



RESTRICTED — Not to be released outside the General Accounting Office except on the basis of specific approval by the Office of Congressional Relations, a record of which is kept by the Distribution Section, Publications Branch, OAS
COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

3-27-01

73-0331

RELEASED 090578

19

B-176575

cltr

JAN 4 1973

Dear Mr. Chairman:

Your letter dated November 2, 1972, requested that we verify whether the Federal Procurement Regulations prohibit awarding contracts for services of the type in which value engineering consultant firms specialize. According to your letter, a local value engineering consultant had advised you that this was prohibited and you understood that the General Services Administration (GSA) had recently declined a contract for this reason. Your letter further requested that, if this prohibition in the regulations does exist, we recommend corrective measures that appear desirable.

We could find nothing in the regulations prohibiting the award of contracts to firms specializing in value engineering consultant services. An agency acquires such services through its normal procurement process, just as it acquires other professional services.

We discussed with GSA officials their agency's position on procuring value engineering consultant services. In a written response to our inquiry, the Acting Assistant General Counsel, Public Buildings Division, GSA, said that GSA does not regard the regulations as prohibiting award of contracts for value engineering services. The response noted that GSA had contracted for value engineering services in the past, pursuant to the procedural requirements of the regulations, and plans to acquire such services in the future.

Following is an example of GSA's procedure in contracting with firms specializing in value engineering consultant services. On October 5, 1971, the Public Buildings Service, GSA, invited 62 firms to submit proposals for developing a program to train GSA regional personnel in applying value engineering to the planning, design, construction, operation, and maintenance of Federal buildings. GSA files show that it received 14 proposals before the bid opening date, all of which it considered responsive. A panel evaluated the proposals for technical competence on the basis of specific criteria. After the panel had ranked the proposals according to

904456

090578

B-176575

technical competence, the cost of each proposal was considered. On December 29, 1971, GSA awarded the contract to the firm whose proposal, in GSA's opinion, was most advantageous to the Government from the standpoint of technical competence and cost.

Since the regulations do not prohibit contracting for value engineering consultant services, we have no recommendations for corrective measures.

We trust the information furnished meets your needs, and we will be pleased to discuss the matter further with you if you wish.

Sincerely yours,


[Deputy]

Comptroller General
of the United States

C/A
The Honorable Jennings Randolph, Chairman
Committee on Public Works
United States Senate

53100