

DECISION

**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

Robert
24359

FILE: B-205898.2

DATE: February 28, 1983

MATTER OF: A. T. Kearney, Inc.

DIGEST:

1. The determination of the relative merits of technical proposals is the procuring agency's responsibility, and GAO will not disturb such a determination unless it is shown to lack a reasonable basis or otherwise violate procurement statutes and regulations. Protest of agency's technical evaluation of proposal and resultant exclusion from the competitive range is denied where record indicates agency's review was consistent with solicitation's evaluation criteria and was not clearly unreasonable.
2. While an agency is required to identify in the solicitation the major evaluation criteria applicable to the procurement, it need not explicitly identify various subcriteria which are logically and reasonably related to the stated evaluation criteria. Based on review of technical evaluation scoring sheets, GAO finds that the subcriteria used had sufficient correlation to the announced criteria so that offerors were on reasonable notice of the evaluation criteria to be applied to their proposals.
3. GAO will not question a contracting agency's low technical evaluation of protester's proposal where the record shows that the agency reasonably considered that the proposed technical approach reflected a lack of understanding of the agency's requirements.
4. Although protester disagrees with agency's approach to accomplishing requirements, the determination of the Government's needs and the method of accommodating them are primarily the responsibilities of the contracting agency.

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5. Where protester's technical proposal was properly deemed technically unacceptable and not capable of being made acceptable, the agency was not required to consider protester's cost proposal in determining whether the proposal was within the competitive range for further negotiations.

A. T. Kearney, Inc., protests the exclusion of its proposal from the competitive range under request for proposals (RFP) No. N00421-81-R-0216 issued by the Department of the Navy for technical services to develop a Naval Air Rework Facility modernization plan. The Navy rejected Kearney's proposal as being technically unacceptable and not capable of being made acceptable without major revision. The thrust of Kearney's protest is that the Navy did not evaluate its technical proposal in accordance with the evaluation factors set forth in the RFP.

We deny the protest.

Background

The Navy received and technically evaluated nine proposals submitted in response to the RFP. When the numerical technical evaluation ratings were compiled, proposals under the RFP received the following scores based on a possible 75 maximum points:

| <u>Vendor</u> | <u>Score</u> | |
|---------------|--------------|------------------------|
| 1 | 65 | |
| 2 | 59 | competitive range . |
| 3 | 58 | |
| 4 | 52 | |
| 5 | 48 | |
| ----- | | |
| 6 (Kearney) | 46 | |
| 7 | 44 | |
| 8 | 33 | |
| 9 | 29 | |

Based on its initial technical evaluations, the Navy found proposals ranked 1 through 4 technically acceptable, proposal 5 less than technically acceptable, but subject to

being made acceptable with minor revision, and proposals 6 through 9, including Kearney's, technically unacceptable and not subject to being made acceptable without major revision. The competitive range, therefore, was limited by the Navy to proposals rated 1 through 5.

At the completion of technical and price negotiations with the five firms in the competitive range, award was made to the Austin Company which ranked first in the initial technical assessment noted above.

Evaluation

The protester argues that the establishment of the competitive range was based on a deficient technical evaluation. In this regard, the determination of the relative desirability of proposals, particularly with respect to technical considerations, is primarily a matter for the judgment of the contracting officials. Skyways, Inc., B-201541, June 2, 1981, 81-1 CPD 439. Our function is not to evaluate proposals anew and make our own determinations as to their acceptability or relative merits, but to examine the record and apply a standard of reasonableness to the contracting agency's determinations. The fact that protester does not agree with an agency's evaluation of its proposal does not render the evaluation unreasonable. Decilog, B-198614 September 3, 1980, 80-2 CPD 169.

With these principles in mind, we have reviewed the evaluation record. While the record evidences disagreement over the technical evaluation between the Navy and the protester, we do not conclude that the Navy's technical evaluation was unreasonable.

