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Decision

Matter of: Advantaged Solutions, Inc.

File: B-418790; B-418790.2

Date: August 31, 2020

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DIGEST

Protest of the issuance of a task order against a vendor's General Services Administration Federal Supply Schedule (FSS) contract is denied where the contracting agency properly determined that the services called for under the task order were within the scope of the vendor's FSS contract and the agency's evaluation was reasonable and in accordance with the solicitation criteria.

DECISION

Advantaged Solutions, Inc. (Advantaged), of Washington, District of Columbia, protests the issuance of a task order to Alamo City Engineering Services, Inc. (Alamo), of San Antonio, Texas, under request for quotations (RFQ) No. SP4701-20-Q-0016, issued by the Defense Logistics Agency (DLA) for brand name information technology (IT) support services. The protester contends that the agency improperly credited Alamo with brand name offerings that were not within the scope of the services provided on Alamo's General Services Administration (GSA) federal supply schedule (FSS) contract.

We deny the protest.

BACKGROUND

On April 6, 2020, the agency executed a limited-source justification (LSJ) under Federal Acquisition Regulation (FAR) 8.405-6(b)(1)¹, restricting purchase of certain support services for DLA's distribution standard system (DSS)² to SAP Public Services Inc. (SAP) and its authorized service providers. Agency Report (AR), Tab 1, LSJ at 1. The LSJ stated that the limitation of sources was required because SAP owns the proprietary data for the software currently in use on DSS, and only SAP software is capable of operating fully within DLA's broader enterprise resource planning umbrella, of which the DSS capability is a module.³ *Id.* at 3. The agency concluded "SAP products are currently the only compatible products that will meet DLA's needs, and therefore the required services relate solely to SAP products." *Id.* Notably, the LSJ's description of market research conducted by the agency stated that it had found four potential vendors that were SAP authorized service providers, including Advantaged and Alamo. *Id.* at 4.

On April 7, 2020, the agency issued the RFQ to vendors holding GSA Federal Supply Schedule (FSS) Contract 70, General Purpose Commercial IT, Equipment, Software and Services. AR, Tab 6, Amendment 0004, Attached Conformed RFQ at 2.⁴ The RFQ contemplated the issuance of a single, fixed-price and time-and-materials task order for "brand name SAP support services" in support of DSS. *Id.* at 2, 54. The task order was to be issued against either the successful offeror's FSS contract or its Department of Defense (DoD) Enterprise Software Initiative (ESI) Blanket Purchase Agreement (BPA). *Id.* at 2.

The solicitation provided for award on a lowest-priced, technically acceptable basis, considering price and the following three non-price evaluation factors: (1) level of effort/labor mix; (2) key personnel; and, (3) technical approach. *Id.* at 3-4. The solicitation stated that in order to be found technically acceptable, a quotation would

¹ FAR 8.405-6(b)(1) provides that the use of brand name specifications may be used in FSS procurements if "the particular brand name, product, or feature is essential to the Government's requirements."

² DSS is an IT capability which functions as DLA's warehouse management system for processing the distribution of material and managing inventory status globally. AR, Tab 6, RFQ at 54; AR, Tab 1, LSJ at 2.

³ The LSJ explains that there was an original competitive procurement for DLA's enterprise resource planning software, and SAP was selected as the DLA's provider for this software. AR, Tab 1, LSJ at 3.

⁴ The agency issued four amendments to the solicitation. Contracting Officer's Statement and Memorandum of Law (COS/MOL) at 4. Unless otherwise noted, citations to the RFQ are to the conformed RFQ that was issued with Amendment 0004, found at Tab 6 of the agency report.

need to be acceptable under all non-price evaluation factors and meet all requirements of the performance work statement (PWS). *Id.* at 3.

As relevant here, the solicitation did not state that quotations or the vendor's FSS contracts would be evaluated to determine whether they contained specific brand-name SAP services. The RFQ also did not require any specific documentation by a vendor to demonstrate its status as an SAP authorized service provider. The RFQ stated that quotations would be evaluated under the level of effort/labor mix factor to ensure the vendor understood and offered the appropriate resources and level of effort required to perform the tasks detailed in the PWS. The RFQ stated that the agency would evaluate quotations under the key personnel factor by determining whether each offered key person possessed the requisite qualifications and experience to assure the successful accomplishment of the service. *Id.* at 3. The RFQ specified that each key person's resume would be "evaluated for experience and capabilities relevant to the requirements set forth under Section 8.0, Personnel Requirements, subsection B [k]ey [p]ersonnel, of the PWS." *Id.* Under the technical approach factor, the agency was to evaluate the contractor's technical approach to providing the services and support as described in the PWS, its capability in supporting all tasks within the PWS, and its understanding of the scope of work. *Id.* at 3-4.

