

UNITED STATES GENERAL ACCOUNTING OFFICE WASHINGTON, D.C. 20548

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OFFICE OF GENERAL COUNSEL B-203412

June 25, 1981

The Honorable Charles H. Percy United States Senator Room 3892 230 South Dearborn Street Chicago, Illinois 60604

Dear Senator Percy:

We refer to your letter of May 14, 1981 (your file number 1125600004), with which you enclosed a May 7 letter from A&M Associates expressing concern with the Department of Housing and Urban Development's (HUD) renewal of a contract with Brothers, Inc. for specification writing and housing rehabilitation supervision in the Chicago Metropolitan-Land area.

We are informally advised by HUD that the contract involved was awarded pursuant to the National Housing Act, 12 U.S.C. §§ 1701 et seq. (1976). The National Housing Act authorizes the Secretary of HUD to make such expenditures as necessary to carry out the functions under the act without regard to any other provisions of law governing the expenditure of public funds, and also to sue or be sued under the act. 12 U.S.C. § 1702. Therefore, our Office is not in a position to render a binding decision concerning these expenditures. See Brothers Specifications, Inc., B-199738, October 24, 1980, 80-2 CPD 314.

However, HUD has established its own procedures at 24 C.F.R. part 20, subpart C (1980) whereby an interested party can protest the award of National Housing Act contracts either to the contracting officer or to the HUD Board of Contract Appeals. We advised Mr. Maynard of A&M Associates of this procedure by telephone on June 4.

A&M Associates' May 7 letter is returned as requested.

Sincerely yours,

Harry R. Chan Cleve

Harry R. Van Cleve Renewel of HUD Contract Acting General Counsel

Enclosure