



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Department of the Army--Reconsideration

File: B-271492.2

Date: November 27, 1996

Donald E. Goodroe for the protester.

Maj. Michael J. O'Farrell, Jr., Department of the Army, for the agency.

Adam Vodraska, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Request for reconsideration by an agency is denied where the factual errors it identified and the new information it provided do not warrant reversal or modification of the decision sustaining the protest.

DECISION

The Department of the Army requests reconsideration of our decision S.D.M. Supply, Inc., B-271492, June 26, 1996, 96-1 CPD ¶ 288, which sustained the protest of S.D.M. Supply, Inc. against the issuance of purchase order No. DABT01-96-V-0248 to New Pig Corporation under request for quotations (RFQ) No. DABT01-96-T-0112 by the U.S. Army Aviation Center, Fort Rucker, Alabama, for a quantity of aerosol can puncturing systems.

We deny the reconsideration request.

This small purchase RFQ was issued and responses were invited to be submitted through the Federal Acquisition Computer Network (FACNET). S.D.M. protested that the agency failed to consider its low-priced quote to the agency submitted through FACNET. The agency did not consider S.D.M.'s quote because it was unaware it had received it due to a computer system problem. We sustained the protest because the record evidenced that the agency failed to satisfy its obligation under the Competition in Contracting Act of 1984, 10 U.S.C. § 2304(g)(3) (1994), to promote competition to the maximum extent practicable, inasmuch as the agency did not have adequate procedures in place to ensure that quotations received through FACNET would be considered. See East West Research Inc., B-239565; B-239566, Aug. 21, 1990, 90-2 CPD ¶ 147, aff'd, Defense Logistics Agency--Recon., B-239565.2; B-239566.2, Mar. 19, 1991, 91-1 CPD ¶ 298. Specifically, we found that the agency's loss of the protester's quotation was due to a systemic failure that

resulted in the loss of all other quotations submitted for this RFQ through FACNET and that similar systemic failures have occurred for other RFQs issued by Ft. Rucker.

The Army first asserts that the following statements made on pages 2 and 3 of the decision contain factual errors and these errors may have caused our Office to erroneously sustain the protest. The contested statements are:

"[a]ll transactions conducted over FACNET, except the issuance of RFQs, are acknowledged automatically by the end of the business day following the arrival of the transmission at its destination to notify the sender as to whether a transaction has been received, e.g., to notify a trading partner that its quotation has been received by the contracting agency."

"quotations . . . were received by the Standard Army Automated Contracting System (SAACONS) government computer gateway located at Fort Lee, Virginia, and relayed to Fort Rucker."

"the acknowledgment received by S.D.M. was generated by the SAACONS government gateway. . . ."

The Army states that there is no true end-to-end confirmation of the receipt of quotations over FACNET from the contracting office to the quoting trading partner, as it thinks was implied by the first of these statements.¹ Rather, according to the Army, once a government gateway computer receives a quotation from a trading partner such as S.D.M., the gateway computer sends an acknowledgment back to the trading partner through the trading partner's Value Added Network (VAN) to confirm that the quotation has been received at the gateway and that the quotation has been retransmitted to its intended destination; in other words, this notice from the gateway computer does not verify that the contracting activity has actually received the quotation submitted over FACNET.

¹Our statement was based on information contained in the Federal Electronic Commerce Acquisition Instructions supplied by the protester, which it had obtained from the Department of Defense Electronic Commerce Information Center. The Instructions stated that "[i]t is a function of the automated process that an [acknowledgment] will be transmitted by the end of the business day following the arrival of the transmission in the recipient's mailbox to notify the sender that [a] transaction has been accepted or rejected." This statement clearly refers to acknowledgments generated by the government, which is what was at issue in this case. In addition, we note that trading partners are instructed to send acknowledgments for all transactions, except RFQs, at the time they are received.

The Army also explains that the government computer gateway which processes the Army's FACNET transactions, and which acknowledged S.D.M.'s quote, is the Standard Automated Contracting System (SACONS) operated by the Defense Information Systems Agency, not SAACONS, as identified in the decision.² In this regard, the Army points out that it does not control the entire FACNET infrastructure and that problems can occur at the SACONS government computer gateway which might affect the receipt of quotations at an Army contracting activity, such as Ft. Rucker, despite the gateway's acknowledgment of the receipt of a trading partner's quotation. Specifically, according to the Army, if a "corrupted" data file is received by the SACONS gateway from a VAN and is passed on by the gateway to the contracting activity, or if data is "corrupted" during the "translation" of the data file by the gateway into a "flat file" for transmission and is then passed on to the contracting activity, the contracting activity may not know that the "corrupted" data or any subsequent quotations have been received in its system where the corrupted data caused a system "logjam,"³ as the Army asserts happened in this case.⁴

First, our mistaken use of the acronym SAACONS instead of the acronym SACONS in referring to the government computer gateway does not warrant changing our decision. Although SACONS is operated by an agency other than the Army, our point was that the acknowledgment received by S.D.M. was generated by the government gateway computer, which evidenced that S.D.M.'s quote had been received by the government in FACNET, and not the protester's VAN, as had been earlier asserted by the agency when it denied there was any evidence supporting the government's receipt of S.D.M.'s quote.

