

13920 PL-I

DECISION



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

[Protest Against Air Force Decision to Contract Out for Services]

FILE: B-198602

DATE: June 6, 1980

MATTER OF: Local 1486, American Federation
of Government Employees

4755

DIGEST:

Determination under Office of Management and Budget Circular A-76 to contract out for services is matter of executive policy not reviewable as bid protest by union representing Federal employees. Protest is dismissed.

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Local 1486 of the American Federation of Government Employees protests the award of a contract under solicitation No. F25600-80-C0024 issued by the Department of the Air Force for commissary stocking and custodial services at Offutt Air Force Base, Omaha, Nebraska. For the following reasons, the protest is dismissed.

The Air Force made the decision to contract out for the services in question under the guidance of Office of Management and Budget Circular No. A-76 (A-76) which reflects the policy of the Federal Government to rely on private enterprise for its needs unless the national interest requires otherwise. As implemented by A-76, the decision whether to contract with the private sector for services or products, in lieu of performance by Government employees, depends largely on a comparison of the costs of these two options. The cost of contracting out is determined by the responses of potential contractors to a solicitation for the services in question; the cost of Government performance is estimated based on criteria set by the department concerned. Essentially, if the evaluation shows the cost of contractor performance to be lower than the cost of continued in-house performance, the Government employees concerned are subject to reassignment or reduction-in-force actions and a contract for the services is awarded to the lowest cost offeror.

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It was decided to contract out in this case. Local 1486 represents the affected Government employees.

We have consistently declined in similar circumstances to consider protests--filed by unions representing affected Government employees--concerning the propriety of an agency's decision under A-76 to contract out in lieu of performing work in-house on the basis that these actions involved matters of executive policy not within the protest decision function of our Office. See, e.g., Local F76, International Association of Firefighters, B-194084, March 28, 1979, 79-1 CPD 209; Local 1617, American Federation of Government Employees, B-196009, March 4, 1980, 80-1 CPD 171.

Accordingly, the protest is dismissed.

Harry R. Van Cleave

for Milton J. Socolar
General Counsel