



**DOCUMENT FOR PUBLIC RELEASE**

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

## Decision

**Matter of:** CyQuest Business Solutions, Inc.  
**File:** B-410366; B-410366.2; B-410366.3  
**Date:** December 18, 2014

---

Barbara G. Werther, Esq., Joseph C. Kovars, Esq., and Jackson B. Boyd, Esq., Ober, Kaler, Grimes & Shriver, for the protester.  
John R. Tolle, Esq., Barton, Baker, Thomas & Tolle, LLP, for Integrated Management Resources Group, Inc., the intervenor.  
Grant L. Arnold, Esq., Mark Hansen, Esq., and Kimberly Manganello, Esq., Pension Benefit Guaranty Corporation, for the agency.  
Cherie J. Owen, Esq., and David A. Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

---

### DIGEST

1. Protest challenging agency's evaluation of past performance is denied where agency reasonably determined that, notwithstanding positive performance references, protester's past performance did not demonstrate performance of contracts involving similar size, scope, or complexity such as to warrant a rating higher than acceptable.
  2. Protest challenging agency's technical evaluation is denied where the source selection authority reasonably concluded that the two technical strengths associated with the protester's proposal were of limited value and would have little impact on the successful performance of the contract.
- 

### DECISION

CyQuest Business Solutions, Inc., of Atlanta, Georgia, protests the Pension Benefit Guaranty Corporation's (PBGC) award of a contract to Integrated Management Resources Group, Inc. (IMRG), of Lanham, Maryland, under request for proposals (RFP) No. PBGC01-RP-14-0015, for professional pension benefit administration support services. CyQuest asserts that the agency's evaluation and tradeoff decision were unreasonable.

We deny the protest.

## BACKGROUND

The PBGC is a wholly-owned government corporation established to develop and administer the pension plan termination insurance program for various defined benefit pension plans as provided by the Employee Retirement Income Security Act (ERISA) of 1974, 29 U.S.C. §§ 1001-1461.<sup>1</sup> As trustee, PBGC is responsible for protecting the pensions of an estimated 40 million workers and retirees in private defined-benefit pension plans. Contracting Officer's Statement (COS) at 1. To fulfill this mission, PBGC currently relies upon contractor-provided professional pension benefit administration support services in seven contractor-staffed field offices. Id. at 1; Agency Report (AR), Tab 7, RFP, at 18. Under this solicitation, PBGC seeks to consolidate the work performed by multiple contractors at PBGC's seven field offices into one contract for support services. COS at 1-2. These support services include the following eight categories of services: gathering and maintaining participant data; processing benefits and benefit adjustments; processing participant information changes; distributing benefit determination letters; responding to verbal and written inquiries; supporting participant data reviews and database building; performing plan closing reviews; and post-valuation administration. RFP at 20. Offerors are also required to provide and maintain the facility, space, furniture, equipment, and supplies necessary to perform these services. Id. at 4.

The RFP, issued on April 17, 2014, contemplated the award of a contract, for a 12-month base period with four 12-month options, on a best-value basis considering the following evaluation factors, listed in descending order of importance: past performance, technical approach, management approach, small business subcontracting plan, and price. RFP at 21, 79, 87. When combined, the non-price factors were significantly more important than price. Id.

With regard to past performance, the RFP stated that the agency would consider the quality of the work performed and whether the references were recent and relevant. Relevance was defined as "the degree of similarity between the effort[s] with respect to scope, complexity, dollar value, and subcontractor participation." RFP at 88. Recent contracts were defined to include efforts that began or concluded within three years of the proposal due date. Id. Offerors were instructed that their proposals were to describe how the work performed under each reference correlated to the requirements of the RFP here in terms of size, complexity, and scope of services provided. Id. at 83. With regard to technical approach, the RFP stated that the agency would evaluate whether offerors' methods and approach to

---

<sup>1</sup> As a wholly-owned government corporation, the PBGC is a "federal agency" as defined by section 3 of the Federal Property and Administrative Services Act of 1949, 40 U.S.C. § 472 (2000), over which GAO has bid protest jurisdiction. Integrated Management Resources Group, Inc., B-400550, Dec. 12, 2008, 2008 CPD ¶ 227 at 2 n.1; see 31 U.S.C. § 3551; 4 C.F.R. § 21.0(c) (2014).

meeting the RFP's requirements provided the agency with a "high level of confidence of successful delivery within the required schedule." RFP at 89.

