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The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Mantech Services Corporation

File: B-222462

Date: August 5, 1986

DIGEST

1. Successive rounds of discussions for the purpose of advising offerors of deficiencies in their proposals are unobjectionable absent a showing that the contracting agency acted unreasonably or with the intent of providing improper assistance to bring an inferior proposal up to the level of another.
2. Where the evaluation criteria stated that Cost was the least important factor, but would increase in importance in relation to proposals' equality relative to the technical factors, the contracting agency reasonably decided that the slight technical advantage of the protester's proposal did not warrant its 50 percent larger costs.
3. Unsupported allegations that the awardee misrepresented personnel availability and qualifications in its proposal fails to meet the protester's burden of proving its case. Fact that the awardee requested to substitute four personnel after award does not show that the original personnel were proposed in bad faith.

DECISION

Mantech Services Corporation (Mantech) protests the award of a contract to Syscon Corporation (Syscon) under request for proposals (RFP) No. N00189-85-R-0399 issued by the Department of the Navy, Naval Supply Center, Norfolk, Virginia. The RFP contemplated a cost-plus-fixed-fee contract to provide technical support services at an anticipated level of effort (a prescribed number of manhours to be worked by personnel in 13 required positions). The services include providing a Tactical Data Systems (TDS) Training and Liaison to the Commander, Naval Surface Force, United States Atlantic Fleet (Fleet), and providing training and technical support for the Combat Systems Mobile Training Team. Mantech contends that the Navy engaged in proscribed technical leveling, that the Navy did not evaluate the proposals in accordance with the RFP's evaluation scheme, and that Syscon's proposal contained material misrepresentations.

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The protest is denied.

BACKGROUND

The RFP required that offerors submit their proposals in two distinct volumes--one constituting a technical proposal, the other a cost proposal. The RFP's "Evaluation Factors for Award" provided that technical proposals would be evaluated using the following factors and their respective weights: Experience (1/6); Qualification and availability of personnel (2/3); General Understanding of the scope of work (1/6) and Management (evaluated, but not weighted). These factors heavily emphasized providing personnel having shipboard experience with TDS and Combat Systems training. The RFP stated that after the completion of technical scoring, Cost scores--based on the proposed costs for the base year and two 1-year options--would be added to obtain an aggregate score for each offeror. The Cost scores were to take into consideration the reasonableness and realism of the offerors' proposed costs. The RFP did not specify a weight for Cost and explained that although Cost was the least important evaluation factor, it was important and should not be ignored; the importance of Cost would be increased in relation to the degree of proposals' equality relative to the other factors.

Three firms responded to the RFP by the August 22, 1985, closing date. Only two--Mantech and Syscon--were included in the competitive range. The Fleet's technical evaluation panel found Mantech's technical proposal acceptable and gave it a raw score of 93.79 out of 100 possible points. The Navy determined that Syscon's technical proposal, scored at 70.75, was susceptible to being made acceptable through discussions. Syscon's proposed costs were considerably lower than Mantech's. The Navy decided to include both proposals in the competitive range.

After obtaining audit reports from the Defense Contract Audit Agency (DCAA) regarding the proposed costs, the Navy conducted discussions with both offerors and requested revised technical proposals by January 13, 1986. The technical evaluation panel gave Mantech's revised proposal a score of 94, and again found Mantech's offer technically acceptable although some deficiencies were noted. The panel found that Syscon's revised proposal was deficient in its personnel's qualifications and did not show a clear understanding of the intent of TDS software configuration management. Syscon's revised proposal was scored at 77.86.

Based on the evaluation of revised proposals, the Navy conducted further discussions and requested best and final offers (BAFO's) by February 11, 1986. Both Mantech's and Syscon's BAFO's were determined to be technically acceptable. The panel gave technical scores of 95.14 and 82.00 to Mantech and Syscon, respectively.

Mantech's final proposed cost was \$2,733,871 and Syscon's was \$1,815,924. The DCAA found that both offerors' cost information was

acceptable and that their proposed cost rates were the DCAA recommended rates.^{1/}

For the purpose of computing aggregate scores, the Navy applied a formula that assigned weights of 75 and 25 to technical merit and cost, respectively, and obtained the following scores:

	Mantech	Syscon	Maximum
Weighted technical	71.36	61.50	75
Weighted cost	<u>16.61</u>	<u>25.00</u>	<u>25</u>
Aggregate Score	87.97	86.50	100

Noting that the aggregate scores were almost equal and that Mantech's proposal was approximately 50 percent more costly than Syscon's, the contracting officer asked the Fleet whether the technical evaluation panel found that the difference in technical scores represented a significant difference between the offerors that justified the additional \$917,947 cost of Mantech's proposal. The Fleet responded that Mantech's experience and qualifications were superior to Syscon's, and that Syscon did not demonstrate the same understanding of TDS and Combat Systems training as Mantech. The Fleet pointed out, however, that Mantech's superiority partially could be attributed to its having performed the previous contract, and further stated that both firms met the minimum requirements to perform the contract. The contracting officer subsequently determined that the difference in technical scores was not significant enough to justify the additional cost of Mantech's proposal. The contract was therefore awarded to Syscon on April 18, 1986. After Mantech filed its protest, the Navy made a determination to proceed with contract performance.

