



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: United Media Corporation

File: B-259425

Date: December 28, 1994

DECISION

United Media Corporation, a bidder under invitation for bids (IFB) No. F33601-94-B0018, protests the determination by the Air Force to maintain in-house performance of visual information services at Wright-Patterson Air Force Base, Ohio. After conducting a cost comparison pursuant to the Office of Management and Budget (OMB) Circular No. A-76, the Air Force concluded that it would be more advantageous for the government not to contract for the services.

We dismiss the protest.

The agency issued the IFB on June 17, 1994, as a two-step procurement, to provide the Air Force with a cost comparison to determine whether it would be more economical to perform the services in-house or by contract. The agency received bids from two firms which had submitted initial technical proposals, and a bid from the government. United Media submitted the apparent low bid. Subsequently, the government requested that it be allowed to correct a mistake in its bid. The Air Force allowed the correction, resulting in the government's bid becoming low. By letter dated November 9, the agency informed United Media that as a result of the cost comparison, the services would remain in-house.

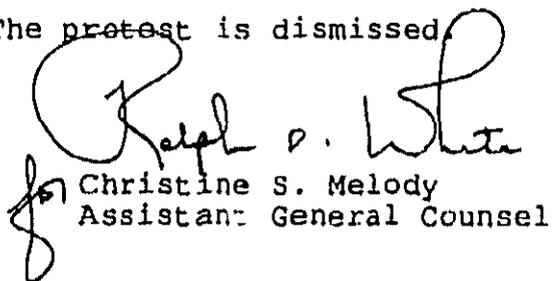
United Media subsequently filed an administrative appeal of the cost comparison in accordance with Air Force regulations and OMB Circular A-76. Before the agency responded to United Media's appeal, the protester filed this protest in our Office on November 18.

Since the Air Force has not completed its review of United Media's first-tier appeal, we conclude that the protest is premature because the protester has not exhausted the agency's administrative appeal process. Federal Acquisition Regulation § 7.307, in accordance with OMB Circular No. A-76, requires that agencies establish appeals procedures for informal administrative review of cost comparisons. In response to this requirement, the Air Force has established a two-tiered appeal process in which the findings of a cost comparison administrative appeal review

team may be reviewed by a major command. Since there is a relatively speedy Air Force appeal procedure formally included as part of the OMB Circular No. A-76 decisionmaking process, such decisions are not final until the review procedures have been exhausted, and a protest alleging deficiencies in such a cost comparison is premature. See Intelcom Support Servs., Inc., B-234488, Feb. 17, 1989, 89-1 CPD ¶ 174.

If at the conclusion of the Air Force's review United Media is dissatisfied with the agency's final decision on the matter, United Media may file a timely protest with our Office at that time.

The protest is dismissed.


for Christine S. Melody
Assistant General Counsel