

C. Evans



Comptroller General
of the United States
Washington, D.C. 20548

Decision

Matter of: Federal Relocation Services, Inc.
File: B-241988.2
Date: November 21, 1990

John C. McManus, Esq., and Arthur B. Seymour, Esq., for the protester.
Catherine M. Evans, Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protester, an approved household goods carrier under agency's current in-house employee relocation service, is not an interested party to protest agency's decision to contract out for relocation services or to protest terms of the solicitation, as it is not an actual or prospective offeror under the solicitation.

DECISION

Federal Relocation Services, Inc. (FRS) protests the terms of request for proposals (RFP) No. 6FBG-90-B527-N, issued by the General Services Administration (GSA) for employee relocation services. The protester alleges that the agency legally may not utilize a contractor to perform relocation services, and that such a contract would cost the government more than it currently costs the agency to perform the services in-house. FRS also challenges certain RFP provisions.

We dismiss the protest.

The RFP contemplates the award of a contract for employee relocation services which are currently being performed by the agency under GSA's Centralized Household Goods Traffic Management (CHGTM) Program. See 49 C.F.R. § 101-400.200 et seq. (1989). The program provides for the movement of household goods of federal government employees who are relocated within the United States. Under the program, for each relocation agencies select the lowest cost carrier from a list of household goods carriers that have rate tender agreements with GSA. Under the RFP, the contractor would be responsible for selection of the lowest cost carrier in accordance with the CHGTM regulations. FRS, a carrier participating under the CHGTM program, claims that an award of a contract for the services GSA currently performs in-house

15-11-01 / 142732

would effectively eliminate competition among low-cost transportation carriers.

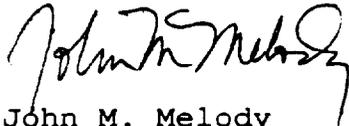
On June 22, 1990, FRS filed a similar protest in our Office against a solicitation for employee relocation services issued by the Farm Credit Administration. We dismissed the protest on the basis that FRS was not an "interested party" for the purpose of filing a protest, as defined by the Competition in Contracting Act of 1984, 31 U.S.C. § 3551(2) (1988), and our Bid Protest Regulations, 4 C.F.R. § 21.0(a) (1990), as it was not an actual or prospective offeror under the solicitation. Federal Relocation Servs., Inc., B-240145, Sept. 4, 1990, 90-2 CPD ¶ 183. We noted further that our Office generally does not review agency decisions to contract out for services rather than perform them in-house, as this is a matter of executive branch policy not within our bid protest function. Id. FRS requested reconsideration of our decision, stating that it was in fact a prospective offeror under the solicitation. On September 25, we denied FRS' request, noting that its unsupported assertion that it was a prospective offeror was in conflict with its prior assertion of its status as a household goods carrier under the CHTGM program and its objection to any award of a contract under the solicitation. Federal Relocation Servs., Inc.--Recon., B-240145.2, Sept. 25, 1990, 90-2 CPD ¶ 255.

We see nothing different here. In the instant protest, FRS asserts that it is a household goods carrier under the CHGTM program as well as a prospective offeror under the solicitation. However, as we noted previously, FRS' assertion that it is a prospective offeror, i.e., that it plans to compete for the relocation services contract, is inconsistent with its position that GSA should not issue a contract for those services. Thus, it appears that FRS has alleged it is a prospective offeror under the RFP solely to meet the statutory and regulatory definition of an interested party, which is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award a contract under the solicitation. 31 U.S.C. § 3551(2); 4 C.F.R. § 21.0(a). As FRS is not an offeror under this solicitation, it lacks the direct economic interest in the procurement required of a protester. FRS' assertion that its economic interests will be affected if GSA awards a contract for relocation services is not by itself enough to warrant our consideration of its protest; CICA limits the class of eligible protesters--i.e., those with a direct economic interest--to those which, if successful, would be in line for contract award. See ISC Defense Sys., Inc.--Recon., B-236597.3, Apr. 5, 1990, 90-1 CPD ¶ 360. CICA does not contemplate protests by parties that do not wish to participate in the procurement process and, indeed, which protest on the basis that no contract should be awarded at

all. FRS' economic interest here is essentially no greater than that of a taxpayer, an interest that is not adequate for maintaining a bid protest. Id.

In any event, as we noted in our decision on FRS' previous protest, it is not clear how FRS' economic interests would be adversely affected by the award of a contract in this case. The solicitation requires the contractor to comply with the CHGTM regulations; therefore, the contractor will be required to use the same procedure for selecting the lowest cost carrier for each relocation as the agency currently uses. Thus, as a carrier participating in the CHGTM program, FRS will have the same opportunities to be selected under the contractor's administration of the program as it has currently.

The protest is dismissed.



John M. Melody
Assistant General Counsel