Kearney contends that its proposal was evaluated against evaluation criteria and requirements not disclosed in the RFP. In this regard, it is a basic procurement concept that offerors must be advised of those factors to be used in the evaluation of their proposals. Further, once offerors are informed of evaluation criteria, it is incumbent upon the procuring agency to adhere to those criteria or inform all offerors of any changes made in the evaluation scheme. Genasys Corporation. 56 Comp. Gen. 835 (1977), 77-2 CPD 60.

The RFP contained the following technical evaluation criteria (points assigned, which total 75, are a numerical representation of the RFP's narrative explanation of the weight given to each criterion):

- "1. Technical Approach. The offeror's understanding of the statement of work, the scope of the tasks, and the level of expertise required. The effectiveness of the offeror to collect required data in an independent manner without reliance on Government personnel or Government furnished data. [24 points.]
- "2. Experience. Actual company and personnel experience as it relates to the tasks and requirements of this solicitation. Offeror's experience in Government projects closely related to this solicitation and success in achieving the objectives of the previous work. [18 points.]
- "3. Personnel Qualifications. Ability to immediately staff with qualified technical and professional personnel. Ability to retain adequate staff with requisite qualifications throughout the contract period. [18 points.]
- "4. Management. Corporate experience in administering, managing and supervising contracts, assignment of available qualified personnel for project management, and cost control. Experience demonstrating that adequate controls can be exercised to effectuate timely response and cost effectiveness to the resultant contract. The proposed lines of responsibility, authority and communication within the organization proposed and its relationship to the offeror's headquarters organization. [10 points.]
- "5. Facilities. The availability and quality of facilities for accomplishment of audio/video presentations, briefings, graphic art, layout drawings, site plans and drafting services. [5 points.]"

We do not find anything in the record which supports the protester's assertions that the evaluation of its proposal was based on criteria not published in the RFP. Our examination of the record shows that comprehensive initial technical evaluations of proposals were made with the technical evaluation panel providing narrative comments and numerical ratings to reflect its opinion of the strengths and weaknesses of each proposal on the basis of the evaluation factors set forth in the RFP. In this regard, the scoring sheets used by the evaluation panel contained topic headings which corresponded exactly to the main evaluation criteria listed in the RFP. Additionally, these scoring sheets contained a number of subcriteria under each main topic heading. For example, under the main criterion of "Technical Approach" the following subcriteria on which the proposals were to be evaluated were listed:

1. Task Methodology
2. Data Collection
3. Milestones
4. Material Presentation
5. Government Assistance

We have held that evaluation subcriteria need not be disclosed in the solicitation so long as offerors are advised of the basic criteria. A.T. Kearney, Inc., B-205025, June 2, 1982, 82-1 CPD 518. Additional factors may be used in an evaluation where there is sufficient correlation between additional subcriteria and the generalized criteria in the RFP so that offerors are on reasonable notice of the evaluation criteria to be applied to their proposals. Id.; Littleton Research and Engineering Corp., B-191245, June 30, 1978, 78-1 CPD 466. In this case, we believe the subcriteria listed above are factors which sufficiently relate to the announced criterion calling for an evaluation of the proposal's technical approach. Similarly, we find that subcriteria used on the scoring sheets under each of the other four announced RFP criteria also have a sufficient correlation to a main criterion so that offerors were on reasonable notice of the evaluation criteria to be applied to their proposals.

Kearney's technical score of 46 points was based on the following Navy assessment of the proposal in relation to the RFP's technical evaluation factors:

| <u>Evaluation Factors</u> | <u>Maximum Possible Score</u> | <u>Kearney</u> |
|-----------------------------|-----------------------------------|----------------|
| 1. Technical Approach | 24 | 10 |
| 2. Experience | 18 | 13 |
| 3. Personnel Qualifications | 18 | 12 |
| 4. Management | 10 | 6 |
| 5. Facilities | <u>5</u> | <u>5</u> |
| | 75 | 46 |

Kearney has taken issue only with the score it received under "Technical Approach," the first and most important evaluation factor.

