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United States Government Accountability Office
Washington, DC 20548

B-158766

November 15, 2006

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 2006.

During the fiscal year, we received 1,270 protests (including 58 cost claims) and 57 requests for reconsideration, for a total of 1,327 cases. We closed 1,274 cases: 1,224 protests (including 52 cost claims) and 50 requests for reconsideration. Enclosed for your information is a chart comparing the bid protest activity for fiscal years 2002-2006.

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,

Gary L. Kepplinger
General Counsel

Enclosure

Bid Protest Statistics for Fiscal Years 2002-2006

	FY 2006	FY 2005	FY 2004	FY 2003	FY 2002
Cases Filed	1,327 (down 2% ¹)	1,356 (down 9%)	1,485 (up 10%)	1,352 (up 12%)	1,204 (up 5%)
Cases Closed	1,274	1,341	1,405	1,244	1,133
Merit (Sustain + Deny) Decisions	249	306	365	290	256
Number of Sustains	72	71	75	50	41
Sustain Rate	29%	23%	21%	17%	16%
Effectiveness Rate (reported) ²	39%	37%	34%	33%	33%
ADR ³ (cases used)	91	103	123	120	145
ADR Success Rate ⁴	96%	91%	91%	92%	84%
Hearings	11% (51 cases)	8% (41 cases)	9% (56 cases)	13% (74 cases)	5% (23 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.