



The Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

**Matter of:** List Processing Co., Inc.

**File:** B-225353

**Date:** February 5, 1987

### DIGEST

Protest alleging that awardee's proposal does not comply with the specifications in several respects is denied, since agency's determination that awardee's proposal was acceptable had a reasonable basis and fact that protester does not agree with agency's conclusion does not itself render the evaluation unreasonable.

### DECISION

List Processing Co., Inc. (LPC), protests the award of a contract to Computer Network Corporation (Group I Software) under request for proposals (RFP) 86-RFP-01, issued by the Selective Service System. The RFP was issued for a United States Postal ZIP+4 (9 digits) software package to be used in the operation of the mailing system at Selective Service's Data Management Center (DMC) at Great Lakes, Illinois. LPC argues that Group I's package did not comply with the specifications in several respects. Also, LPC complains that Group I offered an unrealistically low price.

We deny the protest.

The RFP was issued on June 16, 1986. Three offers were received which included offers from Group I and the protester. Technical discussions were held with all three firms and operational tests of the software packages proposed by Group I and the protester were conducted at DMC prior to Selective Service's request for best and final offers. The third firm did not complete the operational test requirements and withdrew from the procurement. Both of the remaining firms were determined to be technically acceptable. Since LPC's price of \$32,200 was significantly higher than Group I's price of \$19,365, Group I was determined to be the lowest, technically acceptable offeror and award was made to that firm on September 24.

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LPC contends that Group I's software does not meet the RFP requirement that the software system take advantage of the IBM virtual storage access method (VSAM) file structure available on the Selective Service mainframe computer. The protester also argues that Group I's software is not capable of ZIP code validation and assignment of ZIP+4 in a single pass of the sorted Selective Service input file as required by the RFP. Further, according to the protester, Group I's software does not meet the RFP requirement for random access of the master file. Finally, LPC says that Group I's price was unrealistically low.

Selective Service states that the software system provided by Group I does, in fact, meet the three RFP requirements cited by the protester. In each instance, the agency states that Group I's proposal offered the disputed feature and in each case the evaluation team observed that the software performed the function during the operational test.

LPC has failed to prove its contentions. In response to the agency's report, the protester has restated its suspicions but has offered no evidence that Group I's software does not meet the three disputed requirements. Moreover, LPC's interpretation of the disputed requirements appear to be too narrow. The RFP requirement for a single pass system, for example, is merely recited, without explanation. According to the protester, Group I's software is not a single pass system because, LPC believes, it consists of three steps, each of which processes a record in turn. LPC acknowledges, however, that all three steps may occur as part of one operation, which is the most we believe the solicitation required. Consequently, we have no basis upon which to object to the selection.

Finally, LPC contends that Group I's price was unrealistically low. The solicitation did put offerors on notice that unrealistically low prices may be considered as evidence of lack of technical competence or of a failure to understand contract requirements. Here, however, the agency evaluators determined that Group I's proposal was acceptable and its price realistic. In any event, the submission of a below cost or low profit offer is not illegal and provides no basis in itself for challenging the award of this firm fixed-price contract. ORI Inc., B-215775, Mar. 4, 1985, 85-1 CPD ¶ 266.

The protest is denied.

for *Harry R. Van Cleve*  
Harry R. Van Cleve  
General Counsel