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THE COMPTROLLER GENERAL OF THE UNITED STATES

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WASHINGTON, D.C. 20548

FILE:

B-215283.2

DATE:

March 18, 1985

MATTER OF:

Boeing Computer Services

DIGEST:

Where protest alleging that awardee's price was not actually low and GAO recommends that price negotiations be reopened with the protester and the awardee, agency need not also conduct further discussions with a firm that did not protest the award and which is no longer potentially in line for award.

Boeing Computer Services (BCS) requests reconsideration of our recommendation for corrective action issued in American Management Systems, Inc., B-215283, Aug. 20, 1984, 84-2 C.P.D. ¶ 199. In that decision, we found that the Defense Logistics Agency (DLA) failed to conduct meaningful discussions with American Management Systems, Inc. (AMS) and recommended that price negotiations be reopened with AMS and the awardee, Litton Computer Services (LCS). BCS was in the competitive range and argues that if negotiations are reopened, then BCS should also be provided an opportunity to participate.

We see no reason why BCS should be included in these discussions. While an offeror may be considered in the competitive range for the purpose of initial discussions, the offeror may be excluded from further discussions if it is determined to be outside that range based on its revised proposal. BASIX Controls Systems Corporation, B-212668, July 2, 1984, 84-2 CPD ¶ 2. In this case, DLA awarded a contract to LCS after discussions were held with all offerors and revised proposals were received. Presumably, BCS's proposal was viewed as less favorable than LCS's offer, so that in effect BCS is now out of the competitive range. BCS did not protest the selection.

B-215283.2

On the other hand, AMS did protest and the basis for protest was that in fact AMS's cost, when properly evaluated, was lower than LCS's cost. (Cost was the basis for selection.) We held that DLA improperly failed to utilize the discussion process to resolve a price ambiguity in the AMS proposal, recognizing that a proper resolution might have resulted in award to AMS. Obviously, under such circumstances, AMS must be regarded as potentially in line for award; we do not think the same can be said with respect to BCS. Therefore, we do not believe there is any requirement for including BCS in the reopened negotiations.

Millon J. Aous Comptroller General of the United States

The prior recommendation is affirmed.

- 2 -