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DECISION



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

FILE: B-219397.4 **DATE:** December 23, 1985

MATTER OF: Payco American Corporation; General
American Credits

DIGEST:

1. GAO will not consider the merits of a case where the protester is not in line for award even if its protest is sustained because protester is not an "interested party" under GAO Bid Protest Regulations, 4 C.F.R. § 21.0(a) (1985).
2. Where the range of prices received by the agency under a solicitation clearly indicates that the successful offeror's price was reasonable, protest by firm, relying on its own cost experience for similar work, that successful offeror's price was unreasonably low and was improperly evaluated by the agency at face value, is denied.

Payco American Corporation, on behalf of itself and its commercial division, General American Credits, protests the multiple award of contracts by the General Services Administration (GSA) to various firms under request for proposals (RFP) No. FGA-N1-XU248-N, for consumer and commercial debt collection services. Payco, which submitted a proposal for the collection of consumer accounts, and General, which submitted a proposal for the collection of commercial accounts, assert that they are highly experienced firms that submitted technical proposals substantially superior to those of the firms awarded the contracts. Specifically, the protesters contend that GSA improperly awarded the contracts to the other firms^{1/} because GSA's evaluation and selection of the successful offerors, based on a combined scoring of technical merit and price, was flawed since the successful offerors' proposed prices (contingent fees based on a percentage of debts recovered) were unrealistically low and reflected a lack of understanding by the awardees of the nature and scope of work.

^{1/} Award was made by line item.

We dismiss the Payco protest in its entirety; we dismiss the General protest in part and deny it in part.

According to the RFP, award for each of the 8 line items now under protest was to be made to the offeror submitting the proposal with the highest evaluated combined total technical and price score, based on a maximum score of 100 (60 percent for technical and 40 percent for price). The record shows that evaluation by GSA resulted in the following rankings (these rankings have not been previously revealed to the protesters):

<u>Line Items</u>	<u>Awardee's Score</u>	<u>Protesters' Score</u>	<u>Number of Intermediate Offerors</u>
1	98.92	General 72.06	7
2	98.17	Payco 75.66	8
3	97.65	General 95.63	0
4	98.17	Payco 81.66	2
5	98.92	General 75.76	11
6	92.35	Payco 78.58	3
7	98.58	General 81.20	4
8	98.17	Payco 75.12	10

The protesters have not indicated why their proposals were superior to the others received, nor have they challenged the evaluation results for any intermediate offeror. Thus, even if these protests are sustained, anywhere from 2 to 11 intermediate offerors are next in line for award by the stated award selection criteria of the solicitation. It follows that Payco is not next in line for award for any line item under the terms of the solicitation and that General is also not in line for award except for line item No. 3. Therefore, except for line item No. 3, the

protesters do not have the requisite direct and substantial interest to be considered an interested party under our Bid Protest Regulations, 4 C.F.R. § 21.0(a) (1985). Dynalelectron Corporation--PacOrd, Inc., B-217472, Mar. 18, 1985, 85-1 CPD ¶ 321; Simulators Limited, Inc.--Reconsideration, B-215091.2, et al., Sept. 25, 1984, 84-2 CPD ¶ 355; Unico, Inc., B-217135, Mar. 8, 1985, 85-1 CPD ¶ 287. Accordingly, Payco's protest is dismissed in its entirety. General's protest, except with respect to line item No. 3, is also dismissed.

Concerning the remaining line item, the record shows that General offered a price of 3 percent for accounts 0-6 months old, and 9.5 percent for accounts 7-12 months old. The awardee for this item offered 4 percent and 8.5 percent respectively. As to General's claim that the award prices were unrealistically low, we merely note that for accounts 0-6 months old, General's price was lower than the awardee's price. For accounts 7-12 months old, we again simply note that four other firms offered prices within the 8-10 percent range, and 18 offerors proposed prices within the 8-15 percent range. While the protester asserts that its cost experience on similar federal debt collection work indicates that, generally, higher prices are in order, the range of prices received by GSA clearly indicates to the contrary. Based on this record, we do not see any basis to conclude that GSA's evaluation was improper. Moreover, as GSA notes, whether the awardee can perform at the stated fee is a matter of responsibility. In this connection, our Office will not disturb an affirmative determination of responsibility absent a showing of fraud or bad faith on the part of procuring officials or of the failure to apply definitive responsibility criteria contained in the solicitation. Denver X-Ray Instruments, Inc., B-220963, Nov. 15, 1985, 85-2 CPD ¶ ____. These exceptions are not applicable here. Accordingly, this basis for protest is denied.

We dismiss Payco's protest; we dismiss General's protest in part and deny it in part.

for 
Harry R. Van Cleve
General Counsel