



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

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Matter of: Joint Threat Services

File: B-278168; B-278168.2

Date: January 5, 1998

Stuart Young, Esq., DynCorp, for the protester.

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Craig E. Hodge, Esq., and Phillip A. Weaver, Esq., Department of the Army, for the agency.

Christine F. Davis, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Agency reasonably downgraded the protester's management proposal and made an upward adjustment in determining the proposal's most probable cost, where the proposal did not demonstrate the protester's ability to perform the agency's requirements based upon a significantly reduced staff during the contract option years, during which the agency does not anticipate any significant reduction in its requirements.
2. Agency was not required to discuss the protester's proposal to augment its staff with personnel from another contract, where the agency reasonably did not view this weakness as material until the protester proposed a significant staffing reduction in its best and final offer and increased its reliance upon this other contract's personnel to supplement its staff.
3. The excellent rating accorded to the awardee's best and final offer did not improperly reflect the application of an unstated evaluation factor and was reasonably based upon numerous, uncontested proposal strengths, notwithstanding that the awardee's staffing levels were lower than the government estimate.
4. Agency properly allowed the awardee to correct a clerical error in a cost proposal spreadsheet after the submission of best and final offers through clarifications, rather than discussions, where the existence of the mistake, and the amount actually intended, were clear from the face of the proposal, and the correction did not prejudice the interests of another offeror.

DECISION

Joint Threat Services (JTS), a joint venture,¹ protests an award to Research Analysis and Maintenance, Inc. (RAM) under request for proposals (RFP) No. DATM01-95-R-0020, issued by the U.S. Army Materiel Command, Operational Test and Evaluation Command Contracting Activity (OPTEC), for test support services for OPTEC's Threat Support Activity (OTSA).

We deny the protest.

The RFP, issued August 16, 1996, required the contractor to maintain current threat systems equipment and to support operational testing of the equipment, which encompassed transporting the equipment to the test site and operating and maintaining it until the test's completion. To this end, the RFP called for an array of support services, including engineering and technical services, hardware and software maintenance services, flight and aviation support services, logistics and supply support services, and threat analysis and intelligence support services.

The RFP provided for the award of a cost-plus-fixed-fee contract for a base year with 4 option years on a best value basis. The RFP sought separate proposals corresponding to four evaluation factors, listed in descending order of importance: technical, management, past performance, and cost (including options). The RFP stated six technical subfactors of varying importance and four management subfactors of equal importance, as follows:

Technical

1. Base Support
2. Threat Systems Support
3. Engineering and Technical Support
4. Training Support
5. Test Support
6. Threat Analysis and Intelligence Support

Management

1. Management Approach
2. Resource Allocation
3. Project Experience, Expertise and Personnel
4. Logistics

¹JTS' joint venture partners are Electronic Warfare Associates, Nichols Research Corporation, and DynCorp. A different joint venture, which also includes DynCorp as a partner, serves as the incumbent contractor for most of the services covered by the instant solicitation.

Each technical and management subfactor contained two or more sub-subfactors. Proposals were to be evaluated under the technical and management factors with both numerical scores and adjectival ratings.

Proposed staffing was a component of both the technical and management evaluation. Each technical subfactor provided for an evaluation of the offeror's understanding of the work to be performed, which encompassed consideration of the offeror's proposed staffing, and a few sub-subfactors were geared toward specific staffing concerns, such as the adequacy of the offeror's proposed engineering staff and mix. For the management evaluation, staffing concerns were encompassed by the Project Experience, Expertise and Personnel subfactor, which provided for a consideration of the offeror's "[a]bility to organize and allocate resources," the "[a]vailability of qualified personnel," "[p]ersonnel and staffing to include job qualifications," and "corporate and personnel experience to execute the requirements specified."

