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United States Government Accountability Office
Washington, DC 20548

B-158766

January 24, 2005

The Honorable J. Dennis Hastert
Speaker of the House
of Representatives

Dear Mr. Speaker:

This letter responds to the requirements of the Competition in Contracting Act of 1984, 31 U.S.C. § 3554(e)(2) (2000), that the Comptroller General report to Congress each instance in which a federal agency did not fully implement a recommendation made by our Office in connection with a bid protest decided the prior fiscal year. We are pleased to report that there was no such occurrence during fiscal year 2004.

During the fiscal year, we received 1,387 protests (including 58 cost claims) and 98 requests for reconsideration, for a total of 1,485 cases. We closed 1,405 cases: 1,334 protests (including 38 cost claims) and 71 requests for reconsideration. Enclosed for your information is a chart comparing the bid protest activity for fiscal years 2001-2004.

A copy of this report, with the enclosure, is being furnished to the Chairman and Ranking Minority Member of the House Committee on Government Reform. A similar report is being furnished to the President of the Senate.

Sincerely yours,

Anthony H. Gamboa
General Counsel

Enclosures

Bid Protest Statistics for Fiscal Years 2001-2004

	FY 2004	FY 2003	FY 2002	FY 2001
Cases Filed	1,485 (up 10% ¹)	1,352 (up 12%)	1,204 (up 5%)	1,146 (down 6%)
Cases Closed	1,405	1,244	1,133	1,098
Merit (Sustain + Deny) Decisions	365 (issued in average of 80 days)	290 (issued in average of 79 days)	256 (issued in average of 79 days)	311 (issued in average of 79 days)
Number of Sustains	75	50	41	66
Sustain Rate	21%	17%	16%	21%
Effectiveness Rate (reported) ²	34%	33%	33%	33%
ADR ³ (cases used)	123	120	145	150
ADR Success Rate ⁴	91%	92%	84%	84%
Hearings	9% (56 cases)	13% (74 cases)	5% (23 cases)	12% (63 cases)

¹ From the prior fiscal year.

² Based on a protester's obtaining some form of relief from the agency, as reported to GAO.

³ Alternative Dispute Resolution.

⁴ Percentage resolved without a formal GAO decision.