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Decision

Matter of: Preferred Systems Solutions

File: B-291750

Date: February 24, 2003

J. Scott Hommer III, Esq., and Benjamin A. Winter, Esq., Venable, Baetjer & Howard, for the protester.

Kenneth J. Ingram, Esq., Whiteford, Taylor & Preston, for Access Systems, Inc., an intervenor.

Diane L. Celotto, Esq., Naval Supply Systems Command, for the agency.

Paul E. Jordan, Esq., and John M. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that agency improperly applied unstated evaluation criteria in evaluating awardee's management proposal as superior to protester's on the basis of its transition plan and resumes of incumbent personnel, is denied, since these matters were reasonably and logically encompassed by the management plan factor stated in the solicitation.

DECISION

Preferred Systems Solutions, Inc. (PSS) protests the award of a contract to Access Systems, Inc. under request for proposals (RFP) No. N00140-02-R-1284, issued by the Department of the Navy for services in support of the U.S. Joint Forces Command. PSS challenges the technical evaluation and the price/technical tradeoff.

We deny the protest.

The RFP, a section 8(a) set-aside, sought proposals for technical, administrative, and clerical services in and around Norfolk, Virginia in the following labor categories: program manager, senior management analyst, management analyst II, management analyst I, administrative assistant, word processor 2, word processor 1, facilities clerk, food services coordinator, foodservice clerk, and librarian. The RFP contemplated the award of an indefinite-delivery/indefinite-quantity (ID/IQ), time and materials contract for a base year, with 4 option years.

Proposals were to be evaluated on the basis of three factors: past performance, management plan, and cost/price. The technical factors were evaluated on an adjectival basis—highly acceptable (meets and exceeds requirements), acceptable (meets all requirements), unacceptable (a) (meets most requirements), and unacceptable (b) (fails to meet requirements). The past performance and management plan factors were of equal importance and the technical proposal was more important than the price proposal. Award was to be made to the offeror whose proposal represented the “best value” to the government.

Fifteen offerors, including PSS and Access, submitted proposals. After an initial evaluation, six offerors’ proposals were included in the competitive range, and the agency requested final proposal revisions (FPR) from these firms. PSS and Access submitted FPRs that changed their proposed prices, but not their technical proposals. The final evaluation results were as follows:

	Past Performance	Management Plan	Price
PSS	Acceptable	Acceptable	\$18,574,220
Access	Acceptable	Highly Acceptable	\$19,081,480

The contracting officer, as source selection authority (SSA), noted that PSS’s price proposal was lower than Access’s, but determined that the benefits associated with Access’s superior management plan more than justified its slightly higher price. He concluded that this made Access’s proposal the best value, and made award to the firm. After receiving a debriefing, PSS filed this protest.

UNSTATED EVALUATION CRITERIA

PSS asserts that the agency improperly awarded Access’s proposal credit for submitting a transition plan and resumes of incumbent personnel. In the protester’s view, because neither of these items was required by the RFP, the agency’s reliance on them constituted the application of significant unstated evaluation criteria.

In reviewing a protest of an agency’s proposal evaluation, we will consider whether the evaluation was reasonable and consistent with the terms of the solicitation and applicable statutes and regulations. CWIS, LLC, B-287521, July 2, 2001, 2001 CPD ¶ 119 at 2. In evaluating a proposal, an agency properly may take into account specific, albeit not expressly identified, matters that are logically encompassed by or related to the stated evaluation criteria. North Am. Military Hous., LLC, B-289604, Mar. 20, 2002, 2002 CPD ¶ 69 at 5; TESCO, B-271756, June 24, 1996, 96-1 CPD ¶ 284 at 2.

Under the management plan factor, offerors were required to demonstrate, in sufficient detail, a management approach that would successfully accomplish the statement of work (SOW). Offerors were also to “address the risk associated with implementation of the offeror’s management plan as well as the steps to mitigate this

risk” and “any other information the offeror considers relevant to the SOW.” RFP at 28. Access’s management plan included the names, resumes/qualifications, and (for most) letters of commitment of some 80 personnel, including incumbent employees, current qualified employees of Access and its subcontractor, and “pre-qualified” potential personnel. In addition, Access included a 2-page transition plan identifying the steps it planned to take to minimize the risk in assuming responsibility for contract performance from the incumbent.

In finding that Access’s proposal exceeded the RFP requirements, the evaluators noted that the proposal “demonstrated a superior understanding” of the RFP requirements and represented a “substantially” lower performance risk than expected. Technical Evaluation Report (TER) at 4. Specifically, the evaluators praised Access’s recognition of the value of the incumbent employees and its “significant effort” in obtaining their resumes and letters of intent. Id. The evaluators concluded that Access’s “significant steps . . . to ensure that qualified individuals will be readily available to perform . . . provided added assurance of the successful performance of the solicitation’s requirements and minimize[d] the risk of any problems during transition.” Final TER at 5.

These aspects of Access’s detailed management plan and their impact on minimizing transition risk were matters clearly encompassed by the management plan factor. This is a contract for personnel to provide various support services on an ID/IQ basis, and the degree to which an offeror demonstrated the availability of qualified personnel was directly related to its ability to quickly provide qualified, cleared personnel, as needed, and, correspondingly, to the risk attending implementation of its management plan. The agency therefore reasonably considered Access’s transition plan and resumes in evaluating its proposal.

PSS also asserts that it was improper to consider Access’s transition plan because the RFP stated that “[s]ince this is an ID/IQ contract, a transition period is not allowed.” RFP, amend. 0002. This argument is without merit. The fact that no transition period would be provided the successful contractor did not preclude the agency from considering the manner in which transition to a new contractor would be accomplished; in fact, addressing this transition could be considered more important where there is to be no transition period. Moreover, again, the RFP requirement that offerors “address the risk associated with implementation of the offeror’s management plan as well as the steps to mitigate this risk” put offerors on notice that the agency would consider this transition in the evaluation.