²The Army states that SAACONS is not a government computer gateway, but is the Army's automated contracting software and hardware business system, which, along with other government business systems, is supported by the SACONS gateway. The SACONS government computer gateway is located in Columbus, Ohio, and not at Fort Lee, Virginia, as stated in the decision; Fort Lee is where the Army office responsible for maintenance, testing, distribution and customer support for SAACONS is located.

³Such a "logjam" apparently permits no FACNET quotes to be retrievable from the local activity's computer system until the "logjam" is cleared.

⁴Because the Army failed to provide such factual background in its report submitted for the protest, our office conducted a telephonic hearing with the protester and agency personnel to gather information on how the quotations transmitted over FACNET were "lost" in this case.

Moreover, while, as recognized in our prior decision, the technical problem which prevented the electronic quotations from being considered by Ft. Rucker was with the FACNET system itself, not Ft. Rucker's computer system, this does not change the fact that the quotations, including the protester's, were actually received by the Army in the Ft. Rucker computer system, as stated in the decision, but had not been retrieved from that system. Contrary to the agency's argument, the decision did not imply that Ft. Rucker itself had acknowledged receipt of S.D.M.'s quotation, but correctly stated that S.D.M.'s quotation was acknowledged by the government computer gateway and re-transmitted to Ft. Rucker, and that the Ft. Rucker contracting office was unaware that the quotations were in its computer system because of the above-described technical problem.

Thus, the misstatements in our prior decision did not affect our disposition of S.D.M.'s protest.

The Army also asserts that our basis for sustaining the protest—that the agency did not have adequate procedures in place to ensure the consideration of quotations received through FACNET—was based on inaccurately reported statements attributed to agency personnel during the unrecorded telephonic hearing conducted by our Office.⁵ The Army has provided affidavits from the Ft. Rucker contracting personnel who participated in the hearing disputing the statements on page 4 of the decision that they had previously experienced the occurrence of the identical problem and that they "were inexperienced with the computer system, [and] failed to check available computer system status reports, which would have indicated the existence of the problem." These affidavits evidence that the contracting personnel at Ft. Rucker checked for the receipt of electronic quotations for this RFQ both before the placement of the purchase order when they realized that had received none, and again when they became aware that quotations that had been submitted had not been received. An affidavit of the computer systems administrator for the purchasing office shows that despite her search of the Ft. Rucker computer system for FACNET quotations at the request of contracting officials both before and after the issuance of the purchase order, and her subsequent discovery of the "backlog" of quotations, she was unable to retrieve the quotations because of the above-described technical problem, and that she asked for assistance from SAACONS personnel. The affidavits finally assert that "this particular problem was the first of its kind for Ft. Rucker," although it "has experienced technical problems before with" FACNET.

While this may have been the first time the source of the problem preventing the receipt of quotations at Ft. Rucker was specifically identified to the Ft. Rucker contracting personnel by SAACONS personnel, the Ft. Rucker contracting personnel

⁵Our hearings are generally recorded.

do not deny in their affidavits that they reported at the hearing that Ft. Rucker had previously experienced problems with the receipt of quotations over FACNET, including the loss of quotations, as was stated in our decision. Moreover, in his affidavit, the SAACONS technician who participated in the hearing admits that the same problem has occurred at other installations--this supports our conclusion that the agency's failure to consider the protester's quotation was due to a previously identified systemic problem. In any case, we find nothing in the affidavits from the agency personnel that is inconsistent with our attorney's recollection, as confirmed by the protester, that the SAACONS technician stated at the hearing that the quotations were actually in the Ft. Rucker computer, but that Ft. Rucker's computer systems administrator was unfamiliar or inexperienced with the computer functions necessary to retrieve the data. In this regard, the SAACONS technician indicated that available computer system status reports would have alerted contracting personnel to the technical problem preventing the receipt of quotations.

Despite the apparent availability of preventive measures and the problems it has experienced with FACNET, the Army had not implemented procedures designed to notify contracting personnel of technical problems that might prevent the timely consideration of quotations submitted through FACNET. Indeed, the supervisor of the Ft. Rucker purchasing office states in her affidavit that no guidance or training had been provided to her office in this regard. The Army informs us that it has now implemented procedures to prevent the same problem from recurring, which include sending a computer message if an error occurs, printing reports automatically to alert users to the processing status, and advising users to check these reports. Nonetheless, the evidence presented here by the Army supports our basis for sustaining the protest, namely that the Army did not have adequate procedures in place to ensure that quotations received through FACNET would be fairly considered, and thus failed to promote competition to the maximum extent practicable.

To prevail on a request for reconsideration, the requesting party must show that our prior decision contains either errors of fact or law or present information not previously considered that warrants reversal or modification of our decision. 4 C.F.R. § 21.14 (1996). Since neither the new information provided by the Army nor the factual errors it identified warrant reversal or modification of our decision, the request for reconsideration is denied.

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