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Decision

Matter of: KPMG LLP; Deloitte Consulting LLP; PricewaterhouseCoopers Public Sector LLP

File: B-412732; B-412732.2; B-412732.3; B-412732.4; B-412732.5; B-412732.6; B-412732.7

Date: May 23, 2016

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Jennifer S. Zucker, Esq., John R. Prairie, Esq., and Cara L. Lasley, Esq., Wiley Rein LLP, and Kevin P. Mullen, Esq., Morrison & Foerster LLP, and Rachael K. Plymale, Esq., Jenner & Block LLP, for The Boston Consulting Group, Inc., the intervenor.

Stephan Piel, Esq., and Andrew Bramnick, Esq., Department of Defense, Washington Headquarters Services; and Michael Tully, Esq., and Michael J. Noble, Esq., General Services Administration, for the agencies.

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DIGEST

1. Protests that a vendor offered, and the agency failed to reject, services outside of those encompassed on the vendor's General Services Administration schedule contract are denied where the services were, in fact, included on the vendor's schedule contract.
2. Protests that the agency miscalculated quotations under solicitation's experience, past performance, and staffing plan factors are denied where the agency's

evaluation was reasonable, adequately-documented, and consistent with the terms of the solicitation.

DECISION

KPMG LLC, and PricewaterhouseCoopers Public Sector LLP (PwC), of McLean, Virginia, along with Deloitte Consulting LLP, of Arlington, Virginia, protest the Department of Defense (DoD), Washington Headquarters Services' (WHS) decision to establish a blanket purchase agreement (BPA) with The Boston Consulting Group, Inc. (BCG), of Bethesda, Maryland, pursuant to request for quotations (RFQ) No. HQ0034-15-Q-0019, issued for cost accounting management consulting services. The protesters challenge various aspects of the agency's evaluation of the quotations and the source selection decision.

We deny the protests.

BACKGROUND

On August 12, 2015, WHS issued the solicitation pursuant to the procedures set forth in Federal Acquisition Regulation (FAR) subpart 8.4. RFQ at 1, 27.¹ The RFQ sought quotations from vendors holding a General Services Administration (GSA) Financial and Business Solutions (FABS) schedule contract with special item number (SIN) 520-13 or a Mission Oriented Business Integrated Services (MOBIS) schedule contract with SIN 874-1. Id. at 27. The solicitation contemplated the establishment of a 5-year blanket purchasing agreement (BPA) with a \$100,000,000 limit for cost accounting consulting services for the Office of the Deputy Chief Management Officer (DCMO). Id. at 3. Under the BPA, the agency would place fixed-price or labor-hour/time-and-material (T&M) task orders.

The RFQ notified vendors that their quotations first would be evaluated for technical acceptability. Id. at 27. To be technically acceptable, a vendor's quotations had to: (1) contain all the information requested in section L of the RFQ; (2) conform to all terms and conditions of the solicitation; (3) offer labor categories included on the vendor's GSA schedule contract; and (4) be consistent with the labor mix and level of effort established in the RFQ's pricing template. Id. at 27-28.

Next, the solicitation provided that WHS would establish the BPA with the vendor that submitted the best-value quotation, considering price and the following three

¹ The protests were developed separately but each agency report (AR) included common documents. In this decision, all references to documents refer to the tab numbering system used in the AR submitted for the PwC protest. Conversely, each Contracting Officer (CO) Statement is individually identified because of the different arguments that were addressed in each protest.

non-price factors: (1) experience, (2) past performance, and (3) staffing plan. Id. at 27. Pursuant to the RFQ, a vendor's experience and past performance were more important than its staffing plan, and the non-price factors, individually and when combined, were "**significantly**" more important than price. Id. (emphasis in original).

The solicitation included instructions for the preparation of quotations and set forth various evaluation criteria for both the price and non-price factors. Id. at 25-30. With respect to price, the RFQ required vendors to price all labor categories they expected to use during the engagement as a part of their staffing plan.² Id. at 27. Vendors were to submit labor categories and the respective pricing for each labor category in a pricing template included with the RFQ. Id. The RFQ provided that a vendor's evaluated price would be the weighted average labor rate (WALR) that the agency expected to pay during contract performance. Id. at 30. In this regard, the RFQ's pricing template required each vendor to calculate the weighted average rate for each labor category provided,³ and then add the weighted average rates to compute an overall WALR. Id. at 37. The solicitation expressly noted that the agency used this pricing evaluation methodology because WHS expected to receive different technical approaches in response to the RFQ, and thus believed that evaluating a vendor's WALR was the "optimal manner to determine cost experience." Id. at 30 n.2.

With regard to the non-price evaluation factors, the solicitation stated that the evaluation of experience, which represented "a company's opportunity to learn by doing," would focus on the kinds of engagements the company has performed or is currently performing. Id. at 25. The RFQ provided that the quality of a vendor's experience would be evaluated based on scope, magnitude (dollar value), and complexity. Id. at 28. Further, the RFQ also indicated that the agency "highly desired" experience which increased "the effectiveness of cost management across all business lines, while integrating commercial best practices into . . . global commercial or public entities relatable to the Department of Defense with a focus on producing real return on investment." Id.