Various RFP enclosures (and an offeror's library) contained work load data upon which to estimate the government's requirements. As relevant here, RFP enclosure 5 listed the tests performed for OTSA from 1992 to 1995. This data reflected virtually continuous testing during that time frame, based upon an average 28 tests per year. Enclosure 8, on the other hand, showed OTSA's future test commitments based upon two schedules, dated March 6 and May 31, 1996, respectively. The schedules were generated more than a year before the commencement of the contract base year (October 1, 1997, to September 30, 1998, as amended) and several years before the contract option years. The schedules listed only the limited number of test commitments obtained by OTSA for the option years as of March 6 and May 31, 1996. For example, neither schedule showed any test commitments during the final option year (October 1, 2001, to September 30, 2002, as amended). The RFP referred offerors to enclosure 5 for "[h]istorical and projected workloads," and advised that enclosure 8 was "provided for information."

The RFP provided for a cost realism analysis and authorized the government to adjust offerors' proposed costs to reflect the government's estimate of the most probable cost (MPC) of performance. The RFP stated that the cost realism analysis would consider whether the costs proposed reflected the offeror's understanding of the requirement, were realistic in relation to the work to be performed, and were "consistent with the various elements of the technical and management proposals." The RFP further warned that, "[a]ny inconsistency, whether real or apparent, between promised performance and cost should be explained in the proposal," and that failure to do so might justify the proposal's rejection.

On October 28, 1996, the agency received proposals from RAM and JTS. The proposals were referred to separate evaluation committees for each RFP factor, with the following results:

	RAM	JTS
Technical	89.27--Good	88.04--Good
Management	92.75--Excellent	76.25--Marginal
Combined	90.25--Excellent	84.75--Good
Performance Risk	Low Risk	Low Risk
Proposed Cost	\$55 million	\$57.04 million
Total MPC	\$55.09 million	\$57.54 million

In its initial proposal, RAM proposed a level staff of [deleted] full-time equivalent employees (FTE) per year, and JTS proposed a staff of [deleted] FTEs during the base year, [deleted] FTEs during the first option year, and [deleted] FTEs during the remaining option years. JTS' base year staff included [deleted] pilots, which JTS proposed to augment during periods of simultaneous operations with [deleted] pilots stationed at Ft. Rucker, Alabama under a DynCorp contract.²

The source selection evaluation board (SSEB), which summarized the findings of the technical committee and the management committee, criticized both proposals because they were understaffed in relation to the government estimate. The SSEB also criticized JTS' offer to augment its pilot staff during simultaneous operations with Ft. Rucker pilots, who would require training to fly threat aircraft, thus creating a burdensome amount of work and adding to JTS' contract costs. The SSEB recommended probable cost increases to redress perceived staffing weaknesses in JTS' and RAM's proposals, but this recommendation was not adopted by the source selection authority (SSA) in the initial cost evaluation.

On February 25, 1997, the SSA decided to eliminate JTS' proposal from the competitive range based upon the disparity in management ratings and the "expansive cost gap" between the two proposals. In support of this decision, the SSA cited various weaknesses in JTS' management proposal, including an allegedly inadequate discussion of the RFP's physical security requirements "[a]lthough [physical security requirements were] not an evaluation subfactor in the . . . solicitation." RAM's proposal, in contrast, was found to have provided a good discussion of the RFP physical security requirements.

JTS learned of its proposal's rejection on March 10 and filed an agency-level protest, arguing, among other things, that the rejection of its proposal based upon physical

²RFP enclosure 5 listed a number of threat systems that the offeror might be required to operate simultaneously during periods of peak or surge requirements.

security considerations violated the RFP evaluation scheme, which did not state a criterion relating to physical security. On April 1, OPTEC readmitted JTS' proposal to the competitive range. The agency did not amend the evaluation scheme to encompass physical security considerations.

OPTEC conducted oral discussions with both offerors. While the agency discussed certain staffing concerns with JTS, it did not discuss the protester's plan to augment its pilot staff with Ft. Rucker pilots. After oral discussions, the agency requested best and final offers (BAFO) by May 30.

