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Decision

Matter of: Teracore, Inc.
File: B-413614.4; B-413614.17
Date: November 29, 2016

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Peter G. Hartman, Esq., Department of Homeland Security, for the agency.
Pedro E. Briones, Esq., and Peter H. Tran, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest is denied where the record shows that the agency evaluated the protester's corporate experience reasonably and consistent with the solicitation's evaluation criteria.

DECISION

Teracore, Inc., of Herndon, Virginia, protests the decision by the Department of Homeland Security (DHS) not to award a contract to the firm under request for proposals (RFP) No. HSHQDC-14-R-00009 for Program Management, Administrative, Operations (Clerical) and Technical Services (PACTS II). The protester challenges DHS's evaluation of Teracore's corporate experience.

We deny the protest.

BACKGROUND

The RFP was issued on June 10, 2014, under Federal Acquisition Regulation (FAR) part 15 and set aside for service-disabled veteran-owned small business (SDVOSB) concerns. RFP §§ A, B.1, M.2. The solicitation provided for the award of multiple, indefinite-delivery, indefinite-quantity (IDIQ) contracts for 2 base years and 3 option years, under two broad functional categories (FC): FC1--program management and technical services, and FC2--administrative and operations services. RFP amend. 4, §§ C, Statement of Work (SOW); F.5, L.2. According to the RFP, the PACTS II procurement is designed to establish a portfolio of DHS-wide

IDIQ contracts (for non-information technology support services) that will enable DHS business and program units to accomplish their mission objectives. Id. § B.1.

The solicitation stated that awards would be made on the basis of a best-value tradeoff among five evaluation factors (listed in descending order of importance): corporate experience, program management, organizational staffing approach, past performance, and price.¹ Id. §§ M.3-M.4. The RFP advised that corporate experience and past performance could be from the offeror itself or a proposed team member or subcontractor, but the RFP required that more than half of the projects submitted had to have been performed by an SDVOSB. See id. §§ L.13, L.16.

Offerors could compete under one or both functional categories, but were to submit only one proposal with separate volumes corresponding to each evaluation factor. Id. §§ L.4, L.9. The RFP instructed offerors to submit their proposal volumes electronically using the web-based portal specified in the solicitation. Id. §§ L.5.2(a), L.9.

With respect to corporate experience, offerors were to identify--for each functional category under which the offeror was competing--at least five, but no more than seven, recent and relevant projects. Id. § L.13. For each project, offerors were to describe the services provided and their relevance to the PACTS II functional category, using a relevant experience form provided with the RFP. Id.; RFP amend. 7, § J, attach. J-6, Relevant Experience Form. With respect to past performance, offerors were to submit a customer past performance questionnaire (PPQ) for each project, using a PPQ form provided with the RFP.² RFP amend. 4, §§ J, attach. J-7, PPQ; L.16. The RFP stated that DHS would evaluate the breadth, depth, and complexity of the offeror's recent corporate experience and its degree of relevance to the proposed functional category. See RFP amend. 4, § M.4.1. The RFP also stated that DHS would evaluate whether more than half of an offeror's projects were performed by an SDVOSB concern. Id. § M.4.1.

DHS received 256 proposals by the July 17, 2014, submission deadline, including from Teracore, which submitted a proposal under FC1 that was evaluated as follows:

¹ The RFP stated that the non-price factors, when combined, were significantly more important than the price factor. Id. § M.4.

² To be clear, offerors themselves were to complete and submit the relevant experience forms (RFP form J-6) describing the relevance of each project, while an offeror's customer was to submit the PPQ (RFP form J-7) directly to DHS describing the quality of the offeror's performance of that project.

Corporate Experience	Program Management	Organizational Staffing Approach	Past Performance	Price
Good*	Acceptable	Outstanding	Exceptional	\$33,953,549

(As discussed below, Teracore’s rating of good under the corporate experience factor was followed by an asterisk.) See Agency Report (AR), Tab 15, FC1 Best Value Rep., at 18.³ A technical evaluation panel (TEP) evaluated proposals under the non-price factors and documented its assessment of strengths, weaknesses, and deficiencies, as well as its assignment of ratings, in detailed consensus evaluation reports prepared for each offeror. See, e.g., AR, Tab 14.4, Teracore Consensus Evaluation Rep.