In this regard, the Navy found that Kearney's proposal failed to demonstrate an adequate understanding of the major requirements of the scope of work which called for the performance of a thorough detailed analysis of the 10-year maintenance depot workload and baseline workload requirements assigned to each Naval Air Rework Facility. Under this task, the contractor was required to determine the basic facilities, equipment and technology requirements necessary for mission accomplishment and to develop a common engineering and planning methodology to determine what modernized facilities, equipment and technologies are needed for the Naval Air Rework Facilities.

In contesting the Navy's negative assessment of its proposal in this area, Kearney cites portions of its proposal which, it submits, contain information exhibiting its understanding of and proposed methodologies for meeting the requirements. Although it appears that Kearney's proposal did address the RFP requirements, the thrust of the agency's negative evaluation here was Kearney's lack of adequate discussion to show the firm's capabilities or potential capabilities in this area. For example, the Navy

noted that while Kearney's proposal for a planned engineering and technical methodology did indicate that it would develop "a set of criteria for justification of new equipment, facilities, and technology," the proposal lacked information on how these criteria will be developed.

Additionally, the Navy downgraded Kearney's proposal in the area of "Technical Approach" because of its finding that Kearney excessively relied on Government furnished information and discussions with Naval personnel, rather than proposing to develop methodologies based on independent on-site evaluations of the facilities and equipment. In this regard, the RFP's most important technical evaluation criterion clearly announced that proposals would be graded on "the effectiveness of the offeror to collect required data in an independent manner without reliance on Government personnel or Government furnished data." (Emphasis added.)

We have reviewed the individual assessments made by the 12 members of the two Navy technical evaluation panels which considered Kearney's proposal. They clearly reveal that Navy's major concern with the protester's approach was Kearney's proposal to develop the required Air Rework Facility modernization plan by using an existing Kearney computer model for "machine shop" modernization which would require significant modification through extensive use of Government furnished information once awarded the contract. The evaluators found Kearney's approach to be at odds with the RFP's requirement for a proposal specifically designed for the modernization of an Air Rework Facility. The panel members were concerned that, by offering to modify its own "machine shop" modernization plan model, Kearney would have to rely too heavily on Government furnished information, some of which is non-existent or deficient. In this connection, some of the evaluators noted that such extensive modification of Kearney's model, even if possible, would be too time-consuming to meet the completion schedule for the required modification plan. In summary, the evaluators generally found that Kearney's failure to provide a more fully developed technical approach exhibited that firm's lack of understanding of the RFP's scope of work.

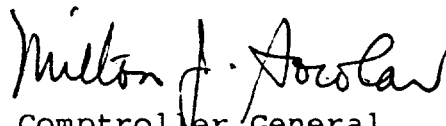
Kearney's rebuttal to this evaluation centers on its belief that the best method for creating the modernization plan involves a great reliance on Government furnished information, and that its proposal was structured to follow

this method. It is, however, a fundamental procurement principle that the determination of the needs of the Government and the methods of accommodating such needs are primarily the responsibilities of the Government's contracting agencies. 38 Comp. Gen. 190 (1958); Manufacturing Data Systems Incorporated, B-180608, June 28, 1974, 74-1 CPD 348. In this case, the Navy determined that an approach which emphasized independent data collection was necessary to meet the agency's needs. It is clear from the record that Kearney's alternative approach to this task contributed to the lower technical rating its proposal received.

Under the circumstances, where Kearney has not shown the Navy's evaluation of its "Technical Approach" to be unreasonable, and where the Navy's evaluation of the other four criteria is unchallenged, we cannot conclude that the Navy's exclusion of Kearney from the competitive range lacked a reasonable basis.

Finally, to the extent that Kearney argues that the Navy should have taken its cost proposal into consideration before determining the competitive range, we consistently have held that when a technical proposal is properly deemed unacceptable and not capable of being made acceptable, there is no requirement that costs be considered in determining whether a proposal is within a competitive range. 52 Comp. Gen. 382 (1972).

The protest is denied.

for 
Comptroller General
of the United States