The agency received five proposals by the May 22 closing date. COS at 2. After evaluating initial proposals, the agency established a competitive range of three offerors, including CyQuest and IMRG, and conducted discussions. Id. at 2-3. After reviewing final proposal revisions, the technical evaluation panel (TEP) recorded its evaluation conclusions in a TEP report.

With regard to CyQuest's past performance, the TEP reviewed the three references submitted by CyQuest and determined that one was relevant and two were only somewhat relevant. AR, Tab 6, TEP Report, at 3-5. Overall, the TEP assigned CyQuest's past performance a rating of good. With regard to IMRG's past performance, the TEP reviewed the three references submitted by IMRG and determined that all three were for work performed for PBGC and all three were relevant. TEP Report at 16-18. Overall, the evaluators assigned IMRG's past performance a rating of excellent.

With regard to technical approach, after conducting discussions, the evaluators found that CyQuest's final proposal revisions resolved the four weaknesses and one significant weakness that had been assessed in the firm's initial proposal. TEP Report at 34-35. In addition, the TEP assigned two strengths to CyQuest's proposal, and concluded that CyQuest's technical approach rating should be upgraded from the marginal rating it received in the initial evaluation to good. With regard to IMRG's technical approach, the evaluators assigned three strengths, and concluded that IMRG's technical approach should be rated excellent.

After reviewing the TEP report, the source selection authority (SSA) made his own independent assessment of the merits of each offeror's proposal. As relevant here, the SSA determined that CyQuest's proposal merited ratings of acceptable under the past performance and technical factors, rather than the ratings of good that the TEP assigned.<sup>2</sup> SSDD at 9. Specifically, with regard to past performance, the SSA found that the size, scope, and complexity of CyQuest's past performance was significantly less than the size, scope, and complexity of work contemplated by the RFP. SSDD at 10, 13. The SSA also noted that CyQuest had not demonstrated past performance involving post valuation administration, one of the eight main service areas required by the RFP's statement of work. Id. at 13; RFP at 20.

With regard to technical approach, the SSA found that, while CyQuest's proposal contained two strengths, neither of these strengths provided the SSA with a high level of confidence in the firm's ability to perform the tasks required under the RFP.

---

<sup>2</sup> The SSA also changed the rating of the third offeror in the competitive range. AR, Tab 5, SSDD, at 9.

SSDD at 11. Therefore, the SSA determined that CyQuest’s technical proposal should be rated acceptable rather than good. As a result of the SSA’s independent assessment, the proposals of CyQuest and IMRG were rated as follows:

<b>Evaluation Factors</b>	<b>CyQuest</b>	<b>IMRG</b>
Past Performance	Acceptable	Excellent
Technical Approach	Acceptable	Good
Management Approach	Good	Good
Subcontracting Plan	N/A (small business)	N/A (small business)
Overall Consensus Rating	Good	Good
Price	\$91,511,944.13	\$105,900,954.65

Id. at 9.

Based on these revised ratings, the SSA determined that IMRG’s proposal represented the best value to the government. In selecting IMRG’s proposal, the SSA emphasized that IMRG is currently responsible for approximately 90% of all plans that will be covered under this contract. SSDD at 21. In this regard, the SSA noted that the contract here will involve transferring and transitioning approximately 4,600 plans; IMRG’s past performance included experience with transitioning over 2,000 plans, and administration of over 4,100 plans at various of the agency’s field benefit administration offices, while CyQuest’s past performance involved the administration of approximately 55 plans. Id. While recognizing that CyQuest received favorable past performance ratings, the SSA determined that the firm’s limited past performance with regard to the requirements under this consolidated contract was inferior to that of IMRG. Id. In addition, the SSA found that the underlying substantive value of IMRG’s three strengths under the technical factor indicated a low risk of unsuccessful performance and provided a “tangible methodology for sustaining and improving PBGC’s benefit administration services,” while CyQuest’s two strengths did not provide similar assurance of successful performance. Id. at 22. Accordingly, the SSA selected IMRG’s proposal for award. This protest followed.

