

13657 PL-11
Eaton

DECISION



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

FILE: B-197321

DATE: May 6, 1980

MATTER OF: William Big Spring, Jr. PD

DIGEST:

GAO denies protest regarding procuring agency's addition of estimated administrative costs to prices quoted in small purchase. Regulations do not require disclosure of evaluation factors in request for quotations, and permit consideration of administrative costs in determining whether procurement is fair to Government.

William Big Spring, Jr. protests the Forest Service's award of a contract to provide winter pasture for 48 Government-owned horses and mules in the Flathead National Forest, Spotted Bear Ranger District, Hungry Horse, Montana. DLG04595

Because of the broad discretion granted contracting officers by the regulations regarding small purchases, we are denying the protest. The facts are as follows.

In response to the Forest Service's request for quotations, No. 10-1-80, Mr. Big Spring offered to provide pasture for five months for \$2,400 (\$10 per head per month). However, the Forest Service added \$1,700 in estimated additional costs to his quote, making the total evaluated price \$4,100. The awardee, Dennis Rasmussen, offered to provide the pasture for \$3,540 (\$14.75 per head per month); \$440 in additional costs were added to his quote, making his evaluated price, \$3,980, the lowest.

Wages for a packer to deliver the animals to pasture in the fall and pick them up in the spring, wages (including overtime and per diem in Mr. Big Spring's case) and mileage for four inspection trips, and the cost of a truck for hauling the animals were included in the estimated administrative costs.

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Mr. Big Spring protests that his was the lowest and best bid and that all administrative costs except those for delivery and pickup were "merely guesses." The Forest Service, however, states that Mr. Big Spring's ranch is more than 75 miles from the work center where animals are held for delivery and picked up and road conditions over this distance are hazardous during winter.

Mr. Rasmussen's ranch is 30 miles from the work center and since some Forest Service employees live nearby, the agency indicates that these individuals could stop and check the animals at pasture on their way to or from work. Consequently, inspection of the animals at Mr. Rasmussen's pasture could be performed without incurring costs for overtime or per diem, the agency states.

The Forest Service adds that although it might have been better to have disclosed cost evaluation factors in its request for quotations, it is unlikely that this would have changed the result, since the winter pastures were in specific locations. Moreover, the agency states, its estimates were based on past years' costs.

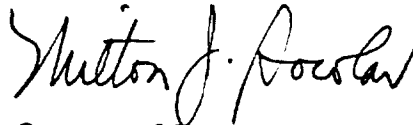
We have noted that the small purchase regulations give a contracting officer broad discretion. Such purchases need not even be awarded to the firm offering the lowest quotation, so long as there is a good faith finding that a proposed award is in the best interest of the Government and that the price is reasonable. Our review of small purchases therefore is generally limited. We will consider protests that the contracting agency has not made a reasonable effort to secure quotations from a representative number of responsible firms, for example. But since specifications need not be drafted to insure maximum competition, we will review alleged improprieties in them only when there is a showing of fraud or intentional misconduct. Tagg Associates, B-191677, July 27, 1978, 78-2 CPD 76.

Under the small purchase regulations, there is no requirement that evaluation criteria be set forth as they are in more formal solicitations, and administrative costs are specifically listed as an example of

the factors which may be considered in determining whether a procurement is fair to the Government. See Federal Procurement Regulations, § 1-3.603-1 (1964 ed., amend. 153).

In view of all these facts and circumstances, we do not believe the contracting officer abused his discretion in determining that Mr. Rasmussen's winter pasture would best suit the needs of the Forest Service.

The protest is denied.

A handwritten signature in cursive script, reading "Milton J. Fowler".

For the Comptroller General
of the United States