The background section of the PWS states that the agency was seeking to leverage "brand name SAP support services to assist with platform configuration development on the Government's existing SAP software." *Id.* at 54. When defining the scope of work, the PWS stated that the contractor "shall provide SAP support services as set forth in this PWS" and should provide all management, personnel, and services to complete the requirements. *Id.* at 57. The PWS described 11 tasks the contractor was to be able to perform.⁵ *Id.* at 58-65. As relevant here, only task eight, SAP training, required the contractor to provide a specific branded service, namely, the "SAP Preferred Card" which provides access to a catalog of training from SAP. *Id.* at 63. The other 10 tasks, while requiring SAP subject matter expertise and work related to SAP software, did not require any specific SAP branded product or service, or that any of the services be provided on a pass-through basis directly from SAP. *Id.* at 58-65.

Under personnel requirements, the PWS required the "[p]ersonnel assigned to or utilized by the [c]ontractor in the performance of this task order" to possess the listed qualifications and skills set forth in the PWS. *Id.* at 73. The PWS noted that SAP resellers use "K-codes" to define labor categories. *Id.* However, as relevant here, the

⁵ The PWS described eight mandatory tasks: (1) administration and technical services; (2) knowledge transfer and on-the-job training; (3) lifecycle support at "pilot" locations; (4) development lifecycle support; (5) sustainment; (6) program management; (7) deployment; and (8) SAP training. *Id.* at 58-63. The PWS also described three tasks which fell under optional contract line items: (9) additional sprint items to support task three; (10) additional sprint items to support task four; and (11) transition support. *Id.* at 64-65.

PWS did not require that a contractor utilize K-codes in its quotation and did not require that a contractor's FSS contract or ESI BPA contain K-code labor rates. The position descriptions for labor categories under the task order each contained a corresponding K-code, but none required compliance with any K-code standards. *Id.* at 74-79. Instead, the solicitation provided requirements for each of its defined labor categories including any required experience and certifications. *Id.*

On April 7, the agency sent an email to each known ESI BPA holder, including Advantaged, notifying them the solicitation had been posted. COS/MOL at 3; AR, Tab 7, Advantaged Notification Email. The email included as attachments a copy of the solicitation documents and a redacted copy of the brand name LSJ. See AR, Tab 7, Advantaged Notification Email.

DLA received two quotations in response to the solicitation, from Advantaged and Alamo. COS/MOL at 14. The agency conducted multiple rounds of exchanges with the offerors, during which both offerors were given the opportunity to revise their quotations and provide clarifications. *Id.*; AR, Tab 14, Exchanges with Advantaged; AR, Tab 15, Exchanges with Alamo. The agency evaluated both quotations as technically acceptable. COS/MOL at 28. The agency evaluated Advantaged's price as \$274,679,331 and Alamo's price as \$145,995,174. *Id.*; AR, Tab 31, Source Selection Decision Document (SSDD) at 28.

On May 24, the agency issued a task order to Alamo as the lowest-priced technically acceptable offeror. AR, Tab 32, Task Order SP4701-20-F-0078 at 1. After notifying Advantaged it was not the successful offeror, the agency provided Advantaged a debriefing on May 29. COS/MOL at 29. On June 1, Advantaged filed the instant protest.

DISCUSSION

The protester contends that the agency improperly evaluated Alamo as technically acceptable because Alamo is not authorized to offer the required SAP IT professional Services under its FSS contract. Protest at 13-19; Protester's Comments at 24-49. The protester also argues that the agency improperly evaluated Alamo's proposal as offering training using the SAP preferred card. Protest at 17-18; Protester's Comments at 31-35. The agency responds that it reasonably evaluated Alamo as technically acceptable and that the services required under the solicitation are within the scope of Alamo's FSS contract. *Id.* at 36-40. For the reasons discussed below, we disagree with the arguments raised by the protester and instead find that the agency reasonably determined that the services quoted by Alamo were technically acceptable and within the scope of its FSS contract.⁶

⁶ The protester raises other, collateral issues. While our decision does not address each of the protester's allegations and variations thereof, we have reviewed them all and find that none provides a basis to sustain the protest.