## DISCUSSION

In its protest, CyQuest challenges the agency’s evaluation under the technical and past performance factors, the affirmative determination of IMRG’s responsibility, and the tradeoff decision. While we do not specifically discuss each argument, we have considered all of CyQuest’s assertions and find that none furnish a basis on which to sustain the protest.

### Evaluation of Past Performance

CyQuest asserts that the agency's evaluation of past performance was flawed in several respects. First, the protester argues that the SSA's evaluation of CyQuest's past performance as acceptable, rather than good, was unreasonable given the favorable performance assessment reports the firm received in performing its prior contracts. Protest at 10-11. CyQuest also contends that the agency's determination that the awardee's past performance merited a rating of excellent was unreasonable because the agency improperly failed to consider inspector general (IG) reports that contained negative information about IMRG. Protest at 12.

An agency's evaluation of past performance, which includes its consideration of the relevance of an offeror's performance history, is a matter of agency discretion which we will not disturb unless the agency's assessments are unreasonable, inconsistent with the solicitation criteria, or undocumented. Presidio Networked Solutions, Inc. et al., B-408128.33 et al., Oct. 31, 2014, 2014 CPD ¶ 316 at 14. The evaluation of past performance, by its very nature, is subjective, and we will not substitute our judgment for reasonably based evaluation ratings. Presidio Networked Solutions, Inc. et al., *supra*; American Env't'l Servs., Inc., B-406952.2, B-406952.3, Oct. 11, 2012, 2013 CPD ¶ 90 at 5. Here, we find CyQuest's challenges to the past performance evaluation to be without merit.

With regard to CyQuest's past performance, the TEP reviewed the three referenced contracts identified by CyQuest and determined that one was relevant and two were only somewhat relevant. TEP Report at 3-5. The first referenced contract, identified by the TEP as "FBA [Field Benefits Administration] - Sarasota," was for CyQuest's work at one of PBGC's field offices from 2009 to 2014. The value of the contract was approximately \$32 million.<sup>3</sup> The TEP found that the contract involved work similar to that required under the RFP, but did not involve the performance of all of the requirements of the RFP here. In this regard, the evaluators noted that the FBA Sarasota contract, unlike the RFP here, did not require CyQuest to supply or maintain a facility and work site. Id. at 3. However, the TEP nevertheless determined that this contract was relevant and recent. Id. at 3. In addition, CyQuest received excellent ratings from the reference identified for this contract.

The second referenced contract, identified by the TEP as the "Fortune Benefits" contract, involved consulting services and benefits administration for a private company involving 48 clients from 2009 to 2011. TEP Report at 5; CyQuest Proposal at 13. The total value of the contract was approximately \$1.7 million.

---

<sup>3</sup> CyQuest's proposal appears to have transposed the first two digits when stating the total value of the contract was \$13,691,661. The proposal, however, also stated that the initial award value of this contract was \$21,768,815, and the value of options exercised under the contract was \$10,804,315. CyQuest Proposal at 12. The SSA apparently recognized this clerical error, stating in the SSDD that the total contract value was \$31,691,661. SSDD at 4.

Although CyQuest received excellent ratings for its performance of this contract, the evaluators found that the work did not involve all of the requirements envisioned under the RFP, such as the requirement to maintain a facility and work site, and that the work was only somewhat similar in complexity to the work required under the RFP. TEP Report at 4. Therefore, the evaluators considered this contract to be only somewhat relevant. Id.

The third referenced contract, identified by the TEP as the “Standard Insurance” contract, involved disability benefit administration and absence management claims for a private company from 2013 to the present. TEP Report at 5. The total contract value was \$3 million. Id. For this contract, the evaluators found that the work did not involve all of the requirements envisioned under the RFP here. For example, the contract did not appear to include any defined benefit pension plan administration. Id. at 5. Therefore, the evaluators considered this contract to be only somewhat relevant. The reference for this contract did not respond to the evaluators’ inquiries. Further, since this contract involved a private company rather than the federal government, no data was available from the government’s Past Performance Retrieval Information System. Id. As a result, evaluators were unable to assess the quality of CyQuest’s work under this contract.

