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Decision

Matter of: SDS International

File: B-285822; B-285822.2

Date: September 29, 2000

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DIGEST

1. Agency reasonably assigned a favorable past performance rating to awardee's proposal based primarily on the experience of one key individual where solicitation specifically stated that in assessing past performance, the agency would consider the experience of key personnel; that individual has extensive, relevant experience; and, as corporate vice president and project manager, that individual will have substantial involvement in managing and overseeing performance of the contract.
2. Protester's contention that the evaluation of proposals was unreasonable is denied where the record shows that the agency evaluated in accordance with the criteria announced in the solicitation and reasonably supports the ratings assigned the protester's and awardee's proposals.
3. Contention that agency improperly evaluated proposed staffing levels against undisclosed staffing levels is denied. Agencies may properly evaluate proposals against an undisclosed reasonable estimate of appropriate staffing, where the solicitation notifies offerors that staffing is an evaluation area and evaluation takes into account the offeror's approach and unique features of the proposal.

DECISION

SDS International protests the award of a contract to CBD Training, Inc. under request for proposals (RFP) No. F44650-00-R-0006, issued by the Department of the Air Force for F-117 and T-38 aircrew training and courseware development at Holloman Air Force Base, New Mexico. SDS challenges the evaluation of its and the awardee's proposals and argues that the award decision was flawed.

We deny the protest.

BACKGROUND

The RFP, issued April 10, 2000 as a total small business set-aside, contemplated the award of a fixed-priced contract for a phase-in period, a base year, and up to six 1-year option periods. The statement of work (SOW) divided the specific tasks into three categories: (1) contract aircrew training (CAT), (2) courseware development (CWD), and (3) general tasks. The RFP listed past performance, mission capability, risk, and price as evaluation factors, with past performance and mission capability considered of "primary and equal importance." SOW § 9, ¶ (a), at 31. Within the mission capability factor, the RFP also listed the following three subfactors in descending order of importance: personnel qualifications and management (PQM), CWD approach and instructional systems development (ISD) management plan, and phase-in process. The RFP explained that each subfactor within the mission capability area would be assigned a color and adjectival rating (red/unacceptable, yellow/marginal, green/acceptable or blue/exceptional). The RFP further stated that in assessing each offeror's past performance, evaluators would use a confidence rating scale ranging from "unsatisfactory/no confidence" to "exceptional/high confidence." Proposals would also be assigned risk ratings at the subfactor level (low, moderate or high) to reflect the strengths and weaknesses associated with each offeror's proposed approach. The RFP stated that price would not be numerically scored but would be evaluated for reasonableness. The RFP warned that the government might award a contract without conducting discussions and cautioned offerors to submit their best proposals initially. Award was to be made to the offeror whose proposal was determined to be most advantageous to the government.

Six offerors, including SDS and CBD, responded to the RFP by the time set on May 4 for receipt of initial proposals, and a source selection evaluation team (SSET) evaluated proposals with the following results for the protester and the awardee:

	Mission Capability				Price
	Past Perf./Conf.	PQM/Risk	ISD/Risk	Phase-in/Risk	
SDS	Satisfactory/Conf.	Green/Low	Green/Low	Blue/Low	\$6,634,127
CBD	Exceptional/High	Blue/Low	Blue/Low	Blue/Low	\$6,929,888

Based on the results of the evaluation, the SSET recommended that CBD be awarded the contract. In reviewing that recommendation, the contracting officer (CO), who was the source selection authority (SSA) for this procurement, noted that CBD submitted the highest-rated proposal in all evaluation areas. The SSA found that, although CBD's proposal was higher-priced, CBD's technical approach supported the additional cost. The SSA found, among other things, that CBD's proposal reflected the firm's exceptional understanding of the workload by offering a staffing approach that will effectively provide sufficient personnel, allow for cross-utilization, and maintain flexibility to accommodate unforeseen contingencies without degradation of required services. The SSA concluded that CBD's proposal was most advantageous to the government and awarded the contract to that firm. This protest followed a debriefing by the agency.