First, Advantaged argues generally that the agency unreasonably found Alamo to be an authorized SAP service provider. Protester's Comments at 26-29. The protester argues that the SAP software license documentation in Alamo's FSS contract does not allow it to provide brand-name SAP services other than on a pass-through basis and Alamo has not demonstrated whether it is authorized under its letter of supply agreements with SAP to provide any specific SAP brand-name services. Protester's Comments at 26-29. The agency responds that Alamo is authorized to provide the required SAP services under the terms of its GSA contract, including "consulting and professional services including support of installation and implementation of the applicable SAP Software." COS/MOL at 37 (citing AR, Tab 17, Alamo's FSS Contract at 38).

On this record, we see no basis to disagree with the agency's conclusion that Alamo is an SAP authorized service provider. Alamo is one of the vendors who holds a DoD ESI BPA for the streamlined sale of SAP products and services from its FSS contract. See AR, Tab 20, Alamo ESI BPA at 2. Further, in our view, the specific argument made here by the protester concerns a matter of contract administration that is beyond the scope of our bid protest jurisdiction. See Bid Protest Regulations, 4 C.F.R. § 21.5(a); see also, *Red River Computer Co., Inc.; MIS Sciences Corp.*, B-414183.8 *et al.*, Dec. 22, 2017, 2018 CPD ¶ 7 at 10 (finding that, in the absence of an express requirement in the solicitation, a successful FSS offeror did not have to provide a letter of supply to the procuring agency despite a mandate in its contract with GSA to do so). In this regard, there is no express requirement found in the solicitation that the vendors demonstrate their status, through letters of supply or otherwise, as an SAP authorized provider for the required services. To the extent the protester questions whether DLA will actually receive services under the task order that comply with the PWS specifications due to the nature of Alamo's or DLA's agreements with SAP is a matter of contract administration that we will not review. See *Knight Point Systems, LLC*, B-414802, Sept. 20, 2017, 2017 CPD ¶ 306 at 8.

The protester also contends that the agency improperly evaluated Alamo as technically acceptable because Alamo is not authorized to offer the required SAP IT professional Services under its FSS contract. Protest at 13-19; Protester's Comments at 24-49. In this regard, Advantaged argues that the solicitation's use of the term "brand name SAP support services" mandated that the successful offeror's FSS contract, unlike Alamo's, contain enumerated brand name SAP IT professional services and/or K-code labor categories. Protest at 16-19.

An agency may not use schedule contracting procedures to purchase items that are not listed on a vendor's FSS contract. *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. *American Sec. Programs, Inc.*, B-402069, B-402069.2, Jan. 15, 2010, 2010 CPD ¶ 2 at 3. 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. *Red River Computer Co., Inc.; MIS Sciences Corp.*, B-414183.8 *et al.*, Dec. 22, 2017, 2018 CPD ¶¶ 7 at 8; *Tarheel Specialties Inc.*, B-298197, B-298197.2, July 17, 2006, 2006 CPD ¶ 140 at 9.

Alamo's FSS contract does not contain any specific labor categories for SAP brand name IT professional services or list separate rates for branded SAP IT professional services. See AR, Tab 17, Alamo's FSS Contract at 7-8, 70-141. Rather, the agency explains that Alamo's FSS contract includes generic IT professional services of the type required by the solicitation under special item number (SIN) 54151S, titled "information technology professional services." COS/MOL at 39-40; AR, Tab 17, Alamo's FSS Contract at 7-8. The agency also explains that Alamo's FSS contract includes SIN 611420 "training courses" which specifies that Alamo can offer IT training courses. COS/MOL at 55; AR, Tab 17, Alamo's FSS Contract at 7. The agency points to the "professional services schedule" in Alamo's FSS contract, which it argues provides Alamo the authority to provide "consulting and professional services including support of installation and implementation" of the applicable SAP software. COS/MOL at 40; AR, Tab 17, Alamo's FSS Contract at 38. Alamo asserts that, in line with the above, its quotation offered a solution using the labor categories from its FSS schedule mapped to the labor categories and K-codes identified in the RFQ. Intervenor's Comments at 13.

The agency's evaluation of Alamo's quotation is in line with these explanations. At no point in its evaluation or four rounds of exchanges with Alamo did the agency assess a deficiency or otherwise assess Alamo as being unable to provide the required services under the terms of its FSS contract. See AR, Tab 31, SSDD at 6-26. Similarly, while the protester's quotation utilized the K-code brand-name labor categories from its FSS contract, at no point in the evaluation did the agency assess whether or not a specific offered service was specified by brand name or K-code on Advantaged's FSS contract.⁷ *Id.*; see also AR, Tab 25, Advantaged Final Non-Price Evaluation.

