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Comptroller General
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Decision

Matter of: Manufacturing Engineering Systems, Inc

File: B-278074; B-278074.2

Date: December 23, 1997

Victor Zupa, Esq., Neville Shaver Hubbard & McLean, for the protester.
Lori S. Chofnas, Esq., Department of the Navy, for the agency.
John L. Formica, Esq., and James Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that the contracting agency unreasonably evaluated the protester's and awardee's competing proposals for instructional services under the management evaluation factor with regard to their respective approaches to the scheduling of daily training is denied, where the record shows that the agency reasonably determined that the protester's scheduling approach was unacceptable and that the awardee's well-documented scheduling approach was acceptable; the protester's mere disagreement does not render the agency's evaluation unreasonable.

DECISION

Manufacturing Engineering Systems, Inc. (MES), a small, disadvantaged business concern (SDB), protests the award of a contract to Lockheed Martin Services, Inc., under request for proposals (RFP) No. N00140-97-R-1850, issued by the Department of the Navy, for instructional services. MES contends that the agency's evaluation of its and Lockheed's proposals, as well as the selection of Lockheed's proposal for award, were unreasonable.

We deny the protest.

The RFP provided for the award of an indefinite delivery, indefinite quantity contract, with fixed-price and cost-reimbursement contract line items, for a base with 4 option years. The successful contractor under the RFP will be required to schedule and provide flight simulator, classroom, and interactive courseware (ICW)

instructional services at five naval air stations located in Texas, Florida, and Mississippi.

The RFP stated that award would be made to the offeror submitting the proposal representing the best overall value to the government, price/cost and other factors considered, with technical merit being considered more important than price/cost. The solicitation listed the following evaluation factors:

Management Plan
Instructional Services Approach
Personnel Resources
Quality Control Plan
Corporate Experience
Past Performance

The RFP informed offerors that the evaluation factors were listed in descending order of importance, except that the corporate experience and past performance factors were equal in importance. The RFP included the standard "Notice of Evaluation Preference for Small Disadvantaged Business Concerns," set forth at Department of Defense Federal Acquisition Regulation Supplement § 252.219-7006, which provides that offers will be evaluated by adding a factor of 10 percent to the evaluated cost/price of all offers except those received from SDBs. The RFP provided detailed instructions for the preparation of proposals, and requested that offerors organize their technical proposals into six volumes, with each volume addressing one of the six technical evaluation factors.

The agency received six proposals, including those of MES and Lockheed (the incumbent contractor) by the RFP's closing date. Lockheed's proposal was rated as "acceptable" overall, and the other proposals, including MES', were rated as "unacceptable" overall with the capacity of being made acceptable as a result of discussions.[1] The agency included all six proposals in the competitive range. Discussions were held, and best and final offers (BAFO) were requested, received, and evaluated.[2]

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[1]The adjectival ratings used by the agency in evaluating proposals were highly acceptable, acceptable, unacceptable (with the "capacity to be made acceptable as a result of discussions), unacceptable ("[n]ot capable of correction through discussions without submission of what would amount to an entirely new proposal), and neutral (applicable to the past performance evaluation factor only).

[2]One offeror withdrew its proposal from further consideration prior to the conduct of discussions.

The agency evaluated MES' BAFO as "unacceptable" under the management approach evaluation factor; "acceptable" under the instructional services, quality control, corporate experience, and past performance evaluation factors; "highly acceptable" under the personnel evaluation factor; and "unacceptable" overall, at a proposed cost/price of $72,122,003. The agency evaluated Lockheed's proposal as "acceptable" under the management approach, instructional services, and past performance evaluation factors; "highly acceptable" under the personnel, quality control, and corporate experience evaluation factors; and "acceptable" overall. Lockheed's proposed total cost/price of $74,779,014 was evaluated at $82,256,915 because of the application of the SDB evaluation preference. Of the remaining three proposals, one was evaluated as "acceptable" overall at evaluated cost/price of $82,663,866, and two as "unacceptable" overall at evaluated cost/prices of $71,194,299 and $83,723,575.

The agency determined that Lockheed's proposal represented the best overall value to the government. After being informed by the agency that it had awarded a contract under the solicitation to Lockheed, and requesting and receiving a debriefing, MES filed this protest.

MES protests that the agency's evaluation of its and Lockheed's technical proposals under the management approach evaluation factor was unreasonable. Specifically, MES argues its proposal was unfairly criticized with regard to MES' proposed approach to the scheduling of simulator instructional services, and that in any event, its and Lockheed proposals are similar in this respect and the proposals should therefore have received the same rating.