PROTEST ISSUES

SDS argues that the agency unreasonably rated CBD's past performance as "exceptional/high confidence," because CBD is a newly-formed entity that has performed no significant, relevant contracts to provide CAT or CWD services. SDS also argues that, in view of its successful performance and the "exceptional" ratings it earned on other similar Air Force contracts, the "satisfactory/confidence" past performance rating assigned its proposal is not reasonably supported and should have been higher.

The protester also takes issue with the evaluation of CBD's technical proposal under the PQM subfactor. In this regard, SDS contends that, even though the RFP did not specify any desired number of personnel beyond that which the SOW estimated would be required to perform the services, the agency improperly gave CBD extra credit for proposing [DELETED]. In a supplemental protest, SDS also alleges that the agency credited CBD's proposal for offering incumbent personnel, but improperly failed to give equal credit to SDS, even though it proposed [DELETED]. SDS further alleges that the "green/acceptable" rating its proposal earned under the ISD plan subfactor was inconsistent with the solicitation requirements and should have been higher.

DISCUSSION

Evaluation of Proposals

Past Performance

SDS argues that the agency unreasonably rated CBD's past performance as "exceptional/high confidence." SDS asserts that CBD is a newly-formed entity that has performed no contracts to provide similar CAT or CWD services, and argues that the agency's past performance rating of the firm was improperly based on the experience of only one individual. SDS thus contends that, since CBD has no

relevant past performance history providing similar services, Federal Acquisition Regulation (FAR) § 15.305(a)(2)(iv) requires that CBD's proposal be rated "neutral" under this area.

The evaluation of technical proposals, including the evaluation of past performance, is a matter within the contracting agency's discretion, since the agency is responsible for defining its needs and the best method of accommodating them. Federal Envtl. Servs., Inc., B-260289, B-260490, May 24, 1995, 95-1 CPD ¶ 261 at 3. In reviewing an agency's technical evaluation, we will not reevaluate the proposals, but will examine the record of the evaluation to ensure that it was reasonable and in accordance with the stated evaluation criteria. Id. As explained in greater detail below, the record before us provides no basis to object to the evaluation of proposals.

As SDS correctly points out, FAR § 15.305(a)(2)(iv) provides that, for past performance evaluations, in the case of an offeror without a record of relevant past performance or for whom information on past performance is not available, the offeror may not be evaluated favorably or unfavorably on past performance. In evaluating past performance, however, agencies are permitted to take into account performance information regarding predecessor companies, key personnel who have relevant experience, or information about subcontractors which will perform major or critical aspects of the requirement when such information is relevant to the acquisition in question. FAR § 15.305(a)(2)(iii). In accordance with that authority, the RFP specifically stated that, as part of the past performance evaluation, the agency would consider key personnel, including current employees and new hires proposed for this contract. RFP § 9 ¶ (c)(1)(b), at 31.

The record shows that the evaluators were aware that CBD is a newly-formed company with no corporate past performance. AR exh. 9, Proposal Evaluation Report (PER), attach. CBD Rating Team Worksheet, at 1. However, the SSET took into account that CBD's vice president, who will play a key management role in this contract, was the program manager on three recent, relevant Air Force contracts identified in the record as "ACC UAV, A/OA 10, and U2 CAT/CWD," while employed by another firm. Id. The evaluators specifically noted that the "[CWD] met the requirements of the previous contracts and [was] rated as 'Very Good' and 'Exceptional'" on the relevant performance assessment reports. Id. In reviewing those reports, the evaluators further found that "[e]xceptional performance was noted meeting the phase-in timeline," and "[e]xpertise also noted in working with the site [quality assurance evaluators] to hire the most capable and qualified personnel." Id. Based on these ratings, the SSET concluded that there was no doubt that CBD would successfully perform the required effort, and consistent with the definitions described in the RFP, rated the firm's past performance proposal "exceptional/high confidence." Id.

