

DECISION

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

FILE: B-209189**DATE:** October 22, 1982**MATTER OF:** Bell Appliance Service, a division of Bell
Restaurant Equipment Repair Service, Inc.**DIGEST:**

1. Whether bidder will be able to perform contract satisfactorily at its bid price is one element for the contracting officer to consider in determining whether bidder is a responsible prospective contractor; an affirmative determination in this regard will not be reviewed by GAO absent a showing of fraud on the part of procuring officials or an allegation that the solicitation contains definitive responsibility criteria which have not been applied.
2. Whether a contractor will satisfactorily perform a contract which already has been awarded is a matter of contract administration which is the procuring agency's responsibility and is not considered by GAO under its Bid Protest Procedures.

Bell Appliance Service, a division of Bell Restaurant Equipment Repair Service, Inc., protests the award or proposed award of a contract under invitation for bids No. F64605-82-B-0037 to Dodson Gough Management Systems Inc. to service over 20,000 appliances in six different areas at Hickam Air Force Base. Bell contends that Dodson's bid is so low, in relation to the service requirements shown in the specifications, that it cannot satisfactorily perform the contract.

Based on the figures in Dodson's bid, Bell speculates that Dodson would engage only three employees to service the appliances on a 7-day 24-hour basis, and that as a management company, rather than a service company, Dodson would simply receive complaint calls and subcontract the actual performance to other companies. Bell predicts that Dodson's service will be unsatisfactory if it attempts to perform the contract in this manner.

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It is not clear from Bell's protest whether its position is that the Air Force should not make an award to Dodson because that firm is not a responsible prospective contractor, or that having been awarded the contract, Dodson will not perform it satisfactorily. In either event, we dismiss the protest for the reasons stated below.

If Bell is objecting to the proposed award of a contract to Dodson, we note that the fact that the bidder may have submitted a below-cost bid, in itself, does not constitute a legal basis for precluding a contract award. Bowman Enterprises, Inc., B-194015, February 16, 1979, 79-1 CPD 121. The amount of the bid is only one element a contracting officer may consider in determining whether a bidder is a responsible prospective contractor. The contracting officer might conclude, for example, that a bidder simply could not perform the contract at its bid price without endangering its own financial stability, thereby disrupting performance of the contract. A contracting officer essentially is making a business judgment in determining whether a bidder is responsible. In view of the considerable discretion exercised by the contracting officer, we have stated that we will not review a contracting officer's affirmative determination that a bidder is responsible unless the protester shows fraud on the part of procurement officials or the solicitation contains definitive responsibility criteria which allegedly have not been applied. Nedlog Company, B-204557, September 21, 1981, 81-2 CPD 235. Neither exception appears to be present here.

If Bell's protest is that Dodson will not satisfactorily perform a contract which already has been awarded to it, that is a matter of contract administration which is the procuring agency's responsibility and not one we will consider under our Bid Protest Procedures. GEM Resources, Inc., B-207807, July 6, 1982, 82-2 CPD 23.

The protest is dismissed.

Harry R. Van Cleve
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Acting General Counsel