Teracore’s corporate experience rating reflected the TEP’s assessment that its projects were relevant to the requirement under FC1, that its proposal contained a number of strengths in that regard, and that the offeror demonstrated the requisite range of skills, proficiency, knowledge, and capability to meet the SOW requirements under FC1. Id., Corp. Experience Evaluation, at 1. However, the TEP did not assign a higher evaluation rating under the corporate experience factor, because Teracore did not meet the RFP requirement that more than half of an offeror’s projects had to be performed as an SDVOSB concern, which the evaluators assessed as a material failure and deficiency. Id. In this respect, and of significance here, the TEP found that although Teracore’s proposal stated that it was submitting seven projects for consideration, the offeror submitted a duplicate relevant experience form for project No. 2, which actually resulted in the submission of six projects, only three of which were performed by an SDVOSB. Id.

On July 28, 2016, DHS awarded 12 contracts under FC1 that ranged in price from approximately \$16,100,000 to \$33,900,000. AR, Tab 15, FC1 Best Value Rep. at 14; see Tab 16, SSD. Teracore was not selected for award and filed this protest following receipt of a written debriefing.

DISCUSSION

Teracore protests DHS’ evaluation of its corporate experience.⁴ As discussed below, Teracore concedes that it uploaded a duplicate version of project No. 2.

³ Evaluations, cost/technical tradeoffs, and source selection decisions were conducted separately at the functional category level. See, e.g., AR, Tab 16, Source Selection Decision (SSD).

⁴ Although our decision does not specifically address each of the protester’s arguments, we have considered all of its assertions and find none furnishes a basis for sustaining its protest. For example, Teracore disputes (at length) DHS’s
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However, Teracore maintains that its proposal, as a whole, demonstrated compliance with the corporate experience evaluation factor. Protest at 17. Teracore also complains that DHS' evaluation ratings were inconsistent with the RFP's adjectival rating scheme, which did not provide for a rating of "good*" (i.e., good with an asterisk).⁵ Comments at 2, 10-12. Teracore contends that the agency's best-value decision was flawed, because it was based on the agency's flawed corporate experience evaluation and inconsistent ratings. *Id.* at 12. In the protester's view, the "**single** reason that Teracore did not receive a contract award under PACTS II was the application of the asterisk to its [corporate experience] rating." *Id.* at 11 (emphasis in original).

Where a protester challenges an agency's evaluation of experience or past performance, we will review the evaluation to determine if it was reasonable and consistent with the solicitation's evaluation criteria and procurement statutes and regulations, and to ensure that it is adequately documented. See MFM Lamey Group, LLC, B-402377, Mar. 25, 2010, 2010 CPD ¶ 81 at 10; Falcon Envtl. Servs., Inc., B-402670, B-402670.2, July 6, 2010, 2010 CPD ¶ 160 at 7. The evaluation of an offeror's experience and past performance is within the discretion of the contracting agency, and we will not substitute our judgment for reasonably based evaluation ratings. MFM Lamey Group, LLC, *supra*.

As an initial matter, Teracore's focus on its corporate experience adjectival rating is misplaced. The essence of an agency's evaluation is reflected in the evaluation record itself, not adjectival ratings. See HK Consulting, Inc., B-408443, Sept. 18, 2013, 2013 CPD ¶ 224 at 3 n.4. Our Office has consistently recognized that ratings, be they numerical, adjectival, or color, are merely guides for intelligent decision-making in the procurement process. Citywide Managing Servs. of Port Washington, Inc., B-281287.12, B-281287.13, Nov. 15, 2000, 2001 CPD ¶ 6 at 11.