DISCUSSIONS

The protester contends that the Navy should have rejected Syscon's offer after conducting discussions and affording Syscon the opportunity to

^{1/} The protester also argues that the Navy failed to conduct a meaningful cost evaluation. Mantech basically asserts that the analysis failed to consider whether Syscon could perform the contract with its proposed staff at its proposed cost, and only considered the reasonableness of the salary rates for the staff. Since the Navy found the proposed staff technically acceptable for the level of effort specified by the RFP, the reasonableness of the proposed salary rates basically was all that needed to be analyzed.

submit a revised proposal. Mantech argues that by reopening discussions and requesting BAFO's, the Navy engaged in "technical leveling." Technical leveling is helping an offeror to bring its proposal up to the level of other proposals through successive rounds of discussions and by pointing out weaknesses resulting from the offeror's lack of diligence, competence or inventiveness in preparing its proposal. Federal Acquisition Regulation, 48 C.F.R. § 15.610(d)(1) (1985). Procurement regulations prohibit technical leveling. Id.

There is nothing wrong, however, with requesting more than one round of revised proposals or BAFO's where a valid reason exists to do so. See Ass'ns. for the Educ. of the Deaf, Inc., B-220865, Mar. 5, 1986, 86-1 CPD ¶ 220. Where an otherwise acceptable proposal has aspects requiring revision or clarification, the agency generally may utilize the flexibility inherent in the negotiation process to permit revisions and clarifications in the government's best interest. See Research Analysis & Management Corp., B-218567.2, Nov. 5, 1985, 85-2 CPD ¶ 524. We will not object to successive rounds of discussions for the purpose of advising all offerors of deficiencies in their proposals absent a showing that the agency acted unreasonably, id., or with the intent of providing improper assistance to bring an inferior proposal up to the level of another. See TEK, J.V. Morrison-Knudsen/Harnischfeger, B-221320, et al., Apr. 15, 1986, 86-1 CPD ¶ 365.

The record shows that Syscon's initially revised proposal substituted two personnel with a resulting potential for significantly increasing its technical score. The evaluation panel needed more information regarding these personnel. Given Syscon's significant cost advantage and the prospect that the substituted personnel might make Syscon's proposal most advantageous to the Navy, the decision to reopen discussions was reasonable. There is no evidence that the decision was made with any improper intent. Further, we note that in each round of discussions Mantech was advised of deficiencies in its proposal that enabled it to improve its technical scores. We therefore find the successive rounds of discussions unobjectionable.

EVALUATION

Mantech contends the Navy improperly rejected a higher technically rated proposal in favor of a lower rated proposal on the basis of costs in a manner inconsistent with the RFP's evaluation scheme.

The evaluation of proposals is the function of the contracting agency, and our review is limited to a determination of whether the evaluation was fair and reasonable, and consistent with the stated evaluation criteria. Southwest Regional Laboratory, B-219985, Dec. 16, 1985, 85-2 CPD ¶ 666. In negotiated procurements, selection officials have broad discretion in determining the manner and extent to which they will make use of the technical and cost evaluation results. Cost/technical tradeoffs may be made, and the extent to which one may be sacrificed for

the other is governed only by the test of rationality and consistency with established evaluation factors. Paxson Elec. Co., B-220856, Feb. 3, 1986, 86-1 CPD ¶ 120.

The contracting officer noted only a 1-1/2 percent difference between the proposals' aggregate scores, and conceptually reduced the technical point difference to the extent that Syscon's aggregate score exceeded Mantech's. Doing so only required that the contracting officer conceptually reduce Mantech's superiority of 13.14 raw technical points by 2 points.

In this regard, we have recognized that source selection officials may consider numerical a scoring advantage based primarily on the advantages of incumbency as not indicating a significant technical advantage that would warrant significant additional costs. Ass'ns for the Educ. of the Deaf, Inc., B-220865, supra. Based on the Fleet's advice that at least some of the technical point difference between proposals could be attributed to the advantages of Mantech's incumbency, the contracting officer reasonably exercised his discretion by conceptually reducing the point difference.

Although the RFP provided that Cost would be the least important factor, it also provided that the importance of Cost would increase in relation to the degree of proposals' equality relative to the other factors. Given the contracting officer's determination of the relative closeness of technical scores, the use of a formula assigning Cost a weight of 25 percent was reasonable. We have upheld determinations that technical proposals were essentially equal despite technical point differentials greater than the one here, in which even cost became the determinative factor. See, e.g., Lockheed Corp., B-199741.2, July 31, 1981, 81-2 CPD ¶ 71.

We therefore find no merit in the argument that the Navy's evaluation and selection were improper.

ALLEGED MISREPRESENTATIONS

Finally, Mantech alleges that Syscon's proposal contained material misrepresentations and that Syscon had no intention of performing the contract with its proposed personnel. Mantech cites our decisions holding that where it is established that an offeror made intentional misrepresentations which materially influenced the agency's evaluation, the proposal should be disqualified or the contract canceled. SETAC, Inc., 62 Comp. Gen. 577 (1983), 83-2 CPD ¶ 121; Informatics, Inc., 57 Comp. Gen. 217 (1978), 78-1 CPD ¶ 53. Mantech argues that the same result should obtain here.

In support of its allegation, Mantech states that Syscon began recruiting Mantech personnel on the day it was notified of the contract award. Additionally, Mantech contends that Syscon knew, prior to submission of revised proposals, that one of its proposed personnel was terminally ill and unavailable for contract performance. (The proposed employee died on February 15, 4 days after the submