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Comptroller General
of the United States

United States General Accounting Office
Washington, DC 20548

Decision

Matter of: Leach Management Consulting Corporation

File: B-292493.2

Date: October 3, 2003

Jeffery L. Leach for the protester.
E. Michael Chiaparas, Esq., and Richard N. Finnegan, Esq., Defense Contract Management Agency, for the agency.
Jacqueline Maeder, Esq., and John M. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Where evaluation report stated both that protester's lack of federal government experience was a weakness (erroneously) and that government experience was a strength (correctly), but record shows that source selection authority did not downgrade proposal based on the erroneous statement, there is no basis for questioning the award.

2. Protest challenging evaluation of protester's proposal is denied where record shows that agency evaluated proposal in accordance with the solicitation criteria, and that its conclusions were reasonable.

DECISION

Leach Management Consulting Corporation protests the issuance of a purchase order to Booz Allen Hamilton under request for quotations (RFQ) No. DCMA01-03-Q-0003, issued by the Defense Contract Management Agency (DCMA), for customer relations management (CRM) services. Leach contends that the agency misled it regarding price and improperly evaluated its proposal.

We deny the protest.

On March 27, 2003, DCMA posted a combined synopsis/solicitation (the RFQ) on the Federal Business Opportunities website, calling for the review and evaluation of DCMA's existing customer outreach and satisfaction measurement activities and processes; the comparison of DCMA's practices and procedures with those of the private sector; and, the development of an integrated customer relations process for

DCMA. Under the original timeline, vendors were to complete all work within 60 days of award. Under amendment No. 2, the agency extended the performance timeframe: the review/evaluation of DCMA's existing activities and processes and the comparison of those processes and activities to the private sector were to be provided within 45 days of award, and the development of the integrated customer relations process was to be completed within 90 days of award. In response to a 2-part question asking for the government estimate and "what budget has been in place in the past for these services," the agency responded in amendment No. 3 that "there has been no specific budget for the services. The original estimate was well under $100,000. As a result of revising the requirement to add an additional performance period of 30 days the estimate is still under $100,000." RFQ, amend. No. 3, at 1. The record shows that the original estimate for the 60-day performance period was $65,000, and the revised estimate for the extended 90-day performance period was $90-$95,000. Agency Report (AR), Tab A, Contracting Officer's Statement, at 4.

The solicitation stated that simplified acquisition procedures applied to the procurement, see Federal Acquisition Regulation (FAR) part 13, that vendors should provide price and technical proposals, and that a fixed-price award would be made on a "best value" basis, and identified the following evaluation factors, in addition to price: (1) technical, including, a description of the approach for preparing and conducting an organizational assessment of DCMA customer satisfaction and CRM, a plan of action and milestone plan for developing an integrated customer relations process, a proposed process for analyzing current methods of data gathering, analysis and reporting, and an overall analysis of how methods can be improved; (2) proposed personnel, including key personnel résumés showing knowledge and experience of customer satisfaction and CRM methods used with private organizations, federal agencies and Department of Defense (DOD) agencies, experience performing organizational assessments, and knowledge and experience with organizational modeling and benchmarking; and, (3) corporate past experience, including three references showing similar customer satisfaction and CRM assessment and analysis, prior organizational studies, presentations, and benchmarking. RFQ at 3.

A color-coded evaluation scheme was to be used. As relevant here, a green rating on technical capabilities and personnel indicated excellence in all respects, with a good probability of success and an overall low degree of risk. A pink rating on these factors indicated that overall quality could not be determined because of errors, omissions or deficiencies which were not capable of being corrected without a major rewrite or revision of the proposal; this rating reflected a very high degree of performance risk. A color rating scheme was also used for past performance. As relevant here, white denoted a neutral rating, to be assigned where information was not available or the past performance questionnaires were not returned by a vendor's references. AR, Tab A, Contracting Officer's Statement, at 5, 7.

The agency received 23 quotations by the amended May 2, 2003 closing date. The proposal included with Leach's quotation, priced at $42,500, was rated pink under all nonprice technical factors and white under past performance. The technical evaluation team (TET) found several weaknesses in Leach's proposal, noting, for example, that it lacked specificity, restated the statement of work (SOW) with no in-depth review, failed to address benchmarking and marketing, and cited no DOD, DCMA, or federal government experience (however, the TET at the same time rated Leach's government experience a strength, a discrepancy discussed further below). AR, Tab K, Technical Evaluation Summary, at 5. Regarding personnel qualifications, the TET identified the lack of DCMA experience, and CRM, benchmarking and marketing experience as weaknesses. The TET also noted that Leach's survey experience was primarily with internal customers and that the proposal included only one résumé. Id. As for past performance, the TET noted that only one of Leach's three required references responded, and that this reference declined to provide a detailed response because Leach's contract with that entity was in the process of being terminated for convenience. Id.; AR, Tab A, Contracting Officer's Statement, at 7.

Booz Allen's proposal was rated green under both the overall technical factor and past performance, and its price was $122,958.92. The TET recommended award to Booz Allen and the source selection authority, following the TET's recommendation, issued a purchase order to that firm on June 20. AR, Tab Q, Source Selection Decision Document, at 12. After a June 30 debriefing, Leach filed this protest.[1]

Leach protests that the agency's estimate as set forth in amendment No. 3 was inaccurate and misled the firm into believing that the estimate was well under $100,000; Leach states in this regard that it "interpreted [b]est [v]alue [as] being under $100,000 . . . ." Protest at 2. Leach further states that, in its experience, the government estimate "implies the budget for this effort." Id. at 4.

This argument is without merit. First, nothing in the amendment suggested, as Leach asserts, that the estimate was significantly less than $100,000. Indeed, we think the language of the amendment reasonably indicated otherwise by stating that the estimate "is still under," instead of "well under" $100,000, as the RFQ originally had stated. Further, notwithstanding the protester's prior experience, since the amendment nowhere purported to set forth the agency's budget for the requirement, there simply was no basis for Leach to read the amendment as establishing some sort of ceiling on the contract price. Similarly, there was no reasonable basis for Leach to conclude that the amendment established that only a proposal with a quoted price below $100,000 could be found to represent the best value. A best value determination is based, not on price alone, but on the evaluation factors set forth in

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[1] Leach's initial protest, filed with our Office on June 26, and docketed as B-292493, was dismissed as premature.

the solicitation, with the source selection official often required to make a price/technical tradeoff to determine if one proposal's technical superiority is worth the higher cost that may be associated with that proposal. Rotair Indus., Inc., B-276435.2, July 15, 1997, 97-2 CPD ¶ 17 at 3. Here, as noted above, Booz Allen's technical ratings were significantly higher than Leach's, and the agency determined that this technical superiority was worth the price differential. This determination was in no way inconsistent with the terms of the RFQ.

Leach also challenges the agency's evaluation of its proposal, asserting that its technical proposal was improperly downgraded for demonstrating "[n]o DOD or federal government experience," and no DCMA experience. Protester's Comments at 2-5. Leach maintains that it listed significant DOD and federal government experience in its proposal, including work for the Department of the Navy, Defense Contracting Command, Army Corps of Engineers, Environmental Protection Agency, and Naval Air Warfare Center. Leach claims it was improper for the agency to downgrade its proposal for lack of DCMA contracting experience, because the RFQ did not require DCMA experience. Id. at 3.

In reviewing protests against an allegedly improper simplified acquisition and selection decision, we examine the record to determine whether the competition was fair and consistent with the solicitation, and whether the agency exercised its discretion reasonably. American Office Servs., Inc., B-290511, July 5, 2002, 2002 CPD ¶ 122 at 3; Southeast Tech. Servs., B-289065, Dec. 20, 2001, 2001 CPD ¶ 206 at 3.

The evaluation of Leach's experience was unobjectionable. Leach is correct that its price proposal lists several DOD and federal government contracts, and that the TET incorrectly indicated that Leach's lack of DOD or federal government experience was a weakness. AR, Tab G, Leach Price Proposal, at 15-17; AR, Tab K, Technical Evaluation Summary, at 5. At the same time, however, in its evaluation, the TET listed "[g]overnment experience" as a strength. AR, Tab K, Technical Evaluation Summary, at 5. The cause of this discrepancy is not clear from the record. However, it had no apparent impact on the award decision, as evidenced by the fact that the Source Selection Decision Document does not make any reference to DOD or federal government experience. Rather, the weaknesses identified in that document were the lack of specificity in Leach's proposal and its key personnel's lack of CRM, benchmarking and marketing experience. AR, Tab Q, Source Selection Decision Document, at 10.