Both offerors made staffing changes in their BAFOs, which contributed to a \$5.44 million increase in RAM's BAFO costs and a \$1.21 million decrease in JTS' BAFO costs. RAM maintained a level staffing approach in its BAFO, but added [deleted] more FTEs per year in response to concerns raised during discussions, bringing RAM's proposed staff to [deleted] FTEs per year. In contrast, JTS' BAFO altered the staffing approach used in its initial proposal, which offered relatively level staffing each contract year; JTS' BAFO cost proposal proposed a pronounced decline in staffing for the contract option years, offering [deleted] FTEs for the base year and [deleted] FTEs for the option years.

During the course of the protest proceedings, the individual responsible for JTS' initial and BAFO staffing proposals submitted an affidavit explaining the rationale for the change in JTS' BAFO. According to the affidavit, JTS, in its initial proposal, assumed that the option year test schedules appearing at RFP enclosure 8 "reflected the uncertainty of the operational test process" and were "not representative of the expected workload." JTS therefore designed its initial proposal "to cover work levels similar to those experienced in the past as reflected by the data" provided generally in RFP enclosure 5, which caused its proposal to "be significantly more expensive." After OPTEC eliminated JTS' proposal from the competitive range, citing the "expansive cost gap" that weakened its competitive standing, JTS assumed that its staffing levels were too high and that it should base its staffing approach "in response to the limited testing" shown in the option year test schedules appearing at enclosure 8. JTS states that this assumption was corroborated during oral discussions when it asked if its staffing approach should account for a known requirement not listed in the enclosure 8 test schedule, but added by a recent Memorandum of Understanding (MOU), to which the SSEB chairman allegedly replied, "You didn't see an MOU in the RFP did you?" JTS concluded that the government desired a staffing approach based upon the limited testing shown in enclosure 8, which prompted JTS to propose a marked decline in its option years staff in its BAFO cost proposal.

The staffing cuts identified in the protester's BAFO cost proposal were never mentioned in its technical proposal and were only implied in its management proposal, notwithstanding that JTS' cost proposal promised "[a]n in-depth analysis of [the] reduction plan by department" in JTS' management proposal. In the

management and technical proposals, JTS included an organizational staffing chart that proposed [deleted] FTEs, without discriminating between the base and option years. In the narrative portion of its management proposal, JTS alluded to the option year staffing cuts, as illustrated by the following passage entitled "Outyear Staffing":

When there are no scheduled test or training support requirements over an extended period, we will adjust airborne systems staffing to the sustainment level of [deleted] personnel.³ To meet a [deleted] person test requirement, we will draw on [deleted] personnel from Fort Rucker ([deleted] pilots and [deleted] aviation mechanics . . .). To meet a [deleted] person requirement for simultaneous operations, we will draw on [deleted] Fort Rucker personnel ([deleted] pilots and [deleted] aviation mechanics . . .).⁴

As indicated above, JTS' BAFO proposal altered its approach to the use of Ft. Rucker pilots. In its initial proposal, JTS proposed to augment a [deleted]-person pilot staff with [deleted] Ft. Rucker pilots only during simultaneous operations, whereas JTS' BAFO proposed for the option years to augment a [deleted]-person pilot staff with [deleted] Ft. Rucker pilots during simultaneous operations as well as during normal testing functions.

Following the BAFO evaluation, JTS' and RAM's proposals were rated as follows:

	RAM	JTS
Technical	90.58--Excellent	88.40--Good
Management	93.50--Excellent	78.50--Marginal
Combined	91.40--Excellent	85.65--Good
Performance Risk	Low Risk	Low Risk
Proposed Cost	\$60.44 million	\$55.83 million
Total MPC	\$62.22 million	\$62.61 million

³JTS used the term "sustainment level" to refer to periods when there is no scheduled testing and the contractor is simply required to maintain the equipment.