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explanation of its process for downloading offerors' proposals from the web-based portal and disputes the extensive computer data provided by the agency in that regard. See Comments at 3-6; Supp. Comments at 4-10; AR, Tabs 20.4.1-20.4.2, 20.4.c, Logs & User Activity. We do not address Teracore's arguments in this regard because, as we discuss below, the protester concedes a number of errors in preparing and submitting its proposal.

⁵ The RFP stated that under the evaluation factors for corporate experience, program management, organizational staffing approach, proposals would be rated as outstanding, good, acceptable, marginal, or unsatisfactory. RFP amend. 4, § M.5. According to the evaluation record, a rating with an asterisk "represent[s] material failure(s) of the proposal not captured in the factor rating definition[,] precluding it from being strictly defined as stated in the RFP[.]" AR, Tab 15, FC1 Best Value Rep., at 20.

In any event, Teracore has not shown that it was prejudiced by the TEP's assigned evaluation rating.⁶ In this respect, the RFP provided that a proposal with one or more deficiencies would be assigned an "unsatisfactory" rating. RFP amend. 4, § M.5(a). Here, despite the evaluators' assessment that Teracore's proposal had a deficiency and a material failure (because it did not meet the RFP's requirement that more than half of an offeror's projects had to be performed as an SDVOSB concern), the TEP nevertheless assigned Teracore a higher rating than "marginal" or "unsatisfactory," which would otherwise have been assigned to a non-price evaluation factor with any identified weaknesses or deficiencies. See supra at n.5 (RFP adjectival ratings); RFP amend. 4, § M.4.5.

Notwithstanding Teracore's disagreement with its assigned rating, we find, based on our review of the record, that DHS evaluated Teracore's proposal reasonably and consistent with the RFP's instructions and evaluation provisions. The RFP, as stated above, instructed offerors to submit their proposal volumes electronically using the web-based portal specified in the solicitation. RFP amend. 4, §§ L.5.2(a), L.9. The RFP advised offerors that the submission website required that all documents be uploaded to the website before submitting the offer. Id. § L.9. The RFP informed offerors that DHS "anticipate[d receiving] several hundred proposals in response to the PACTS II RFP, therefore, it is extremely important that Offerors submit complete and accurate proposals." Id. § L.4. The RFP expressly warned offerors that

[a]s the closing date and time draws near, heavy traffic on the web server may cause delays. Offerors are strongly encouraged to plan ahead and leave ample time to prepare and submit their proposal. Offerors bear the risk of web site inaccessibility due to heavy usage, which may occur during the final days/hours before the solicitation closing time.⁷

Id. § L.5.2(b). Moreover, offerors were explicitly warned that information required for proposal evaluation, which is not found in its designated volume, or is not readily identifiable, will be assumed to have been omitted from the proposal. Id. § L.10.2.

⁶ Competitive prejudice is an essential element of a viable protest; where the protester fails to demonstrate that, but for the agency's actions, it would have had a substantial chance of receiving the award, there is no basis for finding prejudice. See Special Servs., B-402613.2, B-402613.3, July 21, 2010, 2010 CPD ¶ 169 at 4.

⁷ Proposals were due no later than 2:00 p.m. Eastern time on July 17, 2014. RFP amend. 5, at 2; see RFP amend. 7, at 2. DHS' computer logs show that Teracore uploaded the corporate experience files at issue here between 11:44 p.m. and 11:46 p.m. on July 16. See AR, Tab 20.4.c, Server HTTP Logs, at 1-2.

Teracore acknowledges that it was responsible for properly delivering its proposal and that the RFP contained the various warnings and cautionary provisions described above.⁸ See, e.g., Protest at 16-17, citing, inter alia, FAR § 15.208 and RFP §§ L.5.2, L.10.2.