We also find nothing objectionable in the agency's consideration of DCMA experience. Where detailed technical proposals are sought and technical evaluation criteria are used to enable the agency to make comparative judgments about the relative merits of competing proposals, vendors are on notice that qualitative distinctions among competing proposals will be made under the various evaluation factors. See National Health Labs., Inc., B-261706, Oct. 18, 1995, 95-2 CPD ¶ 182 at 2. In making such distinctions, an agency properly may take into account specific, albeit not expressly identified, matters that are logically encompassed by or related

to the stated evaluation criteria. Id. Experience with the agency for which the solicited work is to be performed clearly is a relevant subset of a vendor's overall experience. See IBP, Inc., B-289296, Feb. 7, 2002, 2002 CPD ¶ 39 at 3; Infrared Techs. Corp., B-282912, 99-2 CPD ¶ 41 at 5. Accordingly, the agency reasonably considered Leach's lack of DCMA experience.

Leach also challenges the downgrading of its proposal for lack of CRM, modeling and benchmarking experience. Leach notes that its key employee's résumé states that he "has performed organization assessments and [CRM] assessments for the City of Philadelphia, Defense Contracting Command, U.S. Army Corps of Engineers, AFRL, Kirtland Air Force Base, [t]he Naval Air Warfare Center, Lakehurst, U.S. Coast Guard, [t]he Air Force Material Command and the U.S. Navy." Protester's Comments at 6; AR, Tab G, Leach Price Proposal, at 22. Leach notes further that at least 10 organization assessment projects and CRM experiences are listed in its price proposal. As for benchmarking, Leach states that "[b]enchmarking is one of the business analyses and research tools that [it] obviously [has] used as documented in our expertise" in its price proposal. Protester's Comments at 7. Leach states further that "[e]ven a layman could look at the description of our experience . . . and factually see every project listed has required us to alter or change the organization in question. What is this if not organization modeling?" Protester's Comments at 5.

The evaluation in this area was reasonable. While Leach's key personnel résumé states that the individual has CRM experience and identifies several contracts allegedly involving CRM, we find nothing in the résumé or in the proposal--and Leach points to nothing--specifically identifying CRM as part of the other contracts. Similarly, benchmarking is referred to only once in Leach's proposal--in conjunction with a contract that is being terminated for convenience by the cognizant agency--and organization modeling is never mentioned. Given the absence of information detailing Leach's experience in these areas, the agency reasonably downgraded the proposal. The protester maintains that its experience in organization modeling and benchmarking should have been apparent, since these are related to other activities identified in its proposal, such as organization assessments and reengineering. However, it is a vendor's responsibility to submit a proposal with adequately detailed information to establish the relevance of its experience and to allow for meaningful review by the agency; evaluators are not required to infer a vendor's meaning or intent from an inadequately detailed proposal. Interstate Gen. Gov't Contractors, Inc., B-290137.2, June 21, 2002, 2002 CPD ¶ 105 at 5.

Finally, Leach argues that the agency improperly downgraded its technical proposal based on a concern that the protester could not interview all of the individuals listed in the proposal during the short performance timeframe. Leach asserts that in every project "there are always adjustments and changes made," and that it "presented that list to be thorough and as an illustration of our target pool of individuals." Protest at 4. Further, Leach asserts that the proposal clearly stated that more than one person would conduct these interviews, and that various methods would be used,

including telephone, on-site meetings, in-office or on-site assessments and case review meetings. Protester's Comments at 7.

This aspect of the evaluation was reasonable. Leach's technical proposal included a preliminary list of individuals that it intended to interview as part of its data gathering process, which included 18 groups of participants with, apparently, several interviews per group. Leach Technical Proposal, Tab F, at 5. On page 6 of its technical proposal, Leach again referred to its proposed travel, stating that "[o]ur analysis will require traveling and talking with key/target locations at the HQ [Headquarters], District and CMO [Contract Management Office] levels." Below this reference, Leach listed more than 40 CMOs. Notwithstanding that Leach planned to use various interviewing approaches and an additional interviewer, based on these proposal references the agency reasonably could conclude that Leach's approach was dependent upon a significant amount of travel. The agency's concern regarding Leach's ability to complete these extensive travel and interview plans therefore was reasonable.[2]

The protest is denied.

Anthony H. Gamboa
General Counsel

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[2] Leach seems to suggest that it should have been clear from the four destinations listed in its price proposal--"Headquarters (VA), District East (Boston), District West (Carson), and District International (VA)," Leach Price Proposal, Tab G, at 19--that its approach was not based on extensive travel. However, these destinations were listed in the price proposal as part of Leach's "initial plan for travel," and given the travel references in its technical proposal, the agency's conclusion that extensive travel was planned was reasonable.