



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

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Decision

Matter of: L C Jones Electrical

File: B-249491

Date: November 23, 1992

Larry Jones for the protester.
Cynthia S. Guill, Esq., Department of the Navy, for the agency.
Charles W. Morrow, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency's decision to solicit additional quotes under small purchase procedures is not legally objectionable where the only quote received was unreasonably priced.

DECISION

L C Jones Electrical protests the Department of the Navy's request for revised quotes under request for quotations (RFQ) No. N62474-92-Q-0736, for air conditioning repair work. L C Jones contends that it is entitled to the award under the RFQ at its initial quoted price.

We deny the protest.

On January 7, 1992, the Navy issued the RFQ under small purchase procedures¹ to obtain a contractor to repair an air conditioning unit at the Naval Hospital in Oakland, California. The RFQ was set aside for small business. Despite soliciting six firms, the Navy received a quote from only L C Jones by the February 18 date for the receipt of quotes. L C Jones quoted a price of \$24,890, which exceeded

¹Small purchase procurements are exempted from the requirement for "full and open" competition in the Competition in Contracting Act of 1984, 10 U.S.C. § 2304(a)(1)(A) (1988), and rely upon simplified procedures to promote economy and efficiency. See Federal Acquisition Regulation (FAR) § 13.102.

the government's \$12,600 estimate for the work and the government's \$20,000 funding limitation. Consequently, the Navy recontracted previously solicited firms. Scott Co. of California, a large business (the only other company to express any interest in the procurement), offered a quote of \$19,900. On May 26, the Navy issued a purchase order to Scott after determining its price to be reasonable.

On June 3, L C Jones filed an agency-level protest against the Navy's award of the purchase order to Scott. L C Jones argued that the Navy's solicitation of a quote from Scott after the closing date was improper. In response, the Navy determined that it should have recontracted L C Jones and requested a second quote. On June 9, the Navy terminated Scott's contract and requested new quotes. L C Jones then filed this protest asserting that it was entitled to award at its original quoted price and that the request for new quotes was therefore not proper.


Under small purchase procedures, if an agency fails to receive a reasonable quotation from a responsible small business concern, the contracting officer may cancel the small business, small purchase set-aside and complete the purchase on an unrestricted basis. FAR § 13.105(d)(3); Western Filter Corp., B-247212, May 11, 1992, 92-1 CPD ¶ 436.

There is no entitlement to award under an RFQ; when the government seeks quotations, it does so for informational reasons, and does not obligate itself to issue a purchase order in response to any quotations received. FAR § 13.108(a); Access for the Handicapped, 68 Comp. Gen. 432 (1989), 89-1 CPD ¶ 458. In any case, the Navy viewed the protester's quotation as unreasonable since it exceeded the government estimate and funding limitation; L C Jones has not challenged the reasonableness of the government's estimate or funding limitation. Since L C Jones was not entitled to the award under the RFQ, it has no legal basis to challenge the Navy's decision to seek additional quotes and to do so on an unrestricted, rather than a small business set-aside basis.² While L C Jones asserts that

²We note that there is no requirement for the contracting officer to seek an additional quote from a small business which submitted an unreasonably high quote before issuing a purchase order to a large business. Western Filter Corp., supra.

the Navy acted in bad faith and "shopped" L C Jones's quoted price to get a more favorable quote, there is no evidence to support these contentions.

The protest is denied.


for James F. Hinchman
General Counsel