SDS's contention that the agency unreasonably relied on the experience of only one individual--the awardee's vice president--in evaluating CBD's past performance is without merit. While CBD is a new entity, its vice president is the project manager for this contract who will have substantial management and oversight responsibilities. The record shows that this individual brings a wealth of relevant experience managing other contracts for the specific training services procured here. For example, prior to his retirement from the Air Force in 1986, CBD's vice president gained extensive flying training experience, including commanding an F-15 Tactical Training Squadron. He was also trained as a CO during one of his Air Force assignments. In addition, when the initial tactical air command CAT programs were competed in 1987, CBD's vice president was a consultant for [DELETED], where he was responsible for preparing competitive technical proposals. In part due to his technical expertise and knowledgeable support, that firm was awarded six of the original nine CAT contracts awarded, for which CBD's vice president became project manager. The record thus shows that CBD's vice president has been associated with CAT and CWD services for more than 13 years. In addition, here, CBD's vice president will have substantial involvement in managing and overseeing the site manager, alternate site manager, CWD manager, and schedulers. As such, CBD's vice president will directly supervise all operational aspects of the contract, playing an integral role working with and supervising CBD's employees--all of whom are incumbent personnel--and working directly with government personnel. Based on CBD's vice president's extensive unique recent and relevant experience, and in view of the degree of his involvement in managing this effort, we conclude that the SSET reasonably assigned the firm a high rating under the past performance evaluation subfactor.¹

SDS also argues that, in view of its successful performance and the "exceptional" ratings it earned on other similar Air Force contracts, the "satisfactory" past performance rating assigned its proposal is not reasonably supported. In this connection, SDS points out that, according to the RFP's definition, that rating meant that "some doubt exists that the offeror will successfully perform the contract." RFP § 9 ¶ (a)(1)(c), at 32. SDS asserts, however, that the SSET had no such doubt about SDS. The protester also argues that the SSET failed to credit SDS's proposal for positive comments the firm received on prior contracts, and alleges that the CO

¹ We further note, and SDS acknowledges, that CBD proposed [DELETED] who will be responsible for phase-in and all aspects of contract performance--as key personnel. As already noted, the RFP specifically stated that the proposed key personnel would be considered in evaluating the offerors' past performance. The protester does not argue, and there is no evidence in the record, that suggests the agency was in any way concerned with [DELETED]. Accordingly, there is no basis to object to the SSET assigning a high rating to CBD's proposal under the past performance factor.

improperly ignored her personal knowledge of SDS's improved recent performance. SDS's contentions are without merit.

In evaluating the protester's past performance, the evaluators considered primarily three recent, relevant Air Force programs--a contract for CAT and CWD services for the U.S. Air Force's Weapons School (the USAF WS contract), where SDS was the prime contractor; one for cockpit resources management (CRM), where SDS was a subcontractor; and a third contract identified in the record as the "USAFE CRM" contract. AR exh. 9, PER, attach. Rating Team Worksheet, at 1. As discussed in greater detail below, the record shows that in assessing SDS's past performance, the evaluators considered all of the information contained in the contractor performance appraisal reports (CPAR) SDS submitted with its proposal for these programs, including both favorable and unfavorable adjectival ratings and comments.

The SSET reviewed the CPAR for the USAF WS contract and found that SDS's performance rating ranged from "marginal/yellow" to "exceptional/blue" in the various areas covered by the CPAR. In particular, the CPAR for that contract rated SDS's performance as "marginal/yellow" in the CWD area. A comment documented in the CPAR by the reporting official noted that numerous site visits were required; that many scheduled deliverables were not up to the USAF WS standards, requiring rework by SDS; and that the initial quality of many deliverables under that contract was unacceptable. AR exh. 16, CPAR for F44650-98-C-0005, Jan. 21, 2000, at ¶ 15. Although SDS was provided with an opportunity to dispute the unfavorable rating and rebut the negative comments, the reviewing official concluded that this area "required more Government oversight [than] what is considered normal," and found that, given other performance difficulties encountered, a change in the unfavorable rating was not warranted. Id. at ¶ 21.