Past performance, "the degree to which the contractor has satisfied its customers," was to be evaluated separately from a vendor's experience. Id. at 29. In this regard, the agency would evaluate past performance based on customer evaluations and the agency's judgment. Id. Specifically, the RFQ provided that the

² A vendor's prices could not exceed those authorized under its relevant schedule contract(s). RFQ at 30.

³ The weighted average rate for a labor category was to be calculated by dividing the labor category level of effort, by the total level of effort, and then multiplying that figure by the rate for that labor category. RFQ at 37.

agency would consider the relevance of the past performance effort, as well as the vendor's performance on the effort. Id. at 29-30. The agency would assess relevance by comparing the scope, magnitude of effort, and complexity of the effort to the RFQ requirements. Id. at 29. The agency would assess performance by gauging how satisfied a vendor's customers were under previously performed contracts. Id. at 30. Taken together, the agency would assign an overall past performance confidence rating.⁴ Id. at 30.

With regard to the staffing plan factor, the RFQ instructed vendors to submit a staffing plan that supported the vendor's approach as demonstrated in its experience examples, though the plan could be "adjusted to support the uniqueness of the DoD environment." Id. at 26. More specifically, vendors were to provide labor categories for the core management team and other labor categories that the vendor expected to utilize to execute the management and line of business tasks, as well as the level of effort anticipated for each labor category. Id. The RFQ advised that a vendor's staffing plan would be evaluated for quality, based on the plan's labor utilization, scalability, and consistency with previous engagements (as adjusted for environments unique to DoD). Id. at 28.

The agency received nine quotations by the solicitation's September 9 closing date, including those from BCG and the three protesters. CO Statement (Deloitte) at 4. The agency's technical evaluation board (TEB) first evaluated all nine quotations to determine whether they met the RFQ's minimum requirements.⁵ AR, Tab 24, Source Selection Advisory Council (SSAC) Recommendation, at 4. The TEB then assigned ratings based on the solicitation's adjectival rating scheme. See AR, Tab 22, TEB Evaluation, at 1-25. The TEB evaluated the quotations submitted by BCG and the three protesters as follows:

⁴ For the relevance aspect of past performance, the agency would assign a rating of very relevant, relevant, somewhat relevant, or not relevant. RFQ at 29. Vendors could be assigned a performance rating of exceptional, very good, satisfactory, marginal, or unsatisfactory. Id. at 30. For the overall confidence assessment, the agency would assign ratings of high, moderate, low, or neutral. Id.

⁵ The TEB evaluated two of the quotations it received as being technically unacceptable. AR, Tab 24, SSAC Recommendation, at 4. The remaining seven quotations were technically acceptable. Id.

Vendor	Technical Acceptability	Experience ⁶	Staffing Plan	Past Performance	WALR
BCG	Pass	Excellent	Excellent	High	\$149.76
KPMG	Pass	Excellent	Excellent	High	\$128.13
Deloitte	Pass	Excellent	Excellent	High	\$211.43
PwC	Pass	Excellent	Good	High	\$287.69

Id. at 1; Tab 24, SSAC Recommendation, at 4. After evaluating quotations, the TEB determined that the submissions from BCG, Deloitte, and KPMG were the most highly rated, and that they demonstrated the greatest likelihood of successfully performing the RFQ’s requirements. AR, Tab 23, TEB Recommendation, at 2. Thus, the TEB recommended that the agency establish its BPA with one of these three companies. Id.

Subsequently, based on the TEB’s evaluation and a comparative assessment of quotations, the SSAC determined that the quotation submitted by BCG represented the best value to the government, price and other factors considered; and recommended the BPA be established with BCG. AR, Tab 24, SSAC Recommendation, at 14-15. In this regard the SSAC concluded that as compared to KPMG, BCG provided “better experience, slightly better past performance, and a better staffing plan,” which was worth the higher WALR (particularly since technical factors were significantly more important than price). Id. at 11. As compared to Deloitte, the SSAC found that while BCG had “slightly inferior” past performance, BCG’s experience and staffing plan were better than Deloitte’s. Id. at 7. Further, because BCG’s quotation provided “better benefits at a lower price,” the SSAC concluded that it was a better value than Deloitte’s. Id. The SSAC reached similar conclusions when comparing BCG’s quotation to PwC’s. See id. at 14.

After considering the evaluation conducted by the TEB along with the SSAC’s tradeoff analysis and recommendation, the source selection authority (SSA) concurred with the SSAC. See AR, Tab 25, Best Value Decision Memorandum (BVDM), at 1-8. Based on his assessment of the record, the SSA determined that BCG’s quotation represented the best value to the government. Id. WHS established the BPA with BCG on February 9, 2016. CO Statement (Deloitte) at 5. These protests followed.⁷

⁶ Vendors could receive an adjectival rating of excellent, good, acceptable, marginal, or unacceptable under the experience and staffing plan evaluation factors. RFQ at 28-29.