⁴JTS also proposed to detail staff from other JTS departments to support the testing and simultaneous operations requirements, e.g.: "To meet a [deleted] person test requirement, we will draw on [deleted] personnel from the Engineering Department"

Because the protester did not mention its option year staffing cuts in its technical proposal, JTS' "good" technical rating reflected an assumption that JTS' staff included [deleted] FTEs throughout the contract period. The management evaluators, on the other hand, were aware that JTS proposed staffing reductions "[w]hen there are no scheduled test or training support requirements over an extended period" during the contract option years. This approach was viewed unfavorably by the management committee and contributed to the "marginal" rating accorded JTS' management proposal, despite improvements made in other areas of the proposal during discussions.

The SSEB described JTS' approach to implementing staffing reductions in the option years as "flawed, unrealistic and risky." The SSEB found that JTS' proposed option years staff was seriously understated in relation to the current incumbent staff (supplied, in part, by DynCorp), which, in the SSEB's opinion, evidenced JTS' "total lack of understanding for the basic RFP requirements." The SSEB faulted JTS' BAFO for not providing an "in-depth analysis," as promised in its cost proposal, establishing how JTS could perform the contract based upon the staffing reductions, including the reduction of personnel described in JTS' proposal as "critical to the work performed on this contract," such as pilots. In that regard, the SSEB also remarked that JTS' proposal to augment its pilot staff with Ft. Rucker pilots was of concern to the agency because there were "hidden costs" associated with training those pilots to operate threat aircraft and because there was no assurance that DynCorp could gain government approval to excuse these pilots from their other contract duties. Finally, the SSEB commented that JTS, by obscuring its intention to offer [deleted] FTEs throughout the option years in its technical and management proposals, "appears to have layered their BAFO and played a cat and mouse game by not fully disclosing the quantity and types of personnel to be reduced from the base year to the option years which include key and critical positions."

The SSA adopted the SSEB's technical and management ratings. With regard to the cost realism analysis, the SSA rejected the recommendation of the SSEB chairman that the staffing levels in both proposals be normalized to the higher government estimate to redress perceived staffing shortages, finding that the evaluation process had not substantiated the need for such an adjustment and that each offeror's proposed staffing, not the government estimate, should serve as the basis for probable cost adjustments.

However, in determining the MPC of JTS' BAFO, the SSA decided to add the costs of the personnel cut by JTS during the option years. Because JTS failed to identify the staffing cuts in its technical proposal, and the technical committee evaluated the merit of JTS' technical approach assuming a constant [deleted] FTE staffing level, the SSA reasoned that JTS' probable cost should also reflect [deleted] FTEs "[i]n order to maintain the integrity of the evaluations for scored areas." In addition, while JTS mentioned the staffing reductions in its management proposal, the SSA noted that the management committee did not believe that JTS had substantiated its

ability to perform the option years of the contract with the truncated staff, absent "too much risk to mission," leading the SSA to conclude that the proposed option years staffing levels were unrealistic and should be adjusted upward. As a separate matter, the SSA made a \$1.1 million upward adjustment to reflect the probable cost of training the Ft. Rucker pilots to fly threat aircraft under the instant contract. The above adjustments, plus another \$2.1 million adjustment unrelated to the issues in this protest, elevated the protester's evaluated cost by \$6.78 million from its proposed cost.

RAM's evaluated cost was \$1.78 million more than its proposal cost. Of this amount, \$[deleted] represented the correction of an error in the cost proposal of one of the awardee's subcontractors. The error was the subject of post-BAFO communications between RAM and the contract specialist, and the awardee provided a written response reflecting the \$[deleted] error, which was "utilized in the evaluation" of RAM's probable cost.

After the probable cost adjustments were made, RAM's higher-rated proposal enjoyed an evaluated \$390,000 cost advantage. As a result, the SSA determined that RAM's proposal represented the best value to the government. This protest followed.

