



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Departments of the Army and Air Force, Army and
Air Force Exchange Service

File: B-235742

Date: April 24, 1990

DIGEST

A proposed sole-source award to nonappropriated fund instrumentality for lunchroom monitoring services at Department of Defense dependent schools (DODDS) in Europe is not objectionable where lunchroom monitoring services are logically related to school meal program which instrumentality currently operates and where award to another contractor would result in unnecessary duplication of DODDS administrative responsibilities and complicate performance of school meal program.

DECISION

The Department of the Army has requested our opinion concerning the propriety of entering into a sole-source procurement with the Army and Air Force Exchange Service (AAFES) for lunchroom monitoring services for the Department of Defense, Office of Dependents Schools (DODDS).

The Army states that AAFES, a nonappropriated fund instrumentality (NAFI), currently is providing food services for DODDS in Europe. The lunchroom monitoring services would be performed as part of the food service program. The Army has provided our Office with a draft version of the sole-source justification. The Army states that AAFES is the only existing organization equipped with the resources and expertise required to provide these services to DODDS in Germany. It further states that under its food services contract the NAFI is already responsible for protecting the working environment and physical safety of its employees and

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protecting the supplies and equipment it uses in providing these services. The justification also states that the existence of another contractor would unnecessarily complicate performance by requiring the AAFES to coordinate its services with another contractor with employees not under its control. The justification concludes that since the lunchroom monitoring services logically are related to the provision of food services, these monitoring services should be provided by the same entity.

With respect to the propriety of a sole-source award, the sale of goods and services by a NAFI to regular government operating activities generally is outside the scope of a proper NAFI function. We have recognized that there may be circumstances where, as a practical matter, procurement through a NAFI may be necessary; for example, there may be organizational or functional reasons which dictate the impracticability of having services furnished by other than a NAFI. 58 Comp. Gen. 94 (1979). In such cases, the question is whether a sole-source procurement can be justified under the facts presented.

We think the draft justification states a valid reason for contracting for these monitoring services with AAFES on a sole-source basis. As explained in the draft justification, it is impracticable to have the services furnished by other than the AAFES. As indicated above, the AAFES, in providing food services, is already responsible for protecting the working place and ensuring employees's safety. The involvement of another contractor would unnecessarily complicate AAFES performance since the AAFES would be required to coordinate its services with employees over whom it has no control. The use of another contractor also would require the Army to duplicate its administrative responsibilities including evaluation of services, scheduling of lunchroom hours and notification of emergency school closings. We thus think the Army's conclusion that the lunchroom monitoring services are logically related to the AAFES's current responsibilities, and should be provided by the AAFES, is justified.

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for Comptroller General
of the United States