SDS's contention that the evaluators failed to consider positive comments regarding its past performance is not supported by the record. In reviewing the CPAR for the USAF WS contract, for example, the SSET noted that, although the instruction area was rated "exceptional" for that contract, "there were difficulties noted in the CWD effort," and that "[s]pecial contractor emphasis and close government monitoring was required to overcome difficulties." AR exh. 9, PER, SDS Rating Team Worksheet, at 1. The record thus shows that, while the SSET took notice of the positive rating SDS earned under the instruction area, that rating alone was insufficient to overcome the documented performance problems encountered and lower ratings assigned SDS's performance in other areas covered by that CPAR.

With respect to the two projects involving CRM, the SSET noted that SDS's performance was rated as "very good" and "exceptional" in some areas, further undermining the protester's argument that the evaluators failed to consider favorable ratings in its performance. The evaluators were concerned, however, with the limited scope of CAT and with the amount of involvement SDS had with respect to CWD. The SSET also noted that the CPAR documented some difficulty in SDS's

meeting the phase-in timeline. Based on these ratings, the SSET concluded that “some doubt” existed that SDS would be able to successfully perform the required effort, and rated SDS’s proposal consistent with the RFP’s rating definition. Although SDS disagrees with this result, arguing that it overcame the difficulties initially encountered, an agency’s evaluation of past performance may be based upon the procuring agency’s reasonable perception of inadequate prior performance, even where the contractor disputes the agency’s interpretation of the facts. Pannesma Co. Ltd., B-251688, Apr. 19, 1993, 93-1 CPD ¶ 333 at 6. Further, given the SSET’s specific findings based on its assessment of the CPARs, which are part of the record, we think that the CO did not abuse her discretion in not questioning the evaluators’ findings based on her alleged personal knowledge of SDS’s recent performance. In sum, this record provides us no basis upon which to object to the Air Force’s conclusion regarding SDS’s past performance.²

Mission Capability

PQM Subfactor

SDS contends that, in evaluating this area, the agency applied undisclosed evaluation criteria. In this connection, SDS asserts that it proposed a total of [DELETED] individuals, more than sufficient to perform the workload requirements which, according to SDS, “required a maximum of [DELETED] full-time personnel per year.” Protest at 30. The protester maintains, however, that it became clear from the debriefing materials that the Air Force actually desired 14 full-time individuals, and, according to SDS, the evaluators improperly credited CBD for proposing a number of personnel that came closest to the government’s unannounced desired staffing level.

² SDS also argues that the past performance rating its proposal earned under this RFP was inconsistent with the evaluation of a virtually identical proposal it submitted under a different RFP, also issued by the Air Force for CAT and CWD services involving different aircraft. The agency explains that these were independent procurements conducted by different program offices, different evaluators, and SSAs, and involved unique programs. In this regard, we do not find it unusual or improper that different evaluators have different perceptions of the merits of proposals, especially where, as here, the work involves different aspects of the program. See, e.g., SRS Tech., B-270341.2, Mar. 1, 1996, 96-1 CPD ¶ 120 at 4 n.4; Centex Constr., Co., Inc., B-238777, June 14, 1990, 90-1 CPD ¶ 566 at 6. Moreover, each acquisition stands on its own, and the evaluation and relative ranking of SDS’s proposal under another procurement is irrelevant to determining the reasonableness of the evaluation here. See Renic Corp., Gov’t Sys. Div., B-248100, July 29, 1992, 92-2 CPD ¶ 60 at 5. We note that SDS filed a separate protest challenging the evaluation of its proposal under the other solicitation, and we have addressed SDS’s contentions in a separate decision, B-285821, Sept. 21, 2000.

As a preliminary matter, the agency explains that the SOW did not require nor establish a maximum number of personnel to perform the required services. Contrary to the protester's assertions, the record shows that rather than requiring specific staffing levels, the RFP included workload estimates of the "projected" programmed flying training, estimated number of students taking various courses, events (e.g., training device brief and debrief times per event), projected CAT and CWD hours, academic classroom instruction, and estimated amounts of new and revised courseware materials that the agency projected would be required in performing the contract. RFP attach. 1, app. 1, Work Load Estimate, at 29-37. In our view, it is clear that, while the RFP provided these historical and projected estimates of workload data, it was up to the offerors to propose sufficient staffing levels to perform the requirements of the SOW.

