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

OFFICE OF GENERAL COUNSEL

B-220999

November 21, 1985

Prairie Land Construction, Inc.
313 Earl
Viriden, Illinois 62690

Attention: Peter E. Libbra, Jr.
President

Gentlemen:

We refer to your letter dated September 3, 1985, to Senator Alan J. Dixon requesting our Office investigate why your company was found nonresponsible under an invitation for bids issued by the Washington County Water District, a grantee of the Farmers Home Administration (FHA), for a water distribution system.

On January 29, 1985, we published a notice in the Federal Register that our Office was discontinuing the review of complaints concerning the award of contracts under federal grants. We undertook review of such awards in 1975 to further grantee compliance with competitive bidding requirements imposed by federal agencies relative to the expenditure of federal grant funds. However, in the interim, the number of complaints filed by disappointed contractors steadily decreased while major grantor agencies began instituting their own review procedures of complaints to assure compliance by the grantees with applicable regulations. Thus, we discontinued our review function. See Federal Register, 50 Fed. Reg. 3978, The George Sollitt Construction Company, 64 Comp. Gen. 243 (1985), 85-1 C.P.D. ¶ 150.

Accordingly, we are unable to consider the complaint. However, we note that the FHA is reviewing the complaint.

Sincerely yours,

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

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