⁷ In response to WHS’s agency report, PwC submitted a supplemental protest with its comments raising many of the same allegations raised by Deloitte and KPMG in
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DISCUSSION

The protesters raise numerous challenges to the acceptability and evaluation of BCG's quotation under each of the factors. For instance, the protesters argue that WHS should have rejected BCG's quotation because the vendor offered services outside the scope of its schedule contract and because BCG's schedule contract does not provide for individual labor categories at hourly rates, among other reasons. The protesters also assert that the agency misevaluated BCG's experience and past performance, as well as aspects of the vendor's staffing plan. Although we do not address every argument raised, we have reviewed each ground of protest and find that none provides a basis to sustain the protest.⁸

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their submissions. Our Office established a schedule for the submission of a supplemental agency report and supplemental comments; specifically, supplemental comments were due no later than 12:00 p.m. on April 20. PwC filed its supplemental comments at 5:23 p.m. on April 20. Consequently, because the protester failed to timely file its supplemental comments in accordance with the schedule established by GAO, our rules require dismissal of PwC's supplemental protest. See 4 C.F.R. §§ 21.3(i), 21.10(e); see All Native, Inc., B-411693 et al., Oct. 5, 2015, 2015 CPD ¶ 337 at 5 (dismissing supplemental protest where comments were not filed within the time established by GAO); Bevilacqua Research Corp., B-293051, Jan. 12, 2004, 2004 CPD ¶ 15 at 11 n.11 (noting dismissal of supplemental protest where supplemental comments were not filed by deadline established by GAO attorney).

⁸ For example, PwC alleges that BCG's teaming partner, Ernst & Young, LLP (E&Y), has "independence conflicts" due to the firm's ongoing audit work for major DoD activities. See PwC Comment/Supp. Protest at 17. The protester bases its complaint on standards for auditors as outlined in GAO's Yellow Book (and other codes of professional conduct), PwC Protest at 17, and not the FAR's organizational conflict of interest (OCI) provisions. See PwC Comments/Supp. Protest at 17. However, the agency explains that the independence rules do not apply to non-audit services like those to be performed under the BPA. PwC Supp. AR at 22. Moreover, the record reflects that the CO acknowledged the independence concerns and concluded that the burden was on the vendor to evaluate the rules and coordinate with the stakeholders of the financial audit contracts that may be impacted by the vendor's performance under the BPA. AR, Tab 20, CO Summary & Risk Analysis, at 6-12. Indeed, in its quotation, BCG noted that E&Y would not take any action that could impair its independence. AR, Tab 11, BCG Quotation, Price Volume, at 3. On this record, and given that PwC has not alleged any violation of procurement law or regulation, this allegation fails to provide a basis to sustain the protest.

Technical Acceptability of BCG's Quotation

The protesters contend that BCG submitted an unacceptable quotation. Specifically, the protesters assert that the vendor improperly provided services outside the scope of its GSA schedule contract. They also maintain that BCG's quotation should have been rejected because the vendor listed in its pricing template [DELETED] specific labor categories that are allegedly not offered on BCG's GSA schedule contract. The protesters further argue that even if BCG's quotation complies with its GSA schedule, BCG is limited to providing a team-based solution on a fixed-price basis, which does not meet the requirements of the RFQ because, according to the protesters, the solicitation is limited to only those vendors that can provide individual labor categories at hourly rates.

In response, WHS explains that BCG's quotation provided for a consulting team that is identified on BCG's GSA schedule contract, and that the [DELETED] labor categories listed in the quotation were also broadly identified in the description of the team on the schedule contract. The agency further asserts that the team provided by BCG constitutes its own labor category, and that the RFQ was not limited to only those vendors that could provide labor categories for individual personnel. Rather, the agency contends that the RFQ contemplated that vendors would be given discretion and flexibility in how they chose to submit their quotations, so long as the quotation was consistent with their GSA schedule contract.

An agency may not use schedule contracting procedures to purchase items that are not listed on a vendor's GSA schedule. Tri-Starr Mgmt. Servs., Inc., B-408827.2, B-408827.4, Jan. 15, 2015, 2015 CPD ¶ 43 at 8. When a concern arises that a vendor is offering services outside the scope of its schedule contract, the relevant inquiry is whether the services offered are actually included on the vendor's contract, as reasonably interpreted. Id. In this regard, our Office will consider whether the function being sought under a particular solicitation is the same as the function covered under a vendor's schedule contract. Id.

As an initial matter, our review of the record confirms that the agency reasonably evaluated BCG's quotation as providing services that were included on BCG's schedule contract. BCG holds a MOBIS schedule contract with SIN 874-1, which offers three separate "teams" identified as Team B, Team C, and Team D. AR, Tab 12, BCG Schedule Contract, at 1-9. As relevant here, BCG's schedule contract describes Team B as "an experienced three (3) person BCG team" that receives "guidance and project support from other resources, including partners and senior experts, research staff, graphic artist support, and administrative support."⁹ Id. at 7.

⁹ In its schedule contract, BCG further explains that its "work approach is different from many federal contractors" and that the vendor employs a "commercial
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Pursuant to the schedule contract, the support resources are included in BCG's team rate. Id. at 9. In its quotation, BCG provided Team B from its GSA MOBIS schedule contract.¹⁰ AR, Tab11, BCG Quotation, Price Volume, at 6-11. Thus, the record reflects that BCG's schedule contract identifies a Team B made up of various personnel; BCG provided Team B to perform the BPA; and the agency established the BPA with BCG for its Team B (and labor from teaming partner E&Y). Consequently, the protesters' allegation that the vendor's quotation provided services outside the scope of its GSA schedule has no merit.