THE STAFFING EVALUATION

JTS protests that the agency misevaluated its staffing approach under both the cost and management factors. JTS argues that the RFP required the agency to evaluate staffing based upon the test schedules appearing at enclosure 8, which showed a substantial reduction in the test requirements for the option years and which dictated the staffing approach in its BAFO. The protester claims that, instead, OPTEC improperly evaluated its staffing approach based upon the historical requirements shown at enclosure 5. JTS therefore protests the agency's evaluation of its management proposal as "marginal" and the agency's decision to add the cost of the personnel cut during the option years to its proposal's MPC.

The evaluation of proposals is a matter within the discretion of the contracting agency. Our Office will question the agency's evaluation only where it lacks a reasonable basis or conflicts with the stated evaluation criteria for award. SC&A, Inc., B-270160.2, Apr. 10, 1996, 96-1 CPD 197 at 7. Further, when an agency evaluates proposals for the award of a cost reimbursement contract, an offeror's proposed estimated costs are not dispositive because regardless of the costs proposed, the government is bound to pay the contractor its actual and allowable costs. Federal Acquisition Regulation (FAR) § 15.605(c) (June 1997). Consequently, a cost realism analysis must be performed by the agency to determine the extent to which an offeror's proposed costs represent what the contract should cost, assuming reasonable economy and efficiency, and we limit our review in these matters to determining whether the agency's cost evaluation was reasonably based

and not arbitrary. CACI, Inc.-Fed., 64 Comp. Gen. 71, 75 (1984), 84-2 CPD ¶ 542 at 5; Geo-Centers, Inc., B-276033, May 5, 1997, 97-1 CPD ¶ 182 at 9.

We do not agree with JTS that the enclosure 8 test schedules were to serve as the basis for the agency's cost realism analysis or its management evaluation. Although JTS asserts that the RFP required staffing to be evaluated against the enclosure 8 test schedules, JTS has not identified, nor can we find, any RFP provision which indicated such an approach; for example, the enclosure 8 schedules were never mentioned in the RFP evaluation scheme or the performance work statement.⁵ Based upon our review, we agree with the agency that the evaluation scheme contemplated an evaluation of the offeror's ability "to execute the technical requirements" as stated in the RFP as a whole, not simply as stated in enclosure 8.⁶

Here, the agency does not expect any precipitous decline in its testing requirements between the base and option years of the instant contract, but anticipates that the requirements under the instant contract will follow the historical patterns reflected in enclosure 5, which reveals continuous, often overlapping, testing requirements. Indeed, the technical committee, unaware of the proposed option year staffing reductions, rated JTS' technical proposal as "good," based, in part, upon the belief that JTS' ostensibly level staffing approach would satisfy comparable base and option year requirements. JTS has not established, either in its proposal or during

⁵If anything, the proposal preparation instructions reasonably indicated that offerors should depend upon historical data as the basis for projecting the government's requirements: "Historical and projected workloads are given at enclosure 5." Similarly, the performance work statement refers to work load data included in other RFP enclosures, such as enclosure 5, but not enclosure 8.

⁶We are unpersuaded by the protester's argument that it was essentially advised during discussions to base its proposed staffing approach on the enclosure 8 test schedules. As noted above, the SSEB chairman allegedly discouraged the protester from developing its staffing approach based upon a known requirement not listed on the enclosure 8 test schedules because the MOU adding the new requirement was not part of the RFP. We do not view this advice, even if given, as a mandate that JTS base its staffing estimates on the enclosure 8 schedules to the exclusion of other work load data in the RFP, such as the enclosure 5 historical data. Rather, JTS was advised to develop a staffing approach based upon the requirements as stated in the RFP, which included the historical data that JTS essentially disregarded in developing its option years staffing approach. In our view, JTS unreasonably interpreted the advice in a manner inconsistent with the RFP requirements. See Analytical & Research Tech., Inc., B-276064, May 7, 1997, 97-1 CPD ¶ 200 at 7-8; Nova Research Co., B-270092, B-270092.2, Feb. 8, 1996, 96-1 CPD ¶ 52 at 5. In any case, it is notable that JTS did not state in its proposal that its staffing plan was based on the enclosure 8 schedules.

