

DECISION



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

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FILE: B-218136

DATE: February 27, 1985

MATTER OF: Del-Jen, Inc.

DIGEST:

GAO will not consider a protest against a cost comparison calculation under Office of Management and Budget Circular No. A-76 until the protester has exhausted the contracting agency's administrative review procedures.

Del-Jen, Inc. (DJI), protests the cost comparison, performed under Office of Management and Budget Circular No. A-76 (A-76), by the Department of the Navy (Navy) to determine whether to make an award under solicitation No. N00228-84-R-5002 or to perform the work in-house.

We dismiss the protest.

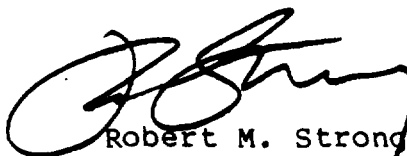
The Navy determined to perform the work in-house rather than to contract out. By letter dated February 5, 1985, filed with GAO, DJI stated that it is "concurrently" protesting this determination with both the Navy and GAO.

DJI was advised by the Navy that it had a 15-working-day public review period, beginning January 7, 1985, in which to review the cost comparison results and to file any specific objections. DJI appealed to the Navy by letter dated January 24, 1985. The appeal to the agency has yet to be decided.

Although we will review A-76 cost comparisons to make sure that bidders are not induced to prepare and submit bids which are later arbitrarily rejected due to an erroneous cost comparison, we will not consider protests involving such comparisons until the contracting agency's administrative procedures for reviewing the cost comparison have been

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exhausted. Crimson Enterprises, Inc., B-216243, Nov. 30, 1984, 84-2 C.P.D. ¶ 592. Therefore, this protest, which was filed prior to a decision on the appeal to the Navy, is premature. See Space Age Engineering, Inc., B-212248, July 21, 1983, 83-2 C.P.D. ¶ 112.



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