Overall, considering CyQuest’s positive ratings on one relevant PBGC contract and one somewhat relevant contract, as well as the fact that CyQuest had performed another somewhat relevant contract for which no performance ratings could be obtained, the TEP evaluated CyQuest’s past performance as good. TEP Report at 3.

With regard to IMRG’s past performance, the TEP reviewed the three referenced contracts submitted by IMRG and determined that all three were for work performed for PBGC and all three were relevant. TEP Report at 16-18. The first referenced contract, identified by the TEP as the “PBGC FBA [Field Benefits Administration] Operation - Corapolis” contract, was for IMRG’s work at one of PBGC’s field offices from 2009 to 2014. The value of the contract was approximately \$27 million. Overall, the TEP found that the contract was relevant and that IMRG’s work under the contract “closely aligns with the technical requirements of the solicitation.” Id. at 16. In addition, IMRG received positive ratings for its performance of this contract, and the point of contact stated that IMRG met performance metrics 100% of the time. Id.

The second referenced contract, identified by the TEP as the “PBGC FBA [Field Benefits Administration] Operation - Pueblo” contract, was for IMRG’s work at another of PBGC’s field offices, where IMRG performed benefit administration

services for PBGC trustee<sup>4</sup> defined benefit pension plans of all sizes and complexities from 2009 to 2014. TEP Report at 16. The value of the contract was approximately \$14 million. The TEP also noted that IMRG's performance of this contract included transitioning from an incumbent contractor, which was relevant to the RFP's requirements here because the successful contractor will be required to transition the work currently performed by various contractors in PBGC's seven field offices. Id. at 16-17. Although IMRG's work on this contract did not involve maintaining a facility and work site, the TEP found that the contract was relevant and that IMRG's work under the contract "closely aligns with the technical requirements of the solicitation." Id. at 17. In addition, IMRG received positive ratings for its performance of this contract. Id.

The third referenced contract, identified by the TEP as the "PBGC Post-Valuation Administration - Richmond Heights" contract, was for IMRG's work at another of PBGC's field offices, where IMRG performed benefit administration services for PBGC trustee defined benefit pension plans of all sizes and complexities from 2009 to 2014, and also included transitioning from an incumbent contractor. TEP Report at 16-17. The TEP found that the contract was relevant and that IMRG's work under the contract "closely aligns with the technical requirements of the solicitation." Id. at 17. IMRG also received positive ratings for its performance of this contract. Id.

Overall, the TEP found that all three of IMRG's referenced contracts related directly to the work required under the solicitation here. The TEP noted in this regard that IMRG is currently performing in three of PBGC's seven contractor-staffed field offices that are the subject of this consolidated procurement, and that these three contracts, when combined, showed a very similar dollar value and magnitude of work to the RFP's consolidated requirements here. Id. at 18. Given IMRG's favorable performance on these relevant contracts, the evaluators assigned IMRG's past performance a rating of excellent.

In the SSA's independent evaluation of the TEP's review of past performance, he found that the size, scope, and complexity of CyQuest's past performance was significantly less than the size, scope, and complexity of work contemplated by the RFP, meriting a rating of only acceptable. SSDD at 10. Specifically, the SSA noted that out of CyQuest's three referenced contracts, two were considered to be only somewhat relevant. The SSA also found that these contracts did not include benefit administration for trustee defined benefit pension plans, which is required under the RFP. Id. at 11. In addition, the SSA noted that both of these somewhat relevant contracts were significantly smaller in terms of size, scope, and dollar

---

<sup>4</sup> A trustee plan is a terminated pension plan for which PBGC is trustee. Professional Pension Termination Assoc., B-230007.2, May 25, 1988, 88-1 CPD ¶ 498 at 2 n.1.

amount than the solicitation requirements here. Id. As for CyQuest's work under the Sarasota FBA contract for PBGC, the SSA acknowledged that CyQuest received excellent ratings, but pointed out that this contract did not appear to involve post valuation administration, which constitutes a substantial portion of the work required under the RFP.<sup>5</sup> Id. at 10; RFP at 20. Further, the SSA noted that the Sarasota FBA work involved a significantly smaller volume of work and dollar value than the contract contemplated here. SSDD at 10. That is, under the Sarasota FBA contract, CyQuest managed approximately 55 plans, which the SSA noted constitutes approximately 1% of the number of plans that will be managed under the contemplated contract here. Id. As a result, the SSA determined that CyQuest's past performance should be rated only acceptable.