The evaluation of technical proposals is a matter within the discretion of the contracting agency, since the agency is responsible for defining its needs and the best method of accommodating them. Marine Animal Prods. Int'l, Inc., B-247150.2, July 13, 1992, 92-2 CPD ¶ 16 at 5. In reviewing an agency's evaluation, we will not reevaluate technical proposals, but instead will examine the agency's evaluation to ensure that it was reasonable and consistent with the solicitation's stated evaluation criteria. MAR, Inc., B-246889, Apr. 14, 1992, 92-1 CPD ¶ 367 at 4. An offeror's mere disagreement with the agency does not render the evaluation unreasonable. McDonnell Douglas Corp., B-259624.2, B-259624.3, June 16, 1995, 95-2 CPD ¶ 51 at 18.

The RFP's performance work statement (PWS) detailed the contractor's overall responsibilities for the scheduling of instruction, and set forth specific scheduling procedures to be followed in performing the contract. Specifically, the PWS informed offerors that the agency would provide the contractor with the agency's requirements relative to trainees and simulator instruction by 8 p.m. on the day before the instruction was to occur. Based upon the agency's identified requirements, the contractor was to determine which instructor and simulator

device would meet the agency's requirements for the particular instruction identified, and schedule an instructor and simulator device for that instruction. The PWS added:

> Because of the inherent relationship between the aircraft/helicopter flight schedule and the simulator schedule, factors such as weather, student loading, detachments, medical status of students, fleet-wide grounding of type aircraft or a host of other unanticipated events, perturbations are created in the simulator schedule. These fluctuations in day-to-day operational requirements are a normal part of Naval Aviation.

The RFP's proposal preparation instructions informed offerors that in the management approach volumes of their technical proposals they were to "demonstrate in sufficient detail a management approach that will successfully accomplish the [PWS]," and specified, among other things, that their management plans should address their approaches to "scheduling [and] scheduling perturbations."

The agency evaluated MES' initial proposal as technically "unacceptable" overall in large part because of evaluated deficiencies in its approach to scheduling, noting that MES' proposal "failed to demonstrate an acceptable understanding of the RFP requirements by presenting conflicting information on who would be responsible for performing the critical scheduling function." For example, the agency noted in evaluating MES' proposal that, while it stated in one area that instructors would assist in scheduling, the detailed position descriptions for instructors, furnished in another area of the proposal, did not mention scheduling as one of their responsibilities.

During discussions, the agency informed MES that, among other things, its

> proposal failed to clearly delineate who will perform the critical scheduling functions. In the position description section (Volume I, page 36), the administrative assistant is the only one identified to prepare the daily schedule. However, page 9 specifies that one or more instructors will be assigned as a scheduler.

MES responded in its BAFO that its "Site Manager, through the Lead Instructors and designated 'additional duty' schedulers, is responsible for accomplishing all schedul[e] functions . . . and for monitoring and adjusting schedule implementation." MES' BAFO response continued by pointing out where, in MES' view, its proposal addressed how scheduling would be performed and by whom. MES clarified that its proposed Administrative Assistants would "not develop or implement work schedules," but rather would provide "scheduling support to the Site Manager, Lead Instructors, and additional duty schedulers as directed by the Site Manager." MES'

BAFO revised the position descriptions for Simulator/Classroom Instructor and ICW Instructor/Administrator to include the phrase "Perform Additional Duties, such as Scheduler/Assistant Scheduler," and revised the position description for its proposed Administrative Assistant "to preclude giving the impression that the Administrative Assistant has any management or tasking authority or responsibility in the scheduling process."[3]

The agency concluded that MES' BAFO was technically "unacceptable" under the management plan evaluation factor because of evaluated deficiencies with regard to MES' proposed approach to scheduling, and thus remained technically "unacceptable" overall. Specifically, the agency determined that:

> given the instructor duties of the ICW Instructor, the physical restraints associated with scheduling, and scheduling perturbations, MES did not describe in sufficient detail how the ICW instructors would perform the scheduling. The ICW instructor will spend approximately [8] hours each day performing instructor duties. In addition, the ICW classrooms are not co-located with the flight simulators at any of the locations covered by the contract. Thus, the information necessary to perform the scheduling duties is not physically located in the buildings with the ICW classrooms. In addition, as described in the [PWS], the Navy can change the simulator schedule as late as 8:00 p.m. the night before training is to take place. MES did not describe in its BAFO how the ICW Instructors will perform these critical scheduling duties given their instructional duties, the physical constraints and the scheduling perturbations.