⁷ Rather, the record demonstrates that although Advantaged's quotation included brand name labor categories and K-codes, the agency assessed whether Advantaged's offered approach or key personnel met the requirements laid out in the PWS. For example, Advantaged's FSS contract defines its "K7" K-code labor rate as "[h]as experience in more than one SAP implementation," "[p]ossible SAP specific Project Management experience," and "Platinum SAP experience possible." AR, Tab 16, Advantaged's FSS Contract at 336. However, the agency's evaluation of the protester's quoted "K7" program manager does not discuss these definitions, instead focusing on whether the individual possessed a project management certification or equivalent, IT-II security clearance or equivalent, warehouse and transportation management experience, and IT acquisition process experience--all required qualifications and experience set forth in the PWS. Compare AR, Tab 25, Advantaged Final Non-Price Evaluation at 3-4, with RFQ at 74.

To assess the reasonableness of the agency purchasing these services off of Alamo's FSS contract, we first examine the function sought by the solicitation. In this regard, the RFQ states that the primary objective of the acquisition is to provide "SAP Support Services to assist and conduct platform configuration development on existing SAP software licenses." RFQ at 57. As discussed above, the PWS described 11 tasks which called for various development, sustainment, analysis, management, and training services related to DLA's IT systems. *Id.* at 58-65. Ten of the tasks, while requiring SAP subject matter expertise and work related to SAP software, did not require any specific SAP branded product or service. *Id.* Only task eight, SAP training, required the contractor to provide a specific branded service, namely, training in accordance with the usage of the SAP preferred card, which provides access to a catalog of training from SAP. *Id.* at 63. While the solicitation uses the term "brand name SAP support services" twice, both times are in background sections and not related to any specific requirement. See RFQ at 2, 54. Our review of the solicitation found no requirement that a vendor's FSS contract contain SAP branded line items or labor categories, nor any requirement that the services be provided to the agency on a pass-through basis from SAP. In short, with the exception of the SAP preferred card, the function being solicited was to provide DLA with various generic IT professional and training services that related to SAP brand name software.⁸

In light of these functions, we find reasonable the agency's conclusion that Alamo's quotation and FSS contract provided the brand-name SAP support services requested by the solicitation. In this regard, Alamo's FSS contract includes SIN 54151S "information technology professional services" and specifies Alamo can provide services including IT facility operation and maintenance, IT systems development, and IT systems analysis. AR, Tab 17, Alamo's FSS Contract at 7-8. Alamo's contract also includes SIN 611420 "training courses" which specifies that Alamo can offer IT training courses. *Id.* at 7. These generic IT services descriptions, considered with the labor categories contained on Alamo's FSS contract, enable Alamo to match the work described in the agency's solicited requirements and do not limit Alamo to providing these services for any specific software. This includes the brand-name specified SAP preferred card requirement, where, as here, the successful offeror's FSS contract provides for IT training services and the solicitation does not otherwise require that the SAP preferred card be specifically listed in a vendor's FSS contract or price list.⁹ While

⁸ This is consistent with the rationale provided by the LSJ which states "Non-SAP software cannot be modified to enable integration into the existing SAP ERP operation, therefore it has been concluded that SAP products are currently the only compatible products that will meet DLA's needs, and therefore the required services relate solely to SAP products." AR, Tab 1, LSJ at 3.

⁹ Further, for the one explicitly required brand name service required by the RFQ, using the SAP preferred card, Advantaged has not shown its FSS contract or ESI BPA specifically offers this brand name service. See AR, Tab 16, Advantaged's FSS Contract, see *also* AR, Tab 19, Advantaged's ESI BPA.

the protester asserts that a technically acceptable vendor's FSS schedule must contain specifically branded SAP IT professional services, see Protest at 16, it has not meaningfully explained why an SAP authorized service provider¹⁰ cannot provide brand name SAP support services, as contemplated by this solicitation, using generic IT professional services labor categories.

Finally, the protester argues that the agency improperly evaluated Alamo's quotation as technically acceptable when it did not offer to provide the required SAP preferred card. Protest at 17-18; Protester's Comments at 31-35. The protester notes that the SAP preferred card was not a requirement until the agency issued amendment 0004 to the RFQ. Protester's Comments at 33; AR, Tab 6, RFQ Amendment 0004. The protester argues that, after amendment 0004 was issued, Alamo never revised its quotation to incorporate a solution based on the SAP preferred card. Protester's Comments at 33. The agency responds that it reasonably found Alamo to be technically acceptable where it confirmed during exchanges that it was quoting the requirement for the SAP preferred card consistent with the terms of the solicitation. COS/MOL at 55.