In contrast, the SSA concluded that all three of IMRG's referenced contracts involved work for PBGC and that all three were relevant. AR, Tab 5, SSDD at 13. For example, the SSA noted that under IMRG's "PBGC Post-Valuation Administration - Richmond Heights" contract, the firm transitioned over 2,000 plans into their post-valuation administration office. Id. In addition to finding each of these contracts to be relevant to the requirements under the RFP, the SSA also observed that, when combined, IMRG's performance at three PBGC field offices accounted for "the entirety of the tasks that will be performed under the . . . contract, [including] both field benefit administration and post valuation administration," and "represent \$66 [million] of contract value and the management of over 150 personnel." Id. at 13. The SSA further noted that IMRG is currently responsible under its PBGC contracts for approximately 90% of all the plans encompassed by the solicitation here. Id. at 21. In sum, given IMRG's positive performance on these three relevant contracts, the SSA agreed with the TEP's assignment of an excellent rating to IMRG's past performance.

As an initial matter, CyQuest asserts that the SSA unreasonably reduced its past performance rating to acceptable from the TEP's rating of good. We disagree. A selection official has the discretion to make an independent assessment of offerors' proposals and to disagree with the judgments of lower-level evaluators, provided the selection official's assessments are otherwise reasonable. See KPMG Consulting LLP, B-290716, B-290716.2, Sept. 23, 2002, 2002 CPD ¶ 196 at 16-17. Here, based on the record before us, we find no basis to question the SSA's

---

<sup>5</sup> Although the protester now claims that it performed some post-valuation administration work (PVA) in connection with its FBA - Sarasota contract, Protest at 11, the protester does not contend that its proposal informed the agency of this work under this contract. Moreover, after reviewing the record, we can find nothing in the protester's past performance proposal referencing the protester's claimed PVA work under this contract. See CyQuest Proposal at 12-13. In these circumstances, the protester's assertion provides no basis to question the evaluation in this regard.

determination that because CyQuest's past performance experience was significantly smaller in terms of size, scope, and complexity than the work contemplated by the RFP, it merited a rating of only acceptable rather than the good rating assigned by the TEP. Again, as noted by the SSA, CyQuest's past performance included only one relevant PBGC contract involving work similar to the work here, and involved a small fraction of the volume of the work. CyQuest's past performance also included two only somewhat relevant contracts for private firms involving small dollar values (\$1.7 million under the Fortune Benefits contract and \$3 million under the Standard Insurance contract). SSDD at 21; see TEP Report at 4-5. In these circumstances, the SSA reasonably determined that the firm's limited experience with the type of work required here did not warrant a past performance rating of good.

Further, we find nothing unreasonable in the agency's evaluation of IMRG's past performance as excellent, or the SSA's conclusion that IMRG's past performance was superior to CyQuest's. In this regard, as noted by the SSA, all three of IMRG's referenced contracts involved relevant work in PBGC field offices, in contrast to CyQuest's more limited experience. SSDD at 13. Likewise, IMRG, unlike CyQuest, demonstrated past performance involving post valuation administration, which constitutes a significant portion of the work to be performed under this solicitation. Id.; see RFP at 20. Further, the SSA noted that IMRG's performance at three PBGC field offices accounted for the "entirety" of the tasks that are to be performed under the contemplated contract, and that IMRG is currently responsible for approximately 90% of all the plans encompassed by the solicitation here. SSDD at 21. Thus, the record clearly supports the SSA's determination that IMRG's past performance, consisting of favorable performance on relevant PBGC contracts, was superior to CyQuest's less relevant past performance.

CyQuest also argues that in evaluating IMRG's past performance, the agency improperly failed to consider three inspector general (IG) reports: two reports involving IMRG's performance of source document audits and participant data audits of National Steel pension plans in 2004 and 2005, and a third IG report on IMRG's plan asset audits of United Airlines plan assets in 2004 and 2005. See Protest Exhs. 6-8, IG Reports. In this regard, the protester notes that the IG reports found that IMRG's audits failed to meet applicable professional standards, including Government Auditing Standards. See, e.g., Protest Exh. 8, IG Report, Mar. 2011, at 2. The protester contends that, given the findings in these IG reports, two of which were issued in 2011, and one of which was issued in 2013, "PBGC could not have legitimately evaluated IMRG's past performance as 'Excellent.'" Protest at 2.