MES maintains that the agency's evaluation of MES' scheduling plan was unreasonable in light of the information requested by the RFP and provided by MES in its proposal. MES explains in its protest that its "site manager and lead instructor are responsible for scheduling," and that "[a]dditional input concerning simulator or classroom scheduling can be done by any individual who is in the pool of people that can be selected by the site manager--including the ICW instructor." MES states "that the ICW manning levels proposed created almost 17 [percent] of excess hours available (on an annual basis) which could be devoted to the additional duty of scheduling," and provides a chart depicting "ICW instructor staffing and excess hours available, that could be used for other support/ instructional activities." MES concludes that its "concept of cross-utilization of instructors is woven throughout the MES proposal and the assignment of additional

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[3]MES' BAFO does not specifically identify an "additional duty scheduler" position. It appears from MES' inclusion in the instructor position descriptions of the phrase "Perform Additional Duties, such as Scheduler/Assistant Scheduler," that MES' BAFO is referring to instructors when it mentions "additional duty schedulers."

duties and collateral tasks is used universally as a management initiative to better utilize people."

MES' explanation regarding the availability of its ICW instructors to participate in the scheduling process, as set forth above, appeared for the first time in MES' protest. That is, MES' proposal did not include any statement, chart, or other information from which the agency could reasonably determine that MES' ICW manning levels included excess hours which would be available for scheduling. Further, with the exception of adding the phrase "Perform Additional Duties, such as Scheduler/Assistant Scheduler" to the various instructor position descriptions in response to the agency's concerns expressed during discussions regarding MES' scheduling plan, MES' BAFO failed to include a statement or any other explanation regarding its purported "cross-utilization of instructors." Because MES' BAFO failed to include this information, the agency reasonably was concerned that MES' ICW instructors would be unable to effectively participate in the scheduling process, and that MES' proposed approach to scheduling--which as described by MES relied in part on the ICW instructors' participation in scheduling--was unacceptable.[4] The offeror has the burden of submitting an adequately written proposal for the agency to evaluate. GEC-Marconi Elec. Sys. Corp., B-276186, B-276186.2, May 21, 1997, 97-2 CPD ¶ 23 at 7. In light of MES' failure to fulfill its obligation in this regard, we see no basis to criticize the agency's evaluation of this aspect of MES' proposal as unreasonable.

We also find that the agency's evaluation was consistent with the RFP. As mentioned previously, the RFP requested that the management plan volume of proposals include the offerors' approaches to scheduling and scheduling perturbations, and stated that the offerors' management plans would be considered the most important aspect of the offerors' proposals in the agency's conduct of the technical evaluation. Given that the agency reasonably concluded that MES' approach to scheduling was unacceptable, and in light of the criticality of this task as set forth in the RFP and during the agency's conduct of discussions, we cannot find unreasonable the agency's conclusion that the deficiencies of MES' proposal in this regard rendered the proposal technically unacceptable under the management plan evaluation factor and thus technically unacceptable overall.

The agency points out that Lockheed's proposal is similar to MES' in that it [DELETED]. Lockheed, however, unlike MES, included in its proposal [DELETED].

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[4]While the protester asserts that it is unreasonable to find its proposal unacceptable for this reason, because ICW instructors represent only 5 percent of the total instructors, the record shows that the ICW instructors satisfy a mandatory requirement and that MES' proposal did not demonstrate how these instructors could perform their designated duties.

The agency adds that Lockheed's proposal also provides [DELETED]. Thus, Lockheed's proposed approach to performing the scheduling function was considerably more detailed than MES', and identified [DELETED] in accordance with the agency's requirements. As such, we disagree with the protester that Lockheed's proposed approach to scheduling was so similar to MES' that the agency acted unreasonably in evaluating Lockheed's and MES' proposals as "acceptable" and "unacceptable," respectively, under the management plan evaluation factor.

MES also protests that the agency unreasonably determined that MES' price proposal represented "significant risk to the successful performance of the contract" because MES reduced certain of its proposed indirect cost rates in its BAFO without explanation and proposed [DELETED] profit for one of its subcontractors. Since the agency properly found MES' proposal technically unacceptable, we do not reach the question of whether the agency reasonably determined that MES' price proposal represented significant risk.

MES finally protests that the award selection was unreasonable because Lockheed's evaluated cost/price was $10,134,912 higher than MES'. However, since MES' proposal was properly found unacceptable and since there is another proposal besides Lockheed's that was found acceptable, MES is not an interested party under our Bid Protest Regulations eligible to protest the cost/technical tradeoff. See Hughes Technical Servs. Co., B-245546.3, Feb. 12, 1992, 92-1 CPD ¶ 179 at 8.

The protest is denied.

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