Similarly, that BCG's pricing template identified [DELETED] labor categories encompassed in Team B is unobjectionable. In this respect, BCG's staffing plan identified the component team members included in Team B (and as utilized in one of the vendor's experience examples), as well as the level of effort for those individuals. See AR, Tab 10, BCG Quotation, Technical Volume, at 18; RFQ at 26 (requiring a staffing plan of "core management team" and other labor categories to be utilized, as well as the level of effort for each category). In its pricing template, BCG re-listed the personnel identified in its staffing plan under its Team B labor category "[f]or evaluation in the Government-provided [pricing] template."¹¹ AR, Tab 11, BCG Quotation, Price Volume, at 3, 6-10. BCG also provided detailed descriptions of each of the individual team members. Id. at 11-14. Significantly, the individuals listed on the pricing template are also described in BCG's GSA schedule contract. Compare id. at 6-10 with Tab 12, BCG Schedule Contract, at 7. Given the flexible nature of the information vendors were permitted to submit in their pricing template, we see nothing improper with BCG having identified the makeup of Team B in its template.

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consulting model" with a dedicated core team of consultants supported by other BCG staff. AR, Tab 12, BCG Schedule Contract, at 9.

¹⁰ BCG partnered with [DELETED] other firms for this procurement, including E&Y, with whom BCG executed a contractor teaming arrangement (CTA). AR, Tab 10, BCG Quotation, Technical Volume, at ii. Collectively, these companies were referred to in BCG's quotation as "Team BCG." Id. at ii, 17. In this regard, BCG's quotation also identified [DELETED] individual labor categories offered on E&Y's GSA schedule. AR, Tab 11, BCG Quotation, Price Volume, at 6-14.

¹¹ Indeed, as part of a vendor's staffing plan, the RFQ instructed vendors to explain how the personnel named in the "staffing table" would be utilized throughout the engagement. RFQ at 26. In response to a vendor's question, the agency confirmed that the "staffing table is referring [to] the pricing template." AR, Tab 6, RFQ Question and Answers (Q&A), at 7. Thus, in our view, BCG complied with the RFQ instruction to identify personnel in the pricing template.

Moreover, we agree with the agency that the solicitation was not limited to only those vendors that could provide individual labor categories at hourly labor rates. To the contrary, the RFQ simply required vendors to price all labor categories expected to be utilized as part of the engagement; it did not require hourly rates as a prerequisite to be eligible for consideration. RFQ at 27. In addition, vendors' labor categories had to be authorized under their GSA schedule contract, and the prices for those labor categories could not exceed the GSA schedule rates. Id. at 27, 30. Furthermore, the RFQ expressly advised vendors that WHS expected "many different technical approaches" in response to the solicitation.¹² Id. at 30 n.2. In this respect, the agency clarified that the RFQ's pricing template--which contained 10 rows for labor categories and included a "rate" column--was only a notional example of what a vendor's quotation could provide. AR, Tab 6, RFQ Q&A, at 2 ("The pricing template is just an example.").

Here, the record reflects that BCG's pricing template identified Team B as one labor category at a weekly rate of [DELETED] and with a level of effort of [DELETED] weeks, as well as [DELETED] individual labor categories from E&Y's schedule contract. AR, Tab 11, BCG Quotation, Price Volume, at 6-10. Additionally, BCG provided its Team B at a weekly price that was lower than the weekly pricing identified on its GSA Schedule.¹³ Id.; Tab 12, BCG Schedule Contract, at 6. BCG's quotation explained that its approach was different than the approach of most other schedule contractors because BCG's labor categories "are defined as a team of individuals based on a weekly engagement." AR, Tab 10, BCG Quotation, Technical Volume, at 18. While the protesters object to BCG's pricing and team approach, we are unable to conclude that BCG's decision to provide Team B was inconsistent with the terms of the solicitation or the vendor's GSA schedule. Thus, we deny the protester's contention that the agency should have rejected BCG's quotation on this basis.¹⁴

¹² Deloitte argues that to the extent that it was permissible for vendors to provide teams at weekly fixed rates rather than individual personnel at hourly rates, the solicitation contained a latent ambiguity; and had Deloitte known that a team-based approach was acceptable to WHS, it would have structured its quotation differently. We disagree that the RFQ contained a latent ambiguity. The solicitation expressly indicated that WHS expected many different technical approaches, thereby informing vendors that they were not restricted to submitting quotations based on individual labor categories being provided at an hourly rate. RFQ at 30 n.2.

¹³ Specifically, the GSA approved rate for Team B was \$101,748.23 per week; BCG offered to provide Team B for [DELETED]. AR, Tab 12, BCG Schedule Contract, at 7.

¹⁴ We also find no merit to the protesters' complaint that the agency could not have accurately calculated Team BCG's WALR due to the vendor's rate structure.