In certain limited circumstances, an agency evaluating an offeror's past performance has an obligation to consider outside information bearing on an offeror's past performance. TriWest Healthcare Alliance Corp., B-401652.12, B-401652.13, July 2, 2012, 2012 CPD ¶ 191 at 33. In order to succeed on this claim, the protester must show that the agency was aware (or should have been

aware) of the information, and that the agency acted unreasonably in failing to consider it. Id.

The agency explained that it decided not to consider the IG reports in evaluating IMRG's past performance because they were neither recent nor relevant to the work required here. AR at 14-15. First, the agency notes that the IG reports related to IMRG's allegedly poor performance of asset audit work, a type of work not required under this solicitation. AR at 14, 20. In this regard, the agency notes that asset audit work is "outside the scope" of the RFP's requirements. Id. at 14. Moreover, IMRG's performance of these audits occurred in 2004 and 2005, well before the period (three years before the proposal due date) considered under the solicitation to be recent for purposes of evaluating past performance. RFP at 88; see AR at 15, 20. Therefore, the agency did not consider these reports to contain "recent" information, as defined by the RFP. AR at 15. In these circumstances, we find that the agency reasonably based its evaluation of IMRG's past performance on contracts that were relevant to the work at issue here, and more recent.<sup>6</sup> See Exelis Sys. Corp., B-407111.5 et al., May 20, 2013, 2013 CPD ¶ 123 at 12.

#### Evaluation of Technical Approach

CyQuest also questions the agency's determination that IMRG's proposal was more advantageous under the technical factor, asserting that the SSA's decision to downgrade its technical rating from good to acceptable was unreasonable. In this

---

<sup>6</sup> The protester also contends the agency unreasonably found IMRG to be a responsible contractor. Specifically, CyQuest argues that the agency failed to consider the three IG reports in making its affirmative determination of responsibility. Our Office will consider a protest challenging an agency's affirmative determination of responsibility where the protester identifies evidence raising serious concerns that, in reaching the responsibility determination, the contracting officer unreasonably failed to consider available relevant information that, by its nature, would have a strong bearing on whether the awardee should be found responsible. Bid Protest Regulations, 4 C.F.R. § 21.5(c) (2014); FCi Federal, Inc., B-408558.4 et al., Oct. 20, 2014, 2014 CPD ¶ 308 at 7; The Geo Group, Inc., B-405012, July 26, 2011, 2011 CPD ¶ 153 at 6-7. As discussed above, the IG reports cited by the protester involved the performance of audit work in 2004 and 2005, including failure to conduct audits in accordance with Government Auditing Standards and a failure to demonstrate the requisite skills in performing audits. In short, these reports involved sub-standard performance of work unrelated to the contract requirements here and occurring approximately a decade ago. Thus, these IG reports did not constitute information that, by its nature, would have a strong bearing on whether the awardee should be found responsible. In these circumstances, we find no merit in the argument that the agency improperly ignored the IG reports in considering IMRG's responsibility.

regard, the protester argues that the SSA's determination was "conclusory" and should not "supplant the careful and cogent evaluation of the TEP." Protester Comments at 27.

The evaluation of an offeror's proposal is a matter largely within the agency's discretion. Zodiac of North America, B-409084 et al., Jan. 17, 2014, 2014 CPD ¶ 79 at 3; Booz Allen Hamilton, Inc., B-409272 et al., Feb. 25, 2014, 2014 CPD ¶ 84 at 4. In reviewing a protest that challenges an agency's evaluation of proposals, our Office will not reevaluate proposals; rather, we will examine the record to determine whether the agency's judgment was reasonable and consistent with the stated evaluation criteria and applicable statutes and regulations. Booz Allen Hamilton, Inc., supra; WAI-Stoller Servs., LCC; Navarro Research & Eng'g, Inc., B-408248.6 et al., May 22, 2014, 2014 CPD ¶ 164 at 8. Further, as noted, a selection official has the discretion to make an independent assessment of offerors' proposals and to disagree with the judgments of lower-level evaluators, provided the selection official's assessments are otherwise reasonable. See KPMG Consulting LLP, supra.

