

Comptroller General of the United States

Washington, D.C. 20548

Decision

Matter of:

Control Corporation; Cyber Resources

Corporation

File:

B-260732.4; B-260732.5

Date:

July 26, 1995

DECISION

Control Corporation (Control) and Cyber Resources Corporation (Cyber) protest the Department of the Interior's decision to cancel request for quotations (RFQ) No. 5-SQ-81-06960, for hardware maintenance services for the Control Data CYBER-875 dual CPU mainframe computer system¹, and award a sole-source contract for those services to Control Data Systems, Inc. (CDSI). Both protesters maintain that they are capable of meeting the agency's needs, and that the sole-source award therefore was improper.

We dismiss the protests.

The RFQ, issued under small purchase procedures on March 3, 1995, requested offerors to submit pricing and a two-page technical proposal by March 10, and stated that award would be made to the low-priced, technically acceptable offeror. Three offerors—CDSI and the two protesters—submitted quotations. Interior determined that the quotations of Control and Cyber were technically unacceptable; the agency ultimately canceled the RFQ and modified CDSI's prior maintenance contract to cover a 3-month period. The agency justified this sole-source award on the basis that the maintenance requirement was urgent, and only CDSI could provide the services.

¹The computer system is used for the Pay/Pers system, the payroll system which issues paychecks for the Department of the Interior and certain other federal agencies.

²CDSI had protested any award under the RFQ and, the agency believed, would not accept an offer of a contract under the RFQ.

Control and Cyber protest the award on the ground that they in fact submitted acceptable quotations under the RFQ, and that CDC thus was not the only available qualified source.³

Interior's actions were unobjectionable. The agency determined that Control's quotation was unacceptable because, among other things, Control took exception to the preventive maintenance schedule called for in the statement of work; while the RFQ required offerors to provide preventive maintenance between 1 a.m. and 6 a.m. on Monday mornings, Control's quotation stated that "The frequency of performance [of preventative maintenance] will follow OEM [Original Equipment Manufacturer] recommended frequency when indicated." This clear conflict with the terms of the RFQ provided a reasonable basis for Interior to reject Control's quotation.

The agency determined that Cyber's quotation was technically unacceptable because, among other things, it did not indicate that the diagnostic software Cyber offered would support the dual CPUs on the CYBER 875. The RFQ specifically required offerors to maintain a Cyber 875-dual CPU system, but in its quotation Cyber did not indicate whether the diagnostic software it intended to use--a package written by Control--would operate effectively on a dual CPU CYBER 875 system; rather, it stated that CYBER 875 software was being offered, without referencing the dual CPU nature of the system. Absent some indication that the offered software was designed to operate on a dual CPU CYBER 875 system, the agency had no basis for determining that it would do so. The agency therefore reasonably determined that Cyber's quotation was unacceptable on this ground.

³Control and Cyber also protested that the RFQ should have been set aside exclusively for small business concerns. Since this allegation involves an impropriety that was apparent from the face of the solicitation, see White Water Assocs., Inc., B-253825, Aug. 26, 1993, 93-2 CPD ¶ 126, but was not protested until after the due date for quotations, it is untimely and will not be considered. 4 C.F.R. § 21.2(a)(1) (1995).

⁴We note that, although CDSI's quotation also did not specifically reference a dual CPU system in connection with its offered diagnostic software, the agency was aware that the software was in fact acceptable based on CDSI's performance as the incumbent.

⁵We note that, after these protests were filed, Interior competed a 3-month contract for this dual CPU CYBER 875 system maintenance requirement, and made award to Control. (continued...)

Since Control and Cyber both submitted technically unacceptable quotations, the agency properly proceeded with a sole-source award to CDSI as the only known acceptable source.

The protests are dismissed.

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^{5(...}continued)

The agency reports that this contract now has been terminated for the convenience of the government because Control's diagnostic software could not locate a problem in the system. Cyber's quotation offered this same diagnostic software.