



Highlights of [GAO-08-991T](#), a testimony to the Air and Land Forces Subcommittee, Committee on Armed Services, House of Representatives

GAO's Role Under The Competition in Contracting Act

The Boeing Company protested the award of a contract to Northrop Grumman Systems Corporation by the Department of the Air Force for KC-X aerial refueling tankers. Boeing challenged the Air Force's technical and cost evaluations, conduct of discussions, and source selection decision. Because Boeing competed for the contract, it is an interested party for purposes of filing a protest. Under the Competition in Contracting Act of 1984, GAO is required to consider protests of contract awards filed by interested parties. In deciding protests, GAO makes a determination of whether the agency's actions complied with procurement statutes and regulations.

GAO's Recommendations

In its decision, GAO recommends that the Air Force reopen discussions with the offerors, obtain revised proposals, re-evaluate the revised proposals, and make a new source selection decision, consistent with GAO's decision. GAO further recommends that, if the Air Force believed that the solicitation does not adequately state its needs, the agency should amend the solicitation prior to conducting further discussions with the offerors. GAO recommends that if Boeing's proposal is ultimately selected for award, the Air Force should terminate the contract awarded to Northrop Grumman.

To view the full product, click on [GAO-08-991T](#). For more information, contact Daniel I. Gordon at (202) 512-8219 or gordond@gao.gov or Michael R. Golden at (202) 512-8233, goldenm@gao.gov.

AIR FORCE PROCUREMENT

Aerial Refueling Tanker Protest

GAO's Findings

Review of the extensive record, including a hearing, led GAO to conclude that the Air Force had made a number of significant errors that could have affected the outcome of what was a close competition between Boeing and Northrop Grumman. The errors included not assessing the relative merits of the proposals in accordance with the evaluation rules and criteria identified in the solicitation, not having documentation to support certain aspects of the evaluation, conducting unequal and misleading discussions with Boeing, and having errors or unsupported conclusions in the cost evaluation. Accordingly, GAO sustained Boeing's protest.

The redacted decision is at www.gao.gov/decisions/bidpro/311344.htm.