Significantly, however, Teracore concedes a number of errors in the proposal preparation and submission process. First, a Teracore employee explains that while converting the company's experience forms from Microsoft Word to a Portable Document Format (PDF), he "inadvertently saved the same Corporate Experience Form twice (once as Corporate Experience 2 and once as Corporate Experience 3)."⁹ Protest, Declaration ¶ 12. Second, the employee explains that while he recognized the error (and "corrected the files such that I had PDF versions of the correct seven Corporate Experience Forms"), he concedes that he inadvertently uploaded (to the agency's proposal submission website) the duplicate PDF file for project No. 2, rather than the corrected version of that file.¹⁰ Id. ¶ 13.

Despite these concessions, Teracore insists that it corrected its uploading error, and argues that "there was either a malfunction of the system or an error occurred on DHS' end in making the files available to the reviewer for evaluation."¹¹ Id. ¶ 8. According to Teracore, the RFP's "attempt[] to disclaim responsibility" and its various "exculpatory provisions does not give DHS carte blanche to avoid establishing procedures that reasonably ensure that proposals that are submitted are accurately and fully considered."¹² Protest at 16-17.

⁸ Section 15.208(a) of the FAR provides that offerors are responsible for submitting proposals, and any revisions, and modifications, so as to reach the Government office designated in the solicitation by the time specified in the solicitation.

⁹ As discussed above, the TEP found that Teracore did not meet the RFP requirement that more than half of an offeror's projects had to be performed as an SDVOSB concern, because Teracore submitted a duplicate relevant experience form which actually resulted in the submission of six projects, only three of which were performed by an SDVOSB. AR, Tab 14.4, Teracore Corp. Experience Evaluation, at 1.

¹⁰ According to the Teracore employee, when he later discovered that he had uploaded the duplicate form, he deleted it from the submission website, and "specifically recall[s]" uploading the correct file. Declaration ¶ 13.

¹¹ Teracore also alleged, as a supplemental protest ground, that a systematic failure existed in the web-based portal, but subsequently withdrew that protest ground. Comments at 12-13; Supp. Comments at 10.

¹² Teracore states that it is not suggesting that anyone at the agency intentionally manipulated Teracore's proposal or deleted one of its corporate experience forms. See Supp. Comments at 8.

It is an offeror's responsibility to submit a well-written proposal, with adequately detailed information which clearly demonstrates compliance with the solicitation requirements and allows a meaningful review by the procuring agency. See, e.g., International Med. Corps, B-403688, Dec. 6, 2010, 2010 CPD ¶ 292 at 8. Agencies are not required to piece together general statements and disparate parts of protester's proposal to determine the protester's intent. See, e.g., Optimization Consulting, Inc., B-407377, B-407377.2, Dec. 28, 2012, 2013 CPD ¶ 16 at 9 n.17 (agency not required to infer information from an inadequately detailed proposal). An offeror is responsible for affirmatively demonstrating the merits of its proposal and, as here, risks the rejection of its proposal if it fails to do so. HDL Research Lab, Inc., B-294959, Dec. 21, 2004, 2005 CPD ¶ 8 at 5.

Despite Teracore's contention that the problem here was caused by the agency's website, the contracting officer asserts that Teracore was the only offeror (among the 156 offerors that submitted proposals under PACTS II FC1) that claimed that DHS had not accounted for an uploaded proposal file. See Contracting Officer's 2nd Supp. Statement at 2. Thus, because the record here reflects that Teracore failed to properly upload the correct seven experience documents, we have no basis to question the evaluation of Teracore's corporate experience. See NOVA Corp., B-411851, Nov. 6, 2015, 2015 CPD ¶ 346 at 3-5.

Lastly, to the extent that Teracore contends that DHS's best-value tradeoff was unreasonable because it was based on the allegedly flawed corporate experience evaluation, as discussed above, we find no merit to the protester's challenges to the experience evaluation. Thus, there is no basis to question the agency's reliance upon those evaluation judgments in making its source selection. Teracore's disagreement does not establish that the agency acted unreasonably or provide a basis to sustain the protest. See Citywide Managing Servs. of Port Washington, Inc., supra, at 10-11.

The protest is denied.

Susan A. Poling
General Counsel