Contrary to this assertion, the record reflects that the contracting officer relied on

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Equally unavailing is Deloitte's assertion that BCG's team pricing structure results in BCG personnel being unable to perform labor-hour or T&M task orders.¹⁵ In this respect, Deloitte maintains that because GSA has not approved hourly labor rates for the Team B personnel, only E&Y personnel will be available for orders requiring hourly rates. Deloitte complains that the agency did not recognize this concern during its evaluation of quotations.

By way of additional background, BCG's technical solution noted that in addition to its own personnel, it could also provide staff from its team members and its teaming partner to perform task orders under the BPA. AR, Tab 10, BCG Quotation, Technical Volume, at ii. As noted above, Team BCG included its CTA partner E&Y and [DELETED] subcontractors (that were included in the Team B rate structure). Id. at 17. The CTA between BCG and E&Y identified BCG as the team leader and E&Y as a team member.¹⁶ AR, Tab 10, BCG Quotation, Technical Volume, CTA Appendix, at 1. Of relevance here, the CTA contemplated that task orders could be issued directly to either BCG or E&Y, and designated the company receiving the task order as the task lead. Id. at 5.

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the Team B weekly price and total hours (supplemented with the E&Y labor categories) to perform the WALR calculation. See CO Statement (Deloitte) at 5-6; see generally AR, Tab 21, Price Analysis, at 1-5. Similarly, to the extent that Deloitte contends that BCG's use of a weekly Team B rate rendered the price evaluation illusory, unreasonable, or unequal, Deloitte Supp. Comments at 29, such argument amounts to an untimely challenge to the terms of the solicitation. See 4 C.F.R. § 21.2(a)(1); Trade Eastern, Inc., B-411857, Nov. 9, 2015, 2015 CPD ¶ 350 at 5. In this respect, the solicitation placed the vendors on notice that the agency anticipated receiving unique technical approaches and intended to rely on a mathematical WALR rather than a total evaluated price under the price factor. If the protester was concerned about the potentially illusory nature of this methodology, it should have raised that concern before submitting its quotation.

¹⁵ The protester notes that under a CTA, such as the one between BCG and E&Y, "each team member has privity of contract with the government and is required to price its work 'in accordance with its own GSA Schedule contract.'" Deloitte Supp. Comments at 15, citing GSA Contractor Team Arrangements FAQs, available at <http://www.gsa.gov/portal/content/202257> (last visited May 18, 2016).

¹⁶ As the team leader, BCG was to be the primary lead on strategy, coordinate all activities on behalf of the broader team, and serve as the primary point of contact on all project matters. AR, Tab 10, BCG Quotation, Technical Volume, CTA Appendix, at 1. As a team member, E&Y was to be the primary lead on implementation. Id.

Because Deloitte's assertion revolves around the flexibilities permitted pursuant to a CTA between two GSA schedule contractors, our Office requested the views of GSA on this issue. In its comments to our Office, GSA explains that BCG personnel can perform labor-hour and/or T&M task orders, and they can do so using E&Y's individual labor categories and hourly rates. GSA Comments (May 11, 2016) at 2. More specifically, GSA explains that if DoD issues a task order that requires hourly rates, E&Y and BCG can establish a subcontracting relationship whereby "BCG personnel can be used and paid under E&Y's pricing structure."¹⁷ Id. In GSA's view, BCG can act as both a team member at the BPA level and as a subcontractor at the ordering level. Id. Moreover, GSA notes that if such a relationship were to be established, the prime contractor/subcontractor relationship would need to be executed at the task order level. Id. at 3.

Based on GSA's views regarding the flexibilities afforded to GSA contractors in CTAs, as well as our review of the CTA between BCG and E&Y, we find no merit to Deloitte's assertion that BCG personnel would be precluded from performing certain tasks. Here, the CTA between BCG and E&Y expressly contemplated that task orders could be issued directly to either BCG or E&Y, and designated the company receiving the task order as the task lead.¹⁸ AR, Tab 10, BCG Quotation, Technical Volume, CTA Appendix, at 5. Additionally, BCG's quotation represented that Team BCG employs a "best athlete" approach to each task order, meaning that the "firm that is best able to fulfill task order requirements will complete the respective task order." AR, Tab 10, BCG Quotation, Technical Volume, at 17. Furthermore, the CTA framework between the two companies corresponds with GSA's notion that if BCG were to perform as a subcontractor to E&Y, the relationship would need to be executed at the task order level. AR, Tab 10, BCG Quotation, Technical Volume, CTA Appendix, at 5. Thus, we disagree with Deloitte's contention regarding the availability of BCG personnel for all orders. Moreover, the fact that WHS did not

¹⁷ Indeed, such an arrangement would be similar to the arrangement between BCG and its two other team members; BCG has a subcontracting arrangement with the two firms and the subcontractors' personnel are covered in the Team B weekly rate. See AR, Tab 10, BCG Quotation, Technical Volume, at 17 n.5.