this protest, that it can satisfy the continuous testing requirements anticipated by OPTEC for the base and option years based upon a truncated staff of [deleted] FTEs. To the contrary, JTS' staffing reductions presuppose that minimal testing will be required during the option years; for instance, to the extent that testing is required, JTS offered to augment its staff by drawing on personnel from an unrelated DynCorp contract at Ft. Rucker. Furthermore, the affidavit submitted by the individual who prepared JTS' initial and BAFO staffing proposals essentially confirms that JTS cannot perform the contract with [deleted] FTEs unless the enclosure 8 testing schedules "prove[] to be an accurate portrayal of the actual test work load," which the government does not expect to be the case.

Based upon our review, the agency reasonably found that JTS' proposal to perform the option years requirements with [deleted] FTEs was unrealistic, both from a management and cost perspective, particularly since JTS' technical proposal was facially premised on a level [deleted] FTE approach. Because JTS failed to present the promised "in-depth analysis" substantiating its ability to perform successive testing requirements with fewer than [deleted] FTEs per year, we find reasonable the SSEB's conclusion that the proposed option years staffing reductions were "flawed, unrealistic and risky" and the SSA's conclusion that a staff of [deleted] FTEs represented JTS' MPC of performing the contract. In addition, JTS' failure to disclose the proposed staffing reductions in its technical proposal undermined its proposal's "good" technical rating.

ALLEGED INADEQUATE DISCUSSIONS

The protester argues that OPTEC should have discussed JTS' proposed use of Ft. Rucker pilots to augment its staff since OPTEC viewed this as a weakness in JTS' initial proposal. Had the agency raised this issue during discussions, JTS argues, it could have avoided the downgrade to its management proposal and the adjustment to its MPC stemming from the proposed use of the Ft. Rucker pilots.

We review the adequacy of discussions to ensure that agencies point out weaknesses that, unless corrected, would prevent an offeror from having a reasonable chance for award. Department of the Navy--Recon., 72 Comp. Gen. 221, 222 (1993), 93-1 CPD ¶ 422 at 3. An agency is not required to afford offerors all-encompassing discussions, nor is it required to discuss every aspect of an offeror's proposal that receives less than the maximum score. Volmar Constr. Inc., B-270364, B-270364.2, Mar. 4, 1996, 96-1 CPD ¶ 139 at 4; DAE Corp., B-259866, B-259866.2, May 8, 1995, 95-2 CPD ¶ 12 at 4-5. In addition, an agency is not obligated to reopen negotiations so that an offeror may remedy defects first introduced in its BAFO, since the offeror assumes the risk that changes in its final offer might raise questions about its ability to meet the solicitation requirements. Cubic Field Servs., Inc., B-247780, June 17, 1992, 92-1 CPD ¶ 525 at 6 n.10.

While the record confirms that the agency considered the proposed use of Ft. Rucker pilots an undesirable feature in the protester's initial proposal, the agency reports that it did not discuss the issue because JTS initially proposed a large enough pilot staff (i.e., [deleted] pilots) that the agency doubted that JTS would require pilot support from Ft. Rucker. This assumption changed when the protester seriously diminished its proposed pilot staff in its BAFO, which made it probable that JTS would rely upon the Ft. Rucker pilots and that the agency would incur the training costs and inefficiencies associated with that approach.