Here, the TEP assigned two strengths to CyQuest's proposal. The first strength was based on the fact that CyQuest had successfully transitioned approximately 60 plans to PBGC administration in the past, which gave the evaluators confidence that CyQuest could successfully perform the extensive transitions required under the solicitation's requirements. TEP Report at 5; CyQuest Proposal at 30. The second strength was based on the fact that CyQuest offered a continuity of operations plan site that was already fully operational. In assigning this strength, the TEP noted that the solicitation did not require offerors to provide a continuity of operations plan site until option year 2, so the fact that CyQuest was able to provide one immediately was viewed as a strength. TEP Report at 5; CyQuest Proposal at 26. Given these strengths and the elimination of the initial proposal weaknesses, the TEP concluded that CyQuest's technical approach rating should be upgraded from the marginal rating it received in the initial evaluation to good.

With regard to IMRG's technical approach, the evaluators assigned three strengths. The first strength was based on the firm's proposal to create a "cheat sheet" or checklist, which would be reviewed by three separate parties to ensure all required information is correctly included in a plan closing package. TEP Report at 18; AR, Tab 9, IMRG Proposal, at 29-30. The evaluators found that this "cheat sheet" was an innovative approach to creating a seamless transition that would decrease the time it takes the new administrators to become familiar with new plans and ensure that high customer service standards are met. TEP Report at 18.

IMRG's second technical strength was based on its proposal to complete authorizations for payment applications on a daily basis. TEP Report at 18; see IMRG Proposal at 78. Specifically, the evaluators noted that the solicitation required that applications for payment be reviewed and approved by certain cutoff

dates, which generally fall around the 10<sup>th</sup> of every month. Id. IMRG's proposal to complete this task on a daily basis was evaluated as avoiding delays, and gave the evaluators a high confidence that IMRG would meet or exceed the solicitation goal of having all applications processed within 45 days of receipt of the application. Id. at 18.

The third strength was based on IMRG's proposal to conduct quality reviews on 100% of its products, and to implement an additional layer of quality control by submitting 40% of all benefit processing work to quality review analysts to ensure that the products meet performance standards. TEP Report at 19; see IMRG Proposal at 77-78. The evaluators found that this level of review indicated a strong commitment to quality control, which increased the agency's confidence that IMRG would produce and deliver high-quality products. TEP Report at 19. After considering each of these strengths, the TEP concluded that IMRG's technical approach should be rated excellent.

In the SSA's independent review of the technical proposals, he determined that, while CyQuest's proposal contained two strengths, neither of these strengths provided a high level of confidence in the firm's ability to perform the work required under the RFP. SSDD at 11. With regard to the first strength, CyQuest's experience in transitioning 50 plans and 50 employees, the SSA acknowledged that this experience was a strength, but also noted that the experience was minimal, as compared to the large volume of plans (approximately 4,600) that will need to be transitioned under the RFP here. Id. at 11, 21. With regard to CyQuest's second strength, offering a continuity of operations plan site earlier than required, the SSA again acknowledged that the proposal merited a strength, but noted that the strength also was of limited value, since the PBGC itself has facilities that could accommodate the work on a temporary basis. Id. at 11, 22. Since both of CyQuest's technical strengths were of limited value and did little to increase the SSA's confidence in successful contract performance, the SSA determined that the technical proposal should be rated acceptable rather than good.

In contrast, the SSA agreed with the TEP's evaluation and found that IMRG's strengths would contribute to the overall successful performance of the contract on a day-to-day basis. For example, the SSA concluded that IMRG's proposal to submit payment authorizations on a daily basis demonstrated a "tangible methodology for sustaining and improving PBGC's benefit administration services." Id.

