

DECISION



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

FILE: B-209380

DATE: November 8, 1982

MATTER OF: The Big Picture Company

DIGEST:

Protest against propriety of cost evaluation performed under OMB Circular No. A-76 (A-76) is dismissed where appeal is pending with the agency. GAO does not consider A-76 cost evaluation protests until agency appeal procedures have been exhausted.

The Big Picture Company (BPC) protests the Navy's determination under solicitation No. N00383-82-R-6036 that certain pictorial and graphic visual aid services would be operated at a lower cost to the Government through the continued use of Government personnel rather than by contracting out. This determination is based on a cost comparison conducted under the guidance of Office of Management and Budget Circular No. A-76 (A-76).

BPC was the apparent low bidder under the solicitation. BPC's price was compared with the estimated cost of using Government employees to perform the same services. By letter of September 27, 1982, BPC appealed to the agency requesting review of a number of aspects of the cost comparison which it alleges are deficient. By letter of September 29, 1982, BPC protested to our Office raising the identical issues. Apparently, the appeal to the agency is pending.

Our Office will review A-76 cost evaluations to assure that bidders are not induced to prepare and submit bids which are later arbitrarily rejected due to an erroneous cost evaluation. Crown Laundry and Dry Cleaners, Inc., B-194505, July 18, 1979, 79-2 CPD 38. However, we will not consider such protests until the administrative review procedure has been exhausted. Direct Delivery Systems, 59 Comp. Gen. 465 (1980), 80-1 CPD 343.

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We dismiss the protest.

Harry R. Van Cleve
Harry R. Van Cleve
Acting General Counsel