JTS has provided no basis to object to OPTEC's evaluation of its proposed use of the Ft. Rucker pilots, which we find to be supported by the record. As noted above, JTS, in its initial proposal, proposed to augment a [deleted]-person pilot staff with [deleted] Ft. Rucker pilots only during the simultaneous operations scenario, but not during the normal testing requirements that JTS admits "constitute the bulk of the day to day requirements in this procurement." Because the [deleted]-person pilot staff was deemed adequate for the performance of most contract requirements, the agency did not view the possible sporadic use of Ft. Rucker pilots as a material weakness in JTS' proposal, as evidenced by the fact that the agency made no MPC adjustments based upon this approach during the initial cost evaluation and did not mention it in the letter rejecting JTS' initial proposal from the competitive range.

In its BAFO, JTS proposed in the option years to augment a [deleted]-person pilot staff with [deleted] Ft. Rucker pilots not only during simultaneous operations, but also to accomplish the day-to-day testing requirements. These BAFO changes led the agency to conclude that it would likely endure what it viewed as an inefficient and expensive approach to meeting its day-to-day testing requirements. Because the proposed use of Ft. Rucker pilots was not a material weakness until the staffing changes introduced in JTS' BAFO, the agency was not obliged to conduct discussions on this issue.

ALLEGED MISEVALUATION OF THE AWARDEE'S MANAGEMENT PROPOSAL

The protester argues that RAM's management proposal did not deserve an "excellent" rating because the SSEB considered RAM's proposal (as well as JTS') to be understaffed in relation to the government estimate.

Although the SSEB considered RAM's proposal understaffed in relation to the government estimate, this weakness was outweighed by numerous, uncontested strengths in the proposal, including strengths in the staffing area, such as an excellent employee compensation and recruitment plan, an excellent discussion of key personnel qualifications, an excellent approach to staffing during simultaneous operations, the provision of a highly skilled staff, and sufficient personnel to support the required tasks despite "an apparent understaffing of maintenance personnel." In addition, RAM added more technicians and maintenance personnel in response to concerns raised during discussions, which somewhat alleviated the

SSEB's concern. Finally, the SSA disagreed with the SSEB that the evaluation of RAM's proposal disclosed a staffing shortfall sufficient to justify normalization of the staffing to the government estimate. The protester has not established that the SSA abused her discretion in this regard, particularly given that the protester proposed less staff than RAM during the base year and, more significantly, during the option years.

The protester also argues that RAM's "excellent" management rating is inflated because RAM's proposal was given credit for an excellent physical security discussion, which was not encompassed by the RFP evaluation criteria. The record does not support the protester's contention. There is no mention of security issues in the SSEB's BAFO evaluation summary report or the source selection decision, and only an isolated reference in an individual evaluator's BAFO worksheet, which lists RAM's physical security approach as a proposal disadvantage. Although the agency rewarded RAM's initial proposal for its physical security approach, we decline to infer that it so rewarded RAM's BAFO proposal simply because RAM's BAFO score was not decreased from its initial proposal score. As the record demonstrates, RAM improved its proposal in several, properly evaluated areas after discussions, which accounts for its slightly higher BAFO score.

ALLEGED IMPROPER POST-BAFO DISCUSSIONS

JTS protests that OPTEC engaged in post-BAFO discussions with RAM and allowed the awardee to revise its proposal, an opportunity denied JTS.

Discussions occur when an offeror is given an opportunity to revise or modify its proposal, or when information requested from and provided by an offeror is essential for determining the acceptability of its proposal. FAR § 15.601 (June 1997); Microlog Corp., B-237486, Feb. 26, 1990, 90-1 CPD ¶ 227 at 4. The conduct of discussions with one offeror generally requires that discussions be conducted with all offerors whose offers are within the competitive range and that the offerors have an opportunity to submit revised offers. Id. Discussions are to be distinguished from clarifications, which are merely inquiries for the purpose of eliminating minor uncertainties or irregularities in a proposal. Id. Contracting officers have an affirmative obligation to examine proposals for minor informalities and irregularities and apparent clerical mistakes, which may be corrected through clarifications, rather than discussions. FAR § 15.607(a) (June 1997). Communications with offerors to resolve clerical mistakes are clarifications and not discussions, so long as they do not prejudice the interests of the other offerors. Faison Office Prods. Co., B-260259, B-260259.2, June 2, 1995, 95-2 CPD ¶ 116 at 5.