The record shows that, in evaluating the PQM subfactor, the SSET considered proposed staffing levels and noted eight specific strengths and no weaknesses in CBD's proposal. AR exh. 9, PER, attach. CBD Rating Team Worksheet, Mission Capability Proposal Assessment, Subfactor 1: PQM, at 1. For example, the SSET found that CBD's proposed staffing is capable of meeting peak demands, while retaining the flexibility to accommodate short-notice changes. *Id.* The evaluators also found that CBD proposed [DELETED], further enhancing the flexibility that might be needed due to retirements and replacements. *Id.* Overall, the evaluators found that CBD's labor mix, including the flexibility to cover all contingencies and [DELETED] needed for the CWD team, exceeded the RFP's minimum requirements in a beneficial way to the government. The SSET concluded that CBD's staffing approach had little potential for disruption of schedule, would require only normal effort and monitoring, and assigned the proposal a rating of "blue/exceptional" with low risk under this subfactor.

By contrast, the SSET identified only two specific strengths and one weakness in SDS's proposal. The weakness related primarily to the evaluators' concern that SDS's [DELETED].

There is no merit to the protester's contention that the agency applied an unstated evaluation criterion to evaluate the PQM subfactor. To ensure that its need for adequate staffing will be met, it is proper for an agency to evaluate technical or price proposals against an undisclosed reasonable estimate of the appropriate staffing needed to perform the solicitation requirements where the RFP notifies offerors that staffing is an area of evaluation. *Gemini Indus., Inc.*, B-281323, Jan. 25, 1999, 99-1 CPD ¶ 22 at 3. Here, contrary to the protester's contention, there is no basis to conclude that the SSET either credited CBD for offering more personnel than the SOW estimated would be required to perform the tasks described in the SOW or downgraded SDS's proposal for offering fewer staff. What the record shows is that the evaluators considered each offeror's labor mix and unique approach, together with the in-house estimates of what the agency determined would be optimal staffing required to successfully perform the contract, reasonably determined that CBD's

approach provided a better mix and greater flexibility than SDS's approach, and rated the proposals accordingly.

Further, there is no merit to SDS's contention that the agency credited CBD's proposal for offering [DELETED], but improperly failed to give SDS equal credit even though it proposed the [DELETED]. As already explained, the evaluation record shows that the evaluators noted eight specific strengths in CBD's proposal under the PQM evaluation factor with no weaknesses. The evaluators identified only two strengths and one weakness in SDS's proposal in this area. Contrary to the protester's contention, none of the specific strengths noted in CBD's proposal under this factor were based on the firm's proposing [DELETED]. Instead, it is clear from the SSET's narrative explanations supporting each strength that the evaluators credited CBD's proposal for, in addition to its proposed personnel qualifications and expertise levels, its labor mix and flexibility to cover contingencies, and rated CBD's proposal accordingly.

ISD Plan Subfactor

SDS alleges that the "green/acceptable" rating its proposal earned under the ISD plan subfactor was unreasonable. In this connection, the protester contends that two of the three weaknesses assigned its proposal were based on the SSET's misunderstanding of its proposal, which SDS could have clarified had the agency asked SDS to submit explanatory information.³

³ In its comments, SDS asserts for the first time that the agency improperly failed to downgrade CBD's proposal for multiple weaknesses in its ISD plan. Under our Bid Protest Regulations, protests not based upon alleged solicitation improprieties must be filed not later than 10 days after the basis for protest is known. 4 C.F.R. § 21.2(a)(2) (2000). Where a protester initially files a timely protest and supplements it with new and independent grounds of protest, the new allegations must independently satisfy these timeliness requirements; our Regulations do not contemplate the unwarranted piecemeal presentation of protest issues. Litton Sys., Inc., Amecom Div., B-275807.2, Apr. 16, 1997, 97-1 CPD ¶ 170 at 4 n.1. Here, while SDS's initial protest was filed in a timely manner, SDS did not challenge the evaluation of CBD's proposal under the ISD subfactor. SDS became aware of this basis of protest, at the latest, upon its receipt of the agency report, but did not raise this new issue within 10 days thereafter. Rather, the new issue was first raised in SDS's comments on the agency report, which were filed more than 10 days after SDS received the report. While the comments themselves were timely filed because we had granted SDS's request for an extension of the 10-day period for filing comments prescribed by our Regulations, see 4 C.F.R. § 21.3(i), an extension for purposes of filing comments does not waive the timeliness rules with regard to new grounds of protest. SDS Petrol. Prods., Inc., B-280430, Sept. 1, 1998, 98-2 CPD ¶ 59 at 4 n.3. Accordingly, this protest issue is untimely, and will not be considered.

