

PLCG

**DECISION**



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D.C. 20548

FILE: B-195115

DATE: July 3, 1979

10,661

MATTER OF: QES/Quality Environment Systems, Inc.

*[Protest of Contract Termination For Default]*  
DIGEST:

1. Determination to terminate contract for default is matter of contract administration for consideration under Disputes clause of contract and not for resolution by GAO.
2. Allegations of criminal nature concerning improper practices by contracting agency are for referral by contractor to Department of Justice for appropriate action.

QES/Quality Environment Systems, Inc. (QES), protests the termination of contract No. DACA21-76-C-0087 for default by the United States Army Corps of Engineers (Army).

QES contends that the Army deliberately sabotaged the contract by incompetence, fraud, and conspiracy and argues that the Army is not capable of taking the necessary corrective action.

The question of whether a contract should be terminated for default is a matter of contract administration for consideration under the procedures set forth in the Disputes clause of the contract in question and not for resolution under our Bid Protest Procedures, which are reserved for considering whether an award, or proposed award, of a contract complies with the statutory, regulatory and other legal requirements. Farwest Special Products, B-193309; November 13, 1978, 78-2 CPD 342.

We have been informed by the Army that QES filed an appeal with the Armed Services Board of

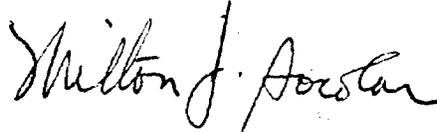
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*005783*

Contract Appeals (ASBCA) and a decision has been rendered sustaining the Army's determination. A request for reconsideration is presently before the ASBCA.

The allegations made by QES concerning improper practices by the Army are of a criminal nature and are properly for referral by QES to the Department of Justice for whatever action it deems appropriate. SIMCO Electronics, B-187152, August 31, 1976, 76-2 CPD 209.

Therefore, the protest is dismissed.



Milton J. Socolar  
General Counsel