¹⁸ Although Deloitte argues that BCG's quotation never contemplated that BCG personnel could be provided under E&Y's FSS as subcontractors, our review of the record confirms that the CTA between BCG and E&Y, submitted with BCG's quotation, contemplated that either teaming partner might directly receive a task order from the agency, and would be designated the task lead for that order. AR, Tab 10, BCG Quotation, Technical Volume, CTA Appendix, at 5. In this regard, BCG's quotation did, in fact, contemplate that BCG's personnel could be provided under E&Y's FSS as subcontractors. Accordingly, WHS was not obligated to take into consideration the possibility that BCG's personnel could not perform labor-hour/T&M task orders.

contemporaneously document the potential for BCG to act as a subcontractor to E&Y on some tasks does not, in our view, demonstrate a flawed procurement.

In sum, based on our review of the record, BCG's quotation provided for services that were included on its schedule contract; the RFQ did not preclude vendors from providing a team-based approach to fulfilling the agency's requirements; and BCG personnel will be available to perform all task orders pursuant to its CTA with E&Y. Thus, KPMG's, Deloitte's, and PwC's bases of protest regarding the acceptability of BCG's quotation are denied.

Evaluation of Quotations Under the RFQ's Non-Price Evaluation Factors

Although specific allegations varied from protest to protest, collectively, the protesters challenge the agency's evaluation under the experience, past performance, and staffing plan factors. The agency argues that its evaluation was reasonable and in accordance with the terms of the RFQ. We agree.

Where an agency conducts a formal competition for the establishment of a BPA, we will review the agency's actions to ensure that the evaluation was reasonable and consistent with the solicitation and applicable procurement statutes and regulations. InTec, LLC, B-408178.4, Feb. 12, 2014, 2014 CPD ¶ 109 at 3. In reviewing protests of alleged improper evaluations and source selection decisions, it is not our role to reevaluate submissions; rather, we will examine the record to determine whether the agency's judgment was reasonable and in accord with the stated evaluation criteria and applicable procurement laws and regulations. Id. A protester's disagreement with the agency's evaluation is not sufficient to sustain the protest. Advanced Tech. Sys., Inc., B-296493.5, Sept. 26, 2006, 2006 CPD ¶ 151 at 5.

Evaluation of Experience

KPMG challenges the agency's evaluation of BCG's experience. Specifically, the protester complains that BCG did not identify any DoD experience and asserts that KPMG submitted for review "larger, more relevant previous contracts." KPMG Comments/Supp. Protest at 33. In this regard, KPMG focuses mainly on the agency's evaluation of one of BGC's prior engagements.¹⁹

¹⁹ KPMG also complains that WHS mischaracterized a KPMG contract with the United Kingdom's Ministry of Defense (UK MOD) as experience with a global commercial entity, rather than a public sector entity. KPMG Comments/Supp. Protest at 32. With respect to this protest allegation, KPMG fails to demonstrate how the agency's mischaracterization prejudiced the vendor. Competitive prejudice is an essential element of every viable protest, and we will not sustain a protest even if deficiencies are found, where the record does not demonstrate that the

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In response, the agency explains that the rating and strengths assigned to BCG were based on the collective experience demonstrated in BCG's quotation rather than on any single prior effort, and that the evaluation was in accordance with the solicitation's evaluation criteria.

With respect to experience, the RFQ informed vendors as follows:

Experience working towards objectives developing and implementing policies, procedures, practices and systems, which increase the effectiveness of cost management across all business lines while integrating commercial best practices into . . . global commercial or public entities relatable to the Department of Defense with a focus on producing real return on investment is highly desired. In addition, the agency may evaluate any other experience attribute favorably that the agency determines will contribute to superior execution of the agency's requirements.

RFQ at 28. Significantly, the solicitation did not require vendors to have prior DoD experience, and noted that experience with either global commercial entities, or public entities relatable to the DoD, were both highly desired. In its quotation, BCG outlined the breadth of experience of its team and described four previously performed engagements. AR, Tab 10, BCG Quotation, Technical Volume, at 1-16. Three of the engagements were with global commercial entities. Id. at 2-13. The fourth was with Her Majesty's Treasury (HMT), in which BCG used "commercial methodologies to quickly develop a standardized, robust costing methodology that could be utilized across the government to help HMT . . . better understand how they're spending money" Id. at 13. The HMT engagement was valued at \$2.3 million, was for a period of five months, and involved five full time personnel. Id. at 13-16.

Here, the agency's evaluation of BCG's experience was unobjectionable. In this regard, the record reflects that the TEB highlighted BCG's experience with both global commercial entities and the vendor's HMT effort, which the agency

(...continued)

protester would have had a reasonable chance of receiving award but for the agency's actions. West Sound Services Group, LLC, B-406583.4, B-406583.5, July 9, 2014, 2014 CPD ¶ 208 at 15. In this regard, the record establishes that the agency credited KPMG for its UK MOD experience, concluding that the engagement and others constituted a strength because the projects demonstrated that KPMG had "mastery of cost accounting practices in the commercial and public sector." AR, Tab 22, TEB Evaluation, at 13. Given this, we fail to see how the agency's inaccurate characterization of KPMG's contract with the UK MOD prejudiced KPMG.

categorized as a public entity. AR, Tab 22, TEB Evaluation, at 5. Although BCG's quotation did not identify any DoD experience, the TEB nevertheless found that the collective experience of all of BCG's prior engagements demonstrated that BCG had "mastery of cost accounting practices in the commercial and public sector." Id. Still, this finding was but one of several strengths assigned to BCG's experience that led to the excellent rating. See id. at 5-6. Taking into account the strengths, the TEB reasonably concluded as follows:

BCG demonstrated an advanced level of experience that involves providing support to dynamic and complex companies that have global operating environments, that have billions of dollars [\$236.8B] in revenue, that involve multiple lines of business [25], that span up to 97 countries, and that involve innovative techniques to effectively execute the requirements.

