



The Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

**Matter of:** Data Controls/North Inc.

**File:** B-233628.4

**Date:** April 5, 1989

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### DIGEST

An agency can reasonably conclude an offer is technically unacceptable and exclude it from the competitive range where the offer contains significant informational deficiencies. Although a technical evaluation of a proposal must be based on information submitted with the proposal, a blanket offer of compliance is not sufficient to comply with solicitation requirements for descriptive information which an agency deems necessary for evaluating the technical acceptability of proposals.

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### DECISION

Data Controls/North Inc. (DCN) protests the rejection of its proposal under request for proposals (RFP) No. HC-14729, issued by the Department of Housing and Urban Development (HUD), for data entry/conversion services for HUD's Office of Information Policies and Systems (IPS).

We deny the protest.

The RFP required offerors to submit separate technical/management and price proposals; price was to be considered secondary to technical capability but was to be the deciding factor where proposals were nearly equivalent. Section M of the RFP provided that proposals could receive a maximum of 100 points under three "Factors of Award" or evaluation criteria as follows: (1) past performance (40 points); (2) management and technical approach (40 points); and (3) facilities (20 points). A three-member Technical Evaluation Committee (TEC), appointed by the Source Evaluation Board, evaluated the technical/management proposals and prepared a report, giving the numerical score and a narrative evaluation with strengths and weaknesses for each proposal. The TEC awarded DCN 23 points out of the possible 100 points. The Source Evaluation Board adopted the TEC findings and determined that the DCN proposal was

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technically unacceptable. The contracting officer sent DNC a letter advising it that its proposal was technically unacceptable and that it would no longer be considered for award.

DCN protests that its proposal was improperly evaluated and that it was wrongfully excluded from the competition. DCN argues that the TEC did not credit it appropriately for its management and technical ability. It says that its proposal should have received a higher technical score because DCN is an incumbent contractor and has been for the past 16 consecutive years, during which it has performed satisfactorily. Further, the company asserts that it has provided more than 50 percent of the data entry workload for HUD for the past 6 years, or service worth almost \$6 million, and thus has demonstrated its ability to handle large-volume, difficult data entry work. DCN states it also had received a letter from a Government Technical Representative (GTR) which complemented the firm for its professional management and good performance records. DCN maintains that it was not properly evaluated because the TEC did not check HUD's files, talk to the GTR, or credit the protester for demonstrated quality work which should have been evident from the dollar amount of past billings with HUD listed in the "Company Experience" section of DNC's proposal.

It is not the function of our Office to evaluate proposals de novo or to resolve disputes over the scoring of proposals. Rather, we will examine an agency's evaluation and competitive range determination only to insure that they were reasonable and consistent with the stated evaluation criteria. The determination of the relative merits of a proposal is primarily a matter of administrative discretion which we will not disturb unless it is shown to be arbitrary. William B. Hachett & Assocs., Inc., B-232799, Jan. 18, 1989, 89-1 CPD ¶ 46. The protester must clearly establish that an evaluation was unreasonable. This is not accomplished by the protester's mere disagreement with the agency's judgment. William B. Hachett & Assocs., Inc., B-232799, supra; Systems and Processes Engineering Corp., B-232100, Nov. 15, 1988, 88-2 CPD ¶ 478. Furthermore, offers that are unacceptable as submitted and would require major revisions are not for inclusion in the competitive range. Electronet Information Systems, Inc., B-233102, Jan. 24, 1989, 89-1 CPD ¶ 68.

In this case, the record shows that the low point score received by DCN was based on DCN's failure to develop a proposal which satisfied the solicitation requirements.

These requirements, HUD states in its report to our Office, represent the consolidation of the data entry workload formerly under five separate contracts. It was therefore important for offerors to demonstrate how they could perform a high volume of work which could fluctuate widely. This was reflected in the RFP's evaluation criteria or "Factors for Award," within which were 16 sub-criteria under which, among other things, offerors were to demonstrate in their proposals their ability to produce high quality work products in large volume from difficult source documents; their possession of labor resources adequate for these tasks; their procedural approach to quality control; their procedural approach to and capability of dealing with large fluctuations in the volume of work; and contingency planning.