Where, as here, an agency issues a solicitation to FSS contractors under FAR subpart 8.4 and conducts a competition, we will review the record to ensure that the evaluation was reasonable and consistent with the terms of the solicitation. *Digital Solutions, Inc.*, B-402067, Jan. 12, 2010, 2010 CPD ¶ 26 at 3-4. In reviewing a protest challenging an agency's technical evaluation, our Office will not reevaluate quotations; rather, we will examine the record to determine whether the agency's evaluation was reasonable and consistent with the terms of the solicitation and applicable procurement statutes and regulations. *OPTIMUS Corp.*, B-400777, Jan. 26, 2009, 2009 CPD ¶ 33 at 4. A protester's disagreement with the agency's judgments does not establish that the evaluation was unreasonable. *Amyx, Inc.*, B-410623, B-410623.2, Jan. 16, 2015, 2015 CPD ¶ 45 at 6. We find the agency's evaluation was reasonable and that the record supports the agency's conclusion that Alamo's quotation was technically acceptable, as described below.

Task eight of the PWS originally required vendors to provide classroom training courses but did not specify a method for conducting the courses or a mix of course lengths. AR, Tab 2, RFQ Issued April 7, 2020 at 63. As part of Amendment 0002, the agency prescribed a mix of course lengths for the vendors to provide. AR, Tab 4, Amendment 0002 at 2. Alamo originally proposed to provide the training required with "[c]ourse content and schedules [that would] be collaboratively created" by Alamo and DLA and a mix of classes matching those required by Amendment 0002. AR, Tab 9, Alamo's Initial

¹⁰ The agency explains in the LSJ that such support services provided by any source other than SAP authorized service providers would not meet the agency's service requirement and would not be authorized by SAP. AR, Tab 1, LSJ at 3. The LSJ states that "SAP Public Services Inc. and its authorized service providers are the only companies that are certified and have the required training and expertise to provide specialized information technology support services on SAP software modules." *Id.*

Quotation, Technical Approach and Non-Price Volume at 9. Alamo also initially quoted its price for task eight on a per training basis. See AR, Tab 9, Alamo's Initial Quotation, Pricing Volume at 3.

On April 23, the agency issued Amendment 0004, which modified PWS task eight to require vendors to provide training using the SAP preferred card and prescribed a new mix of course lengths for vendors to offer. AR, Tab 6, Amendment 0004 at 2. Alamo submitted its final quotation to the agency on May 3. AR, Tab 13, Alamo's Final Quotation. Alamo modified its final quotation's approach to PWS task eight by removing the statement that it would take part in creating the required course content and replacing it with language acknowledging that course content would come from the SAP course catalog. AR, Tab 13, Alamo's Final Quotation, Technical Approach and Non-Price Volume at 15. Alamo also revised its mix of course lengths to align with those in Amendment 0004. *Id.* Further, Alamo reduced its quoted price for task eight training and offered it on a per-year instead of per-training basis. See AR, Tab 13, Alamo's Final Quotation, Pricing Volume at 3.

During exchanges, DLA asked if the revised pricing was in accordance with and an indication of Alamo offering the SAP preferred card method for classroom training. See AR, Tab 15, Exchanges With Alamo, Explanation For Training and Certs Attachment. Alamo responded that it was offering the SAP preferred card for training. *Id.* The agency concluded that Alamo's quotation met the solicitation's requirements and indicated an adequate approach under the technical approach factor due in part to the revised language in Alamo's quotation and Alamo's response to the final round of exchanges. See AR, Tab 26, Alamo Final Technical Evaluation at 6-7; see also AR, Tab 31, SSDD at 18, 25

Thus, the record refutes the protester's claim that Alamo never revised its quotation to incorporate a solution based on the SAP preferred card. We find reasonable the agency's conclusion that Alamo met the solicitation's requirements by offering the SAP preferred card based on the modified language and pricing in Alamo's final quotation, as well as Alamo's response to the agency's exchanges. The protester's argument that Alamo did not or could not offer the SAP preferred card is nothing more than disagreement with the agency's judgement and does not establish that the evaluation was unreasonable.

The protest is denied.

Thomas H. Armstrong
General Counsel