Id. at 5. While KPMG correctly points out that this procurement is to support DoD in the United States, the solicitation did not require DoD experience for a vendor to receive an excellent rating under the experience factor. Additionally, experience with either global commercial entities or public entities relatable to DoD were both highly desired. Moreover, nothing in the record supports the protester's assertion that the HMT experience should have been afforded less weight than it was given by the agency. In sum, our examination of the record confirms that the agency's evaluation was consistent with the terms of the solicitation, and reasonable in light of the RFQ's stated evaluation methodology, which did not mandate DoD experience and which also made experience with global commercial entities highly desirable. The protester's disagreement with the agency's conclusion, without more, does not establish a basis to sustain its protest. See Advanced Tech. Sys., Inc., supra.

Evaluation of Past Performance

KPMG also contends that BCG's past performance was improperly evaluated. Again, the protester focuses on BCG's HMT contract, asserting that it is not relevant to the instant procurement due to the size and scope of the project. KPMG also contends that the agency's evaluation of past performance was unequal because the past performance projects identified by KPMG were larger in size and scope than the project identified by BCG.

In response, the agency argues that its evaluation of BCG's past performance was reasonable since the RFQ's evaluation terms made past performance very relevant when it "involved a very similar scope and magnitude of effort and complexities of the instant procurement." See RFQ at 29. The agency notes that because multiple task orders will be issued under the BPA, the orders will be for varying sizes and scopes. In this regard, WHS contends that it would have been unreasonable for WHS to assume that any single task order would approach the \$100 million ceiling

established for the BPA in any one year. Furthermore, the agency asserts that there was no RFQ evaluation requirement making larger contract dollar values more relevant, and therefore the differences in the sizes and scopes of the contracts identified by BCG and KPMG were of less importance in assessing the relevance of past performance. Moreover, WHS contends that each engagement identified for the past performance assessment was to be evaluated independently.

Here, we have no basis to question the agency's assessment of past performance or its conclusion that BCG's quotation warranted a high confidence rating. Pursuant to the RFQ, past performance was "the degree to which the contractor has satisfied its customers." RFQ at 29. In this regard, as noted above, the quality of a vendor's past performance was to be evaluated based on customer evaluations and the application of the agency's judgement. Id. Moreover, the RFQ noted that WHS reserved the right to determine which past performance examples would be deemed relevant to the requirements. Id. In addition, the RFQ noted that past performance that mirrored the experience examples was "highly preferred." Id.

For its past performance, BCG relied on the same four engagements it submitted under the experience factor. AR, Tab 10, BCG Quotation, Technical Volume, at 1-16. The TEB reviewed the engagements and found them very relevant, with four exceptional performance ratings, which resulted in the high confidence assessment. AR, Tab 22, TEB Evaluation, at 7. The TEB also noted that BCG received an exceptional rating from its references 87 percent of the time, and exceeded customer expectations 100 percent of the time. Id. KPMG was also assigned a high confidence rating, and credited for identifying five very relevant engagements, with four exceptional and one very good past performance ratings. Id. at 13. The TEB noted that KPMG received an exceptional rating 57.9 percent of the time, and exceeded customer expectations 100 percent of the time. Id.

The SSAC concurred with all of the TEB's findings of fact, and noted that KPMG had an advantage of having identified five previously performed contracts for evaluation, and that the additional contract generally provides more assurance of successful contract performance.²⁰ AR, Tab 24, SSAC Recommendation, at 10-11. The SSAC found that BCG had the advantage of having a higher percentage of exceptional ratings from its references, which was more valuable to WHS. Id. at 11. Based on this determination, the SSAC concluded that BCG's past performance was "slightly better" than KPMG's. Id.

The SSA concurred generally with the TEB and SSAC's findings, but disagreed with the SSAC's finding that BCG's past performance was slightly better than KPMG's. AR, Tab 25, BVDM, at 7. Instead, the SSA determined that BCG's past

²⁰ As noted above, BCG identified four previously performed contracts for evaluation.

performance was much better, because even though KPMG identified five, rather than four, previously performed contracts for evaluation, “the detailed assessment of every performance category distinguishes the BCG past performance.” Id.

