

DECISION



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

FILE: B-194716

DATE: September 4, 1979

MATTER OF: Price Waterhouse & Co.

[Protest Alleging Inadequate Information in RFP]

DIGEST:

CNG 00206

1. Where RFP and previous year's auditor's report furnished to offerors provide sufficient information for an offeror to make a price proposal for audit of organization's financial records, protest that it would be impossible to prepare a price proposal without review of financial statements to be audited is without merit. Nevertheless, prospective offerors would benefit if permitted to examine accounting records and to question accounting personnel and should be permitted to do so where feasible.
2. Government is not required to equalize competitive advantage of past contractor where such advantage does not result from preference or unfair action by Government.

AGC 00789

Price Waterhouse & Co. protests the award of any contract under request for proposals (RFP) BIB-79, issued by the Board for International Broadcasting (Board) for an audit of the financial records of Radio Free Europe/Radio Liberty, Inc., a Federally-funded nonprofit corporation over which the Board has oversight.

Price Waterhouse contends that it cannot prepare a price proposal based only on the information provided in the RFP. The protester claims that since the solicitation is for a fixed-price contract, an offeror must have the opportunity to personally assess the quality of the financial records and the personnel charged with their maintenance.

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In our opinion, the RFP and the Board's most recent annual report which was furnished to prospective offerors provides sufficient information for an offeror to make a price proposal. The Board's annual report contains the auditor's report for fiscal year 1978 which renders an unqualified opinion on the Board's financial statements. This opinion should help prospective offerors form an opinion on the quality of the Board's financial records. The balance sheet and related statements of revenues, expenses and changes in fund deficit, and of changes in financial position provide sufficient data for offerors to establish the scope of the examinee's financial operations. Moreover, because the financial records to be examined are located in Germany, the Board considered it infeasible to permit all prospective offerors to examine the records. Thus, we believe that the Board's refusal to permit prospective offerors to examine the financial records was not unreasonable.

Price Waterhouse also contends that because the previous auditor of Radio Free Europe/Radio Liberty, Inc. is familiar with the accounting records, systems and personnel of the organization, it has a competitive advantage over firms without such knowledge. We have consistently held that the Government is not required to equalize competition on a particular procurement by considering the competitive advantage enjoyed by an incumbent or past contractors unless the competitive advantage is the result of a preference or unfair action by the Government. Price Waterhouse and Co., B-186779, November 15, 1976, 76-2 CPD 412; Telos Computing, Inc., 57 Comp. Gen. 370 (1978), 78-1 CPD 235. The record contains no evidence of such preference or unfair action in this case.

Although we believe that the protester was provided sufficient information to formulate a proposal, we support the idea of permitting prospective offerors to examine accounting records prior to submission of proposals for the examination of financial statements when it is feasible. Prospective offerors would benefit if accounting records are made available for examination and if accounting personnel are available to answer questions. We believe this information would permit potential contractors to improve their technical and price proposals.

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The protest is denied.

deputy

R. F. K. Hill
Comptroller General
of the United States