



**The Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Western States Management Services, Inc.
File: B-233576
Date: December 8, 1988

DIGEST

1. Contracting agency's decision not to exercise an option involves a matter of contract administration that the General Accounting Office does not review.
2. The Javits-Wagner-O'Day Act, 41 U.S.C. § 46-48c, grants exclusive authority to the Committee for Purchase from the Blind and Other Severely Handicapped to publish a Procurement List of supplies and services required to be purchased from workshops serving severely handicapped individuals; in light of this authority, the General Accounting Office could not object to any decision of the Committee to add particular services to the procurement list.

DECISION

Western States Management Services, Inc. (WSMS) protests the contracting officer's decision not to exercise the government's option under contract No. F39601-87-C-0046, issued by Ellsworth Air Force Base (AFB), South Dakota, for commissary shelf stocking, custodial and warehousing requirements. WSMS alleges that its option price is lower than the price the Air Force allegedly has agreed to pay to have the services provided by the National Institute for the Severely Handicapped (NISH).

We dismiss the protest.

At the outset, WSMS argues that the Air Force should have exercised an option under its prior contract which could have saved the government \$142,257, compared to the proposed award to NISH. We dismiss this aspect of the protest because it does not fall within our bid protest function. The contracting agency's decision not to exercise an option is a matter of contract administration. There is no obligation for the contracting agency to justify a decision not to exercise an option on the basis of a cost comparison. The regulations only provide that the agency cannot exercise

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an option without first determining that it is the most advantageous method of fulfilling the agency's needs, price and other factors considered. Federal Acquisition Regulation (FAR) § 17.207(c)(3). Those who bid on contracts containing option provisions assume the risk that the agency might not exercise the option. Arlington Public Schools, B-228518, Jan. 11, 1988, 88-1 CPD ¶ 16.

With respect to an award to NISH, the Air Force is considering having the services required for the Ellsworth AFB Commissary placed on the procurement list of the Committee for Purchase from the Blind and Other Severely Handicapped pursuant to the Javits-Wagner-O'Day Act, 41 U.S.C. § 46-48(c) (1982). Under the Act, once an item has been added to the procurement list, contracting agencies are required to procure the item from the qualified workshops for blind or other severely handicapped individuals with the objective of increasing employment opportunities to those individuals. The Committee has the exclusive authority to add or delete supplies and services as it deems appropriate. Abel Converting Inc., B-229581, Mar. 4, 1988, 67 Comp. Gen. _____, 88-1 CPD ¶ 233.

In light of the Committee's exclusive grant of authority under the Act, we would have no basis to object should the Committee decide to add commissary services to the procurement list.

The protest is dismissed.

A handwritten signature in cursive script that reads "Ronald Berger".

Ronald Berger
Associate General Counsel