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DECISION



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

[Request for Contract Reformation]

40952

FILE: B-181533

DATE: July 17, 1974

MATTER OF: Makina Kimya Edustrisi Kurumu *23695*

DIGEST: Correction of mistake alleged after award of surplus sales contract is permitted where record indicates that contracting agency was on constructive notice of mistake prior to award, and where record clearly establishes the alleged typographical error in placement of decimal point.

Makina Kimya Edustrisi Kurumu (M.K.E.K.) has alleged, after award, a mistake in its price for an item in a surplus sales contract, and requests reformation of the contract price accordingly.

Contract No. 50-4089-001 was negotiated with M.K.E.K., which we are advised is the only company authorized to purchase Defense Department excess property located in Turkey. The contract was awarded by the Defense Supply Agency (DSA) on February 1, 1974 *107* after M.K.E.K. had submitted quotations on various items of Request for Quotation 50-4089, including an offer of 0.65 TL (Turkish Lira) per pound for item 6, offered as 60,000 pounds of rubber scrap.

By communication of February 27, 1974, M.K.E.K. alleged a typographical error in the price submitted for item 6, contending that the intended price was .065 TL per pound and requested reformation of the contract price accordingly. M.K.E.K. has submitted its worksheet in support of its allegation, which reveals an "0,065 lbs/" entry for item 6.

We are additionally advised by the DSA that M.K.E.K. held the previous contract for the same material at a unit price of 0.065 TL. The DSA submits that, under the circumstances, it is clear that M.K.E.K. did not intend to submit a quotation ten times that of its then existing sales contract, and that the sales contracting officer should be charged with constructive notice of such fact prior to award. Accordingly, the DSA recommends reformation of the contract price to reflect a unit price of 0.065 TL for item 6.

As a general rule, if an offeror makes a unilateral mistake, he is bound by the contract as awarded unless the contracting

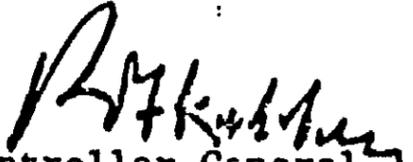
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officer knew, or should have known, of the mistake at the time of award. 49 Comp. Gen. 199, 201 (1969). Where the contracting agency admits that it should have been on notice of the error, and where the evidence in the record establishes that an error was in fact committed, our Office will grant relief. B-177446, January 23, 1973. Such relief may consist of an adjustment in the contract price where a decimal point error is satisfactorily established. B-158715, March 22, 1966.

In view of the contracting agency's admission of constructive notice of the mistake, and of the fact that not only did M.K.E.K.'s worksheet reflect the intended unit price, but that M.K.E.K.'s price on the then existing contract for item 6 was one-tenth what it bid for the current contract, we concur that the record establishes the alleged decimal point error, and consequently we will not object to the reformation of the contract to reflect a unit price of 0.065 for item 6.


Deputy Comptroller General
of the United States