



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Tri-Ark Industries, Inc.

File: B-270756

Date: April 18, 1996

Ruth E. Ganister, Esq., Rosenthal and Ganister, for the protester.
Deidre A. Lee, National Aeronautics and Space Administration, for the agency.
C. Douglas McArthur, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Where the individual signing the bid clearly has the authority to bind the bidder to the terms of the solicitation, the actual title accompanying the signature is immaterial.
2. Bid is not materially unbalanced absent any reasonable doubt that acceptance of the bid will result in the lowest ultimate cost to the government.

DECISION

Tri-Ark Industries, Inc. protests the award of a contract to Tolman Building Maintenance, Inc. under invitation for bids (IFB) No. 9-BJ3-T11-5-16B, issued by the National Aeronautics and Space Administration (NASA) for custodial services. Tri-Ark alleges various irregularities in the Tolman bid.

We deny the protest.

On October 5, 1995, NASA issued the IFB for a firm, fixed-price contract to provide custodial support services at the Lyndon B. Johnson Space Center in Houston, Texas, for a base period of 10 months, with two 1-year option periods. The IFB provided for award on the basis of low price, including options.

Tolman submitted the lowest of 15 bids on November 30. Tri-Ark, which submitted the second low bid, filed this protest against award to Tolman with our Office on December 15.

Tri-Ark contends that the Tolman bid is nonresponsive because, the protester alleges, both the bid and the accompanying certificate of procurement integrity may have been improperly executed. Specifically, Tri-Ark asserts that the individual who signed Tolman's bid as president is actually the firm's secretary. Further, the line on the certificate of procurement integrity on which the name of the person providing the certification is to be inserted was not completed, and, Tri-Ark alleges, the signature on the certificate is illegible.

We have long recognized that bidders may submit evidence establishing the authority of an individual to sign a bid after bid opening. 49 Comp. Gen. 527 (1970). Here, in response to the agency's inquiry, the bidder provided a letter confirming the authority of the individual who signed the bid to bind the corporation. That individual served as president of the corporation until November 6, shortly before preparation of the bid; he is now chairman of the board and secretary. Where, as here, the individual signing the bid clearly has the authority to bind the bidder to the terms of the solicitation, the actual title accompanying the signature is immaterial. See Best Western Conference Ctr., B-255425, Feb. 28, 1994, 94-1 CPD ¶ 156.

Next, the agency states it found nothing irregular about the signature affixed to the certificate of procurement integrity. We have examined the signature and while it is not a model of clarity, we see no basis to question its authenticity. Further, omission of the name of the individual providing the certification from the first paragraph of the clause at Federal Acquisition Regulation § 52.203-8 does not render the certification invalid where, as here, the bidder has properly inserted the name and signature of that individual in the last paragraph. Woodington Corp., B-244579.2, Oct. 29, 1991, 91-2 CPD ¶ 393. The agency has verified that the signature on the certificate is in fact the signature of the individual whose name appears, and we see nothing improper in the agency's acceptance of the certificate as submitted with the bid.

Tri-Ark also asserts that the bid bond accompanying the bid "may be invalid." Tri-Ark states that because the bid bond is dated November 14, before the issuance of amendment No. 5 to the IFB on November 17, Tri-Ark should have had its bonding agency verify that the bond applied to the IFB as amended. Tri-Ark cites no applicable law for this proposition and we are aware of no requirement that a bid bond be "verified" as Tri-Ark suggests.¹ Since the bid bond otherwise was in

¹The case Tri-Ark cites, Weber Constr., B-233848, Mar. 27, 1989, 89-1 CPD ¶ 309, is inapposite as it involved an agency's rejection of a bid where the bidder failed to submit the Standard Form 1442 and therefore failed to commit itself to the material requirements of the IFB.

order, the fact that it was executed before issuance of an amendment to the IFB does not affect its validity.²

Tri-Ark also contends that Tolman's bid is unbalanced because its monthly price for the base period is higher than the monthly price for the option years. Tolman's monthly price was \$173,795.50 a month for the base period and \$156,417.50 a month for the 2 option years.

An examination of bid unbalancing has two aspects. First, the bid must be evaluated mathematically to determine whether each item carries its share of the cost of the work, plus overhead and profit. The second aspect—material unbalancing—involves an assessment of the cost impact of a mathematically unbalanced bid. Rust Int'l Corp.; ABB Susa, Inc./Brown & Root, a Joint Venture, B-256886.2 et al., Aug. 30, 1994, 94-2 CPD ¶ 84. Even where a bid is mathematically unbalanced, it should not be rejected where there is no reasonable doubt that award to the bidder submitting the allegedly unbalanced bid will result in the lowest ultimate cost to the government. Id. Here, Tolman's bid becomes low in the second month of the first option year. The agency states that it intends to exercise the option, and there is nothing in the record to support a reasonable doubt that award to Tolman will result in the lowest ultimate cost to the government. Accordingly, even if the bid were mathematically unbalanced, there would be no basis to reject the bid as materially unbalanced.

The protest is denied.

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²In its comments on the agency report, the protester questions whether Tolman acknowledged receipt of amendment No. 5. As indicated on the cover page of its bid, a copy of which was included in the agency report, Tolman acknowledged all the amendments to the IFB.