Offerors were instructed to submit proposals in three separate volumes: past performance (volume 1), technical (volume 2), and price (volume 3). RFP § 8, Preparation of Proposals--General Information, ¶ c, at 27. Volume 2 was to include several required plans, including the ISD management plan. The RFP warned offerors that proposals were to comply with the SOW requirements and must reflect a thorough understanding of the required services. Id. ¶ a. The RFP essentially reiterated this instruction with respect to preparing the technical volume, warning offerors that volume 2 should be specific, detailed, and clearly demonstrate that the offeror has a clear understanding of the actions required to perform the contract. Id., Preparation of Technical Proposal (volume 2) ¶ (b), at 29.

With respect to the evaluation of the ISD management plan, the RFP stated as follows:

DESCRIPTION: This subfactor will be evaluated to assess the offeror's understanding of and application of the principles and processes outlined in the Air Force's current model of ISD throughout the life cycle of the training system. This subfactor evaluates the entire ISD Management Plan. Specific methods and procedures used in the application of the ISD process including tracking of [CWD] milestones and methods of validating courseware effectiveness will be evaluated (refer to SOW paragraph 1.5 and Section 2, Service Delivery Summary).

RFP § 9, ¶ (c)(2)(b), at 33.

The SOW required offerors to develop, produce, and provide an ISD management plan with their proposals. SOW, attach. 1 ¶ 1.6.4, at 5. The RFP stated that the principal use of the ISD management plan was to provide the agency with a basis for evaluating the effectiveness of applying the ISD process during the life-cycle of the training system. Id.

The SSET identified three specific weaknesses in SDS's proposed ISD management plan, two of which are discussed here. Specifically, the SSET found that [DELETED] AR exh. 9, PER, attach. SDS Rating Team Worksheet, Subfactor 2: ISD, at 2. The evaluators were especially concerned that, given the Air Force's intense ISD requirement, [DELETED].

The agency explains, however, that [DELETED]. CO Statement, ¶ K.a, at 8. In this regard, the offeror has the burden of submitting an adequately written proposal, and an offeror's mere disagreement with the agency's judgment concerning the adequacy of the proposal is not sufficient to establish that the agency acted unreasonably. Caldwell Consulting Assocs., B-242767, B-242767.2, June 5, 1991, 91-1 CPD ¶ 530 at 6. Based on our review of the record, including SDS's proposal, we have no basis to question the evaluators' assessment in this regard, particularly where, as here, the

RFP warned offerors to provide clearly-written, detailed proposals that demonstrated the offerors' understanding of the requirement.

Another weakness the SSET noted under the ISD plan subfactor related to SDS's proposed [DELETED]-percent response to all emergency and mission/event essential requirements. AR exh. 16, SDS Proposal, § 2, ISD Management Plan, at 43. The agency points out in the report that the SOW required a 100-percent response. See SOW, attach. 1 ¶ 1.5.2.2(3), at 4; and Service Delivery Summary, ¶ (3), at 13. While SDS argued in its initial protest that the figure "[DELETED]" in its proposal was merely a typographical error, SDS does not take issue with the assessment of this specific weakness in its comments. Accordingly, we consider this issue abandoned. See Rockwell Int'l Corp., B-261953.2, B-261953.6, Nov. 22, 1995, 96-1 CPD ¶ 34 at 12 n.14.