The evaluation of proposals and assignment of adjectival ratings should generally not be based upon a simple count of strengths and weaknesses, but instead on a qualitative assessment of the proposals consistent with the evaluation scheme. Epsilon Sys. Solutions, Inc., B-409720, B-409720.2, July 21, 2014, 2014 CPD ¶ 230 at 6. Here, the record shows that the SSA considered the substantive differences between the competing proposals, rather than simply counting the strengths

assigned to each proposal. With regard to CyQuest's proposal, the SSA supported his assignment of an "acceptable" rating with specific reasons why he did not find that the two assigned strengths appreciably increased his confidence in successful contract performance. The protester has not shown the SSA's reasoning with respect to the value of these two strengths to be unreasonable. Nor has the protester furnished any basis for questioning the SSA's overall assessment of the relative technical merits of the two proposals.<sup>7</sup>

#### Tradeoff Decision

Finally, CyQuest contends that the agency's decision to award to IMRG at a 16% price premium was unreasonable. In this regard, the protester argues that "CyQuest provided an [a]cceptable proposal that meets the Government's requirements." Protest at 13. The protester contends that the agency's selection decision failed to meaningfully consider price, Protest at 13, and that the agency could not rationally pay an "exorbitant premium" of 16% when CyQuest submitted a proposal with no weaknesses.<sup>8</sup> First Supp. Protest at 5.

Source selection officials in negotiated best-value procurements have broad discretion in making price/technical tradeoffs, and the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the solicitation's evaluation criteria. World Airways, Inc., B-402674, June 25, 2010, 2010 CPD ¶ 284 at 12. A protester's disagreement with the agency's determinations as to the relative merits of competing proposals, or disagreement with its judgment as to which proposal offers the best value to the agency, does not establish that the source selection decision was unreasonable. General Dynamics--Ordnance & Tactical Sys., B-401658, B-401658.2, Oct. 26, 2009, 2009 CPD ¶ 217 at 8.

---

<sup>7</sup> The protester also argues that IMRG's high technical approach rating is inconsistent with the firm's performance report ratings on prior contracts. Comments at 28. However, the evaluation of past performance generally uses the offerors' performance on prior contracts as a predictor of its performance under the contract at issue; in contrast, technical approach evaluation factors generally assess an offeror's representations regarding how it will satisfy the solicitation's requirements. Presidio Networked Solutions, Inc., et al., B-408128.33 et al., supra, at 15. Thus, we find no merit in this argument.

<sup>8</sup> The protester's filings alternately characterize the price difference as 14% or 16%. See e.g., First Supp. Protest at 5 (14%); Protester's Comments at 20 (16%). The SSA characterized the price premium as 16%. SSDD at 24. This difference has no impact on the outcome of the protest.

Here, the solicitation provided that award was to be made on a best-value basis, not on a lowest-priced, technically-acceptable basis. RFP at 87. As a result, the solicitation afforded the agency the discretion to make a tradeoff between price and non-price factors in making its award decision. Further, price was the least important evaluation factor, and the non-price factors were considered to be significantly more important than price. RFP at 87.

As set forth above, the record shows that the agency reasonably considered the underlying merits of each proposal. Further, in making his source selection decision, the SSA identified the qualitative differences between the two proposals and considered how the differences would increase the likelihood of successful contract performance. In his tradeoff decision, the SSA concluded:

While IMRG proposes the second highest price . . . they provided the only proposal that demonstrates three highly relevant past performance ratings which include a PBGC PVA [post-valuation administration] and two PBGC FBA [field benefit administration] Offices. The management of those offices collectively exceed the solicitation requirement expectations and . . . is most closely relevant to the overall . . . staffing and the workload projected . . . . IMRG proposed the highest level of technical quality control reviews, the technical experience of transitioning 2,100 plans . . . and the management approach to “reachback” to their other IMRG Field Offices for key personnel . . . . Given the more thorough and more rounded experience of IMRG’s past performance and low level of risk when comparing IMRG’s proposal with CyQuest’s . . . , and because non-price factors are significantly more important than price, paying the price premium (16% greater than CyQuest . . . ) for IMRG’s past performance and technical[ly] superior services is justified and represents the best value for PBGC.

SSDD at 24. CyQuest has furnished no basis to question either the determination that IMRG’s proposal was more advantageous under the past performance and

technical factors, nor the SSA's conclusion that these advantages warranted paying the price premium associated with IMRG's proposal.

The protest is denied.

Susan A. Poling  
General Counsel