

DECISION

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

Harrington
PL-II
29855

FILE: B-216936

DATE: November 26, 1984

MATTER OF: Ambulancias de Emergencias, Inc.

DIGEST:

No basis exists to preclude a contract award merely because the low bid is below cost. Such bid presents a question of the bidder's responsibility, a matter which the GAO does not review except in limited circumstances.

Ambulancias de Emergencias, Inc. (AEI) protests the award by the Veterans Administration (VA) of a contract for ambulance services for the VA hospital in Puerto Rico to the low bidder under IFB 455-140-84. AEI alleges that the successful bid was below cost, since the bid price is not high enough to permit the contractor to pay the minimum wage or the social security taxes for the number of employees necessary for performance of the contract.

The submission of a below-cost bid is not illegal, and the government cannot withhold an award merely because a responsive low bid is below cost. See Beta Construction Company, B-214850, Apr. 18, 1984, 84-1 CPD ¶ 445. Whether a low price is so low that the bidder will not be able to perform the contract satisfactorily is a question concerning the bidder's responsibility. Our Office does not review protests concerning affirmative determinations of responsibility absent a showing that the contracting officer may have acted fraudulently or in bad faith or that definitive responsibility criteria in the solicitation have not been met. 4 C.F.R. § 21.3(g)(4) (1984); Grace Industries, Inc., B-212263.3, Feb. 22, 1984, 84-1 CPD ¶ 212. Neither exception is alleged here.

The protest is dismissed.

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