DCN argues that TEC members were "generally very critical on all points because they were looking for unnecessary elaborate proposals [which were prohibited by the solicitation.]" Our review of the record, however, shows that HUD was not overly critical of DCN's proposal but had a reasonable basis for the conclusions it drew. In this regard, we do not think the standard clause, included in this RFP, which discourages the submission of unnecessarily elaborate proposals excuses an offeror from including the type of information specifically identified in the solicitation as relevant to the evaluation of its proposal. Rather, it appears that DCN expected the evaluation committee to intuit from DCN's past work for the agency, from the billing information in its proposal, and from the letter from the GTR (which was not in the proposal) that it was a competent, well-managed company, capable of performing the solicitation requirements. DCN, however, offered little support for its qualifications in its proposal itself. Indeed, its proposal, for the most part, merely parroted the language of the solicitation.

For example, in its description of the work to be performed, the solicitation specifically stated that "[t]he contractor must have the technical capacity to accommodate significant (and as yet indeterminate) fluctuations in workload assignment volumes (e.g., up to 300% or down 2/3 in one month)." In its proposal, DCN stated, "DCN, with three (3) locations can adjust to fluctuations in workload even significant as up to 300% or down to two thirds (2/3) in one month." Nowhere in the proposal, however, and in spite of the specific evaluation criteria regarding the offeror's procedural approach to and capability of dealing with large volume fluctuations, did DCN indicate how it would manage these fluctuations. Similarly, no specific details, other than the contract price, were offered about past projects

and no contingency plan was given. Indeed, the proposal indicated that "DCN does not anticipate any support problems . . . since it is the present contractor and all programs that have been submitted by HUD personnel to date have been completed." DCN simply stated that it would "furnish the necessary labor, services, equipment, facilities, procedures, material and supplies to perform the work required at our facility." The proposal also did not specifically address how DCN would meet the large volume of work and complex data entry tasks that HUD outlined in the solicitation. Instead, DCN focused on its past performance as one of the incumbent contractors to HUD for these services.

In its protest, DCN argues that its past billing information was an indication of its sound management practices and its ability to perform high-volume work which it assumed that the TEC would verify from agency files and inquiries of GTRs about the firm's past performance and abilities. However, an offeror is responsible for preparing its proposal in a manner which establishes that what is offered will best meet the government's needs and that the offeror is the most qualified. Agencies are not obligated to search out information or qualifications that an offeror may have omitted from its proposal. Electronet Information Systems, Inc., B-233102, supra. A technical evaluation must be based on information submitted with the proposal and no matter how capable an offeror may be, if it does not submit an adequately written proposal, it will not be considered in the competitive range. Diversified Contract Services, Inc., B-228168.3, May 17, 1988, 88-1 CPD ¶ 463; Micronics, Inc., B-215266, Nov. 13, 1984, 84-2 CPD ¶ 521. We note that in this regard, HUD states that in anticipation that both its incumbent contractors and non-incumbents would compete for this consolidated requirement, it assigned to the TEC personnel who had not been involved in the administration of prior data entry contracts so as to eliminate the possibility of bias for or against an incumbent.

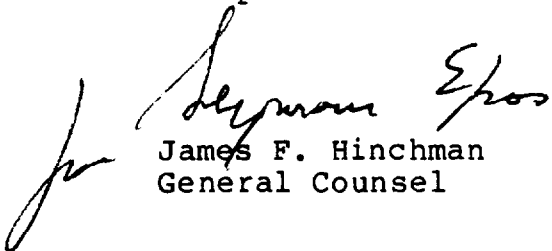
Where, as here, an offeror fails to furnish sufficient information in its proposal to establish its technical acceptability the agency can reasonably conclude the offer as technically unacceptable and exclude it from the competitive range. Electronet Information Systems, Inc., B-233102, supra. Moreover, even if one were to regard DCN's submission of the basic solicitation documents as an implicit acceptance of the terms of the RFP, a blanket offer of compliance with RFP requirements is not sufficient to comply with a solicitation requirement for specific information which an agency deems necessary for evaluating

the technical acceptability of proposals. Union Natural Gas Co., B-231461, Sept. 13, 1988, 88-2 CPD ¶ 231.

In view of DCN's failure to furnish sufficient information in its proposal to enable a determination of its technical acceptability, we find the agency acted reasonably in concluding that DCN's proposal was technically unacceptable and in excluding it from the competitive range.

DCN also suggests that HUD improperly used predetermined threshold scores to determine which offerors were in the competitive range. The documentation provided to us, however, indicates that no threshold score for inclusion within or exclusion from the competitive range was used. Rather, each proposal, evaluated according to the RFP's Factors of Award, was ranked and the ranking revealed a natural gap in scores between those proposals found to be in the competitive range and those which were not.

The protest is denied.

  
James F. Hinchman  
General Counsel