



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Howard Management Group -- Claim for Costs
File: B-221889.2
Date: June 17, 1987

DIGEST

A protester is entitled to be reimbursed for its reasonable bid preparation costs and the costs of filing and pursuing its protest where acceptance of the recommendation for corrective action became impracticable because the agency never suspended performance on the contract it had awarded as required by law and the work had been almost completed during the agency's consideration of the recommendation.

DECISION

Howard Management Group (HMG) requests a finding by our Office that it is entitled to reimbursement from the Department of the Navy for its bid preparation costs and the costs of preparing, filing and pursuing its protest. HMG had protested the rejection of an amendment to its bid as late under invitation for bids (IFB) No. N62468-84-B-4144. We concluded that the Navy's mishandling in the process of receipt of the modification was the paramount cause of its being late since the Navy had erroneously informed HMG that it had a telex machine to which Western Union could transmit the modification when, in fact, it had a telecopier connected to the telephone network. We therefore sustained the protest and recommended that the Navy consider HMG's amendment and that if HMG was found to be the low, responsive and responsible bidder, the contract awarded to another firm be terminated for convenience and award made to HMG. Howard Management Group, B-221889, July 3, 1986, 86-2 CPD ¶ 28.

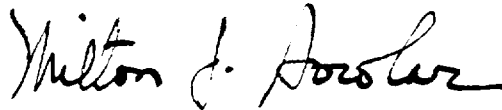
The record shows that the Navy never did suspend performance of the contract awarded to another firm as required by the Competition in Contracting Act, 31 U.S.C. § 3554(c)(3) (Supp. III 1985), and did not execute the required determination and findings (D&F) to allow performance to continue until June 11, 1986, more than 3 months after it had been notified of the protest. After we sustained HMG's protest, we were advised by the Navy that our recommendation could not be followed since the awarded contract was almost complete.

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Thus, the Navy has unreasonably excluded HMG from the procurement, and no remedy other than reimbursement for costs is presently available. We, therefore, find HMG entitled to recover its reasonable costs incurred in the preparation of its bid and the costs of filing and pursuing its protest, including attorney's fees. 4 C.F.R. § 21.6(d) and (e) (1986); Associated Healthcare Systems, Inc., B-222532, Sept. 2, 1986, 65 Comp. Gen. _____ (1986), 86-2 CPD ¶ 246; E.H. Pechan & Assocs., Inc., B-221058, Mar. 20, 1986, 86-1 CPD ¶ 278.

HMG should submit its claims for such costs directly to the Navy. If the parties are unable to reach an agreement within a reasonable time, this Office will determine the amount to be paid. 4 C.F.R. § 21.6(f).

for 
Comptroller General
of the United States