PSS asserts that, had it known the agency was going to give credit for these items, it would have provided them. However, while the RFP did not require the submission of resumes or a transition plan, it did not prohibit their inclusion and, as discussed, they were directly related to the management plan evaluation factor. Where, as here, award is to be made on a best value basis, it is proper for the agency to consider information that exceeds what was specifically required by the RFP.

See F2M-WSCI, B-278281, Jan. 14, 1998, 98-1 CPD ¶ 16 at 7-8. In any case, we note that PSS itself recognized the importance of resumes and a smooth transition, as evidenced by the number of references to transition in its proposal. For example, PSS referred to its **[deleted]**. In the same proposal section, PSS noted that it had **[deleted]**. The difference in the two offerors' proposals was that Access's provided detail and evidence of a commitment to use incumbent and other qualified personnel, while PSS's simply promised **[deleted]**. We find nothing unreasonable in the agency's conclusion that Access's more detailed approach warranted a superior rating.¹

SOURCE SELECTION

PSS asserts that the agency improperly performed its price/technical tradeoff. While recognizing that the two technical factors were equally weighted, and combined were more important than price, PSS speculates that the price factor was more heavily-weighted than the management plan factor alone. Thus, PSS concludes that its lower price should have been given greater weight than Access's superior management plan in the price/technical tradeoff. (In fact, the RFP is silent as to the relative weight between price and either of the technical factors.) Regardless of the individual weights, however, PSS's assertions have no merit.

Source selection officials have broad discretion in determining the manner and extent to which they will make use of the technical and price evaluation results, and their judgments are governed only by the tests of rationality and consistency with the stated evaluation criteria. Chemical Demilitarization Assocs., B-277700, Nov. 13, 1997, 98-1 CPD ¶ 171 at 6. Where, as here, the RFP allows for a price/technical tradeoff, the selection official retains discretion to select a higher-priced but technically higher-rated submission, if doing so is in the government's best interest and is consistent with the solicitation's stated evaluation and source selection scheme. 4-D Neuroimaging, B-286155.2, B-286155.3, Oct. 10, 2001, 2001 CPD ¶ 183 at 10. Even under a solicitation which states that proposed price is more important than technical evaluation factors, the contracting agency is not required to make award to the firm offering the lowest price; the agency retains the discretion to select a higher-priced, technically higher-rated proposal, if doing so is in the government's best interest and is consistent with the solicitation's stated evaluation and source selection scheme. Day & Zimmermann/IMR L.L.C., B-280568, B-280569, Oct. 19 1998, 98-2 CPD ¶ 111 at 7.

¹ PSS notes that proposals were limited to 100 pages and that Access exceeded that limitation. However, while the agency acknowledges that Access's proposal included pages beyond the limitation, it explains, without dispute from PSS, that the excess pages were additional letters of commitment and were not evaluated. This argument therefore does not warrant disturbing the award.

Here, the RFP stated that the technical proposal, as a whole, was more important than the price proposal, and the SSA based his tradeoff determination on these overall relative values. Ultimately, the SSA determined that Access's evaluated technical advantage was worth what he found to be a "slightly higher price." In this regard, the SSA's tradeoff memorandum specifically details his rationale:

Access has submitted a superior management plan to that submitted by PSS. Access' management plan recognized the importance of the institutional knowledge of the incumbent employees as a valuable asset and evidenced that recognition by the significant effort that they invested in obtaining resumes and letters of intent from the incumbent employees. . . . The significant steps taken by Access to ensure that qualified individuals will be readily available to perform has provided added assurance of the successful performance of the solicitation's requirements and minimizes the risk of any problems during transition. Access' management plan provides further added assurance that it will have qualified personnel available to meet the emergent requirements. The level of performance risk associated with Access' proposal is substantially less than the level expected from a competent offeror. The [agency]'s mission requirements could be severely impacted if a contractor cannot provide qualified personnel in [a] timely manner either during contract transition or to meet emergent requirements. Based on the foregoing, it is determined that the benefits associated with Access' management plan more than justify the slightly higher price associated with their proposal. Therefore, in accordance with the solicitation's evaluation criteria, it is determined that Access has submitted a more advantageous offer to the Government than PSS.

Source Selection Decision Memorandum at ¶ 5. Based on Access's more detailed proposal and the readily apparent advantages associated with it, we find no basis to object to the SSA's price/technical tradeoff. PSS's mere disagreement does not render the SSA's decision unreasonable. Sawtooth Enters., Inc., B-281218, Dec. 7, 1998, 98-2 CPD ¶ 139 at 4.

OTHER ISSUES

PSS raises a number of other issues, all of which we have reviewed and found to lack merit. For example, PSS asserts that Access's signed letters of commitment were of "illusory" value because they merely stated the prospective employees were "willing" to accept employment instead of stating they "will" accept employment. We see no substantive difference in the wording, at least not for the limited purposes of the agency's evaluation of Access's efforts to ensure a smooth transition. PSS also erroneously relies on our decision in SKJ & Assocs., Inc., B-291533, Jan. 13, 2003, 2003 CPD ¶ 3, a case clearly distinguishable from this protest. In SKJ, we sustained the protest because the agency lacked a reasonable basis to reject the protester's

quotation under a request for quotations (RFQ) for training services where the RFQ required submission of a technical proposal, but gave no guidance as to its content or how it would be evaluated. Here, the RFP identified and described the evaluation criteria under which PSS's proposal was properly evaluated and found acceptable.

The protest is denied.

Anthony H. Gamboa
General Counsel