KPMG’s protest makes much of the relevance assigned by WHS to BCG’s HMT engagement; however, the protester has not demonstrated that the agency’s evaluation was unreasonable. The RFQ did not establish that higher dollar engagements would be assessed as more relevant than lower dollar engagements. To the contrary, the solicitation expressly indicated that with regard to relevance, WHS reserved the right to determine which past performance examples submitted by each vendor would be relevant to the RFQ’s requirements. In this respect, an agency has broad discretion when evaluating the relevance of vendor’s past performance. See Ernst & Young LLP, B-411728, B-411728.2, Oct. 14, 2015, 2015 CPD ¶ 318 at 7. Based on our review of the record, we find no reason to question the agency’s past performance conclusions. Accordingly, the protester’s arguments merely demonstrate its disagreement with the agency’s evaluation, which did not require, as the protester would have preferred, that higher dollar value projects would be deemed more relevant than lower dollar value engagements. KPMG’s disagreement with the agency’s evaluation is not sufficient to sustain the protest. See Advanced Tech. Sys., Inc., supra.

Evaluation of Staffing Plan

In addition to challenging the agency’s evaluation of experience and past performance, the protesters also argue that the agency unreasonably and unequally evaluated BCG’s staffing plan. In this regard, KPMG contends that WHS improperly accepted BCG’s designation of certain E&Y personnel as being senior-level staff. In the alternative, KPMG argues that if the agency properly viewed the E&Y personnel in question as senior-level staff, the agency should have also viewed KPMG’s similarly-qualified employees as senior-level.²¹ KPMG Comments/Supp. Protest at 18-22. Deloitte complains that the agency misunderstood which

²¹ KPMG also argues that WHS unreasonably assigned a strength to BCG’s staffing plan based on an improper assumption that a specific BCG senior partner would be made available for the performance of future task orders under the BPA. KPMG Comments/Supp. Protest at 29-30. According to KPMG, BCG’s quotation does not represent that the individual will be utilized under the BPA. We disagree. BCG’s quotation contains a chart that identifies the BCG partner at issue here. AR, Tab 10, BCG Quotation, Technical Volume, at 22. This chart specifically identifies the individual as a BCG senior leader, and contains a header which states: “Senior Team BCG leaders provide DCMO immediate access to the most commercially relevant expertise and insights.” Id. Based on the representations contained in that chart, we find that the agency reasonably concluded that the senior partner in question would be utilized during performance.

employees should be viewed as senior, and complains that it provided “nearly twice the percentage of senior staff than BCG proposed.” Deloitte Comments/Supp. Protest at 24. Neither of these arguments provide a basis to sustain the protest.

As noted above, the RFQ required vendors to identify in their staffing plan the labor categories that would be utilized for the core management team, other labor categories that the vendor would utilize to execute the management and line of business tasks, and the level of effort (in terms of labor-hours) anticipated for each labor category. RFQ at 26. In this regard, vendors were to self-identify which of their personnel were senior-level. Moreover, in response to a vendor’s question, the agency advised that it would not independently evaluate the “respective qualifications of specific individuals on the core management team.” AR, Tab 6, RFQ Question and Answers (Q&A), at 7. Consistent with this approach, the agency relied on the representations contained in each vendor’s quotation when evaluating the seniority of the personnel being offered. CO Supp. Statement of Facts (KPMG) at 6-7.

Here, the record confirms that the agency evaluated certain staff members identified in BCG’s quotation as senior-level, because BCG characterized them as such. More specifically, based on an inconsistency in the quotation with respect to whether the E&Y manager was, in fact, senior-level, the contract specialist sought clarification from BCG.²² See AR, Tab 14, BCG Clarification Email, at 1. BCG advised that the E&Y manager labor category should be considered senior-level, which increased to [DELETED] percent the percentage of work to be performed by BCG’s senior-level personnel, as compared to [DELETED] percent and [DELETED] percent for KPMG and Deloitte, respectively. See *id.*; Tab 22, TEB Evaluation, at 7, 9, 15. On the other hand, WHS did not assess certain KPMG or Deloitte personnel with allegedly similar qualifications as senior because those vendors’ quotations did not identify these individuals as senior-level.²³ On this record, given that the RFQ

²² Specifically, BCG asserted in its technical quotation that senior staff would deliver more than [DELETED] percent of all project hours. AR, Tab 10, BCG Quotation, Technical Volume, at 18. However, the agency initially calculated a [DELETED] percent level of senior-level personnel based on the labor categories marked as senior-level in BCG’s price quotation. See AR, Tab 11, BCG Quotation, Price Volume, at 6. Hence, the request for clarification.

²³ To the extent that the protesters contend that the agency could not properly rely on a vendor’s representation regarding the seniority of personnel, the solicitation clearly advised vendors to identify the labor categories they would be utilizing for their core management teams. Since neither KPMG nor Deloitte raised these objections prior to the submission of quotations, these arguments are now untimely. See 4 C.F.R. § 21.2(a)(1); Trade Eastern, Inc., B-411857, Nov. 9, 2015, 2015 CPD ¶ 350 at 5.

provided no guidance as to what qualifications constituted a senior-level position, because the solicitation required vendors to identify the labor categories they would be utilizing for their core management teams, and in light of the fact that vendors were notified that the agency would not independently assess whether personnel to be provided were senior-level, we have no basis to sustain the protest.

In sum, we find reasonable the agency's evaluation of quotations under the experience, past performance, and staffing plan factors, and we find no merit to these protests.

The protests are denied.

Susan A. Poling
General Counsel