The evaluators were also concerned that the SOW required that the software proposed to perform the CWD requirement be "royalty free" and preferably be useable in hypertext markup language (HTML) format and/or Microsoft PowerPoint. SOW attach. 1, ¶ 4.6.1. The evaluators determined that SDS proposed neither and noted this as a weakness. In its comments, the protester argues that this particular weakness was improper because its proposal stated that the courseware was useable in HTML and was provided "royalty-free," adding that any doubt the evaluators had in this regard could have been clarified had the agency requested additional information.

We need not address this contention since it is clear from the record that SDS did not suffer competitive prejudice as a result of the alleged evaluation error. In this regard, our Office will not sustain a protest unless the protester demonstrates a reasonable possibility that it was prejudiced by the agency's actions, that is, unless the protester demonstrates that, but for the agency's actions, it would have had a substantial chance of receiving the award. 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). Here, even assuming that SDS is correct regarding [DELETED] it proposed, given the other weaknesses the SSET found in its proposal under this subfactor--primarily related to the [DELETED]--there is no reason to conclude that the "green/acceptable" rating assigned its proposal under the ISD plan subfactor could have improved.⁴

⁴ SDS's argument that it could have corrected these matters had the agency raised them with SDS is without merit. An offeror has the burden to submit a proposal adequate for evaluation, especially, where, as here, the offeror is on notice that the agency intends to make award based on initial proposals without discussions. Titan Corp., B-260557.2, July 18, 1995, 95-2 CPD ¶ 89 at 9.

In sum, given the purpose of evaluating the ISD plan as described in the RFP, and the weaknesses identified by the SSET, we find no basis to object to the ratings assigned SDS's proposal in this area.

Price Reasonableness Determination

The protester also argues that the agency failed to make an adequate price reasonableness determination. Specifically, SDS contends that the agency's price reasonableness analysis was insufficient because CBD proposed [DELETED] than the next closest offeror in terms of price (which proposed [DELETED]), but the difference between those two firms' prices was only approximately \$100,000 over the life of the contract, including options. SDS maintains that the relatively small difference in prices strongly suggests that CBD's plan was not realistic, maintaining that the agency should have engaged in a detailed price analysis. We find no merit to this argument.

Where, as here, the RFP contemplates award of a fixed-price contract, the contracting agency is not required to conduct a detailed cost or cost realism analysis. See PHP Healthcare Corp.; Sisters of Charity of the Incarnate Word, B-251799 et al., May 4, 1993, 93-1 CPD ¶ 366 at 5-6. An agency may properly make a determination on the reasonableness of prices based upon a comparison of such prices with the government estimate and other offered prices. See Astro Pak Corp., B-256345, June 6, 1994, 94-1 CPD ¶ 352 at 5.

Here, the agency compared CBD's price with the in-house government estimate and with other prices proposed and concluded that given its approach, CBD's price was realistic and reasonable. Specifically, the record shows that in assessing CBD's price, the evaluators noted that CBD's price was the highest proposed, but concluded that the firm's technical proposal included the [DELETED] and noted that CBD's price was below the government's independent estimate for this effort. Consistent with the evaluator's conclusion, in her selection decision, the SSA acknowledged that a comparison of CBD's proposed price with the next highest-rated proposal revealed a difference of approximately \$110,000 per year. AR exh. 9, PER, § IV, at ¶ C. The SSA concluded, however, that the additional price supports CBD's technical approach, which, based on the results of the evaluation, exceeded the government's performance requirements. Id. While SDS contends that CBD's price is unrealistic, the protester has not shown that the agency's assessment was unreasonable. The protester's mere disagreement with the evaluators' and SSA's determination does not provide a basis to question the agency's determination in this regard.

Best Value Determination

SDS's contention that the agency's best value determination was flawed is predicated on the assumption that the award decision resulted from defective underlying technical and price evaluations. Given our conclusion that the evaluation of proposals was reasonably supported by the record, there is no basis to object to the agency's award decision on the grounds asserted by SDS.

The protest is denied.

**Anthony H. Gamboa
Acting General Counsel**