition Regulation prohibition against evaluating prompt payment discounts.

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was effected by the first paragraph of the bid sheet, which provided that, by submitting a bid, "the bidder agrees to all of the provisions of . . . Contract Terms No. 1" and by the statement in the discount line itself, "See provision entitled 'Discounts,' in Part 1 of Contract Terms No. 1." Also, section 1 of the IFB's General Terms and Conditions provided: "CONTRACT TERMS NO. 1: Any contract which results from this Invitation for Bid will be subject to all terms and conditions of . . . Contract Terms No. 1."

CHBP complains that the invitation's evaluation provision does not mention prompt payment discounts, but provides only that the low bid will be determined by multiplying the quoted prices by the estimated annual units required. CHBP also notes that the IFB's General Terms and Conditions state that "In case of conflict between these Specifications and Contract Terms No. 1, these specifications will govern." The protester contends that the evaluation provision and Contract Terms No. 1 conflict as to whether offered discounts will be evaluated and argues that the evaluation provision thus must govern, so that discounts are not evaluated.

We find no legal merit in CHBP's position. Bidders were clearly notified at a number of places in the invitation to refer to the provisions of Contract Terms No. 1--with the discount provision noted specifically--which were incorporated into and made a part of the IFB and any resulting contract by reference. As to the protester's particular point, even considering the IFB's evaluation clause as a "specification" within the meaning of the provision CHBP cites, there is nothing in the clause's statement that the government will determine the lowest bid by applying the prices quoted to the number of units required that either prohibits or is inconsistent with adjusting the quoted prices by an offered discount. A solicitation must be interpreted as a whole, giving effect to every word, clause or sentence. Aerodyne Systems Engineering Ltd., B-216381, June 6, 1985, 85-1 C.P.D. ¶ 646. We thus agree with GPO that CHBP should have realized that bid prices would be adjusted for prompt payment discounts of 20 days or more; any failure to understand this fact was, in our view, the result of a failure to read and apply all IFB provisions.

The protester also alleges that it is obvious from the other bids submitted that CHBP was not the only company that did not know that offered prompt payment discounts would be considered in the evaluation. Of the five bids received, two offered 20-day discounts; one offered a 10-day discount; and two (including CHBP's) offered no prompt payment discounts. CHBP's allegation thus is based only on inference from the fact that one other bidder offered no discount and one bidder offered a discount for payment in less than 20 days. ABC, on the other hand, states that it was fully aware of the discount evaluation provision and relied on it in submitting a bid. Inferences like the one CHBP draws here do not satisfy a protester's burden of proof. Stalker Brothers, Inc., B-217580, Apr. 26, 1985, 85-1 C.P.D. ¶ 476.

Since, in our view, it was clear from the IFB that prompt payment discounts of 20 days or more would be applied in evaluating bids, GPO properly reduced the bid of ABC to reflect the prompt payment discount offered. The protest is denied.

for *Seymour E. Fero*
Harry R. Van Cleve
General Counsel