In the instant case, the contract specialist asked RAM to confirm whether a subcontractor spreadsheet contained a programming error, which had the effect of excluding a liability insurance line item from the subcontractor's base and option year costs. RAM confirmed that the spreadsheet formula inadvertently excluded

liability insurance costs from the subcontractor's proposal costs. RAM advised that the correction of the error would add \$[deleted] to its BAFO cost proposal. We have reviewed the subcontractor spreadsheets, and we find that both the existence of the mistake and the amount actually intended were clear from the face of the spreadsheets and were as reported by RAM; specifically, the base and option year spreadsheets exclude \$[deleted] in liability insurance and \$[deleted] in derivative profit, resulting in an overall error of \$[deleted] for the entire contract period. See FAR § 15.607; E. Frye Enters., Inc., B-258699, B-258699.2, Feb. 13, 1995, 95-1 CPD ¶ 64 at 2. Further, the correction of the error did not prejudice JTS, since it had the effect of raising, not lowering, RAM's evaluated cost. Thus, we agree with OPTEC that the spreadsheet discrepancy was a clerical error correctable through clarifications.⁷

OTHER ISSUES

The protester alleges that the agency misevaluated its approach to purchasing foreign parts under the Logistics subfactor and applied an unstated, physical security evaluation factor in downgrading its proposal under the Management Approach subfactor. We need not address these issues because, even if JTS' proposal had earned perfect scores under these subfactors, the combined technical/management score of its higher-cost proposal would have been 88.80 points, less than RAM's score of 91.40 points. Competitive prejudice is an essential element of every viable protest. Lithos Restoration Ltd., 71 Comp. Gen. 367, 371 (1992), 92-1 CPD ¶ 379 at 5. Where the record does not demonstrate that, but for the agency's actions, the protester would have had a reasonable chance of receiving the award, our Office will not sustain a protest, even if a deficiency in the procurement is found. McDonald-Bradley, B-270126, Feb. 8, 1996, 96-1 CPD ¶ 54 at 3; see Statistica, Inc. v. Christopher, 102 F.3d 1577, 1581 (Fed. Cir. 1996). In any event, there is no evidence in the SSEB BAFO analysis report or the source selection statement that the protested weaknesses were proposal discriminators, as was the protester's proposed staffing approach.

JTS also protests the agency's cost/technical tradeoff as "cursory" and inadequately documented. There was no requirement for a cost/technical tradeoff in this case, because the awardee offered the technically superior proposal at a lower probable cost based upon a proper evaluation. See Hughes Missile Sys. Co., B-259255.4, May 12, 1995, 95-1 CPD ¶ 283 at 16. Further, JTS is wrong that the agency's

⁷JTS also characterizes as discussions the contract specialist's request that RAM "[p]rovide page citations" showing where subcontractor costs were incorporated into its BAFO. There is no merit to this contention. RAM identified the appropriate pages without revising its proposal, and the information necessary to judge the acceptability of RAM's proposal was readily ascertainable from the pages themselves and was not supplied by RAM during the post-BAFO communication.

cost/technical tradeoff should have been based upon proposed costs. The RFP clearly provided that each proposal's probable cost would serve as the basis for the award selection, and, as explained above, there was no error with respect to the probable cost adjustments made to JTS' proposal.

Finally, JTS contends that the agency made a mathematical error in computing its BAFO's MPC. JTS received the documentation necessary to raise this allegation on October 17, but did not protest until filing its comments on November 20, which renders the allegation untimely and not for our consideration. 4 C.F.R. § 21.2(a)(2) (1997).⁸

The protest is denied.

Comptroller General
of the United States

⁸We also do not consider several protest contentions that were abandoned after the agency addressed them in its report.