

## DECISION



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

FILE: B-208455 DATE: August 18, 1982  
MATTER OF: Freund Precision, Inc.

## DIGEST:

1. Allegations that a contractor cannot perform at its bid price, does not have adequate quality assurance capability, and cannot deliver in the required timeframe challenge the contracting officer's affirmative responsibility determination. Such determinations are not reviewed by GAO except in cases of fraud or bad faith, or misapplication of definitive responsibility criteria, neither of which exists here.
2. The nature and extent of a preaward survey needed to assure a contracting officer that a firm will meet its contractual obligation is a matter for the contracting officer's judgment.

Freund Precision, Inc., protests the Department of the Air Force's award of a contract to APS Systems, Inc. under invitation for bids (IFB) No. F33657-81-B-0199. We dismiss the protest.

Freund contends that APS cannot make a profit at the prices quoted in the IFB, and that the Government cannot award a contract to a low bidder when it is obvious that the low bidder will lose money on the contract. We consistently have held, however, that the submission of a below-cost bid does not constitute a legal basis for challenging a contract award. See, Virginia Manufacturing Company, B-202393, July 9, 1981, 31-2 CPD 25.

Further, whether a bidder can perform at its bid price is a question which goes to the responsibility of the bidder. Id. Here, the Air Force made an affirmative determination of responsibility. This Office does not review such determinations unless fraud or bad faith is shown on the part of procuring officials, or the solicitation contains definitive responsibility criteria which allegedly have not been met. Young Patrol Service, B-205014, October 13, 1981, 81-2 CPD 307. Neither exception is present here.

Freund also alleges that APS does not meet the quality assurance standard contained in the IFB and, therefore, it can neither guarantee the quality of its product nor deliver in the required timeframe. These, too, are matters of responsibility, and for the reasons set out above our Office will not review the contracting officer's affirmative determination in this case. See Hendricks Printing Company, B-186590, September 7, 1976, 76-2 CPD 224.

Finally, Freund questions the agency's alleged failure to send someone from its technical support group as well as its quality assurance group to visit the APS facility during the course of the preaward survey. Freund apparently believes that the preaward survey of APS was not sufficiently detailed.

The nature and extent of a preaward survey needed to assure the contracting officer that a firm will meet its contract obligations necessarily is a matter for the contracting officer's judgment. The reason for this is that the contracting officer is in the best position to assess responsibility and must bear the consequences of any difficulties experienced because of the contractor's inability to perform as required. Jack Roach Cadillac -- Request for Reconsideration, B-200847.3, August 28, 1981, 81-2 CPD 183. Consequently, in the absence of a showing that the contracting officer acted fraudulently or in bad faith, we will not question the adequacy of the preaward survey.

The protest is dismissed.

*Harry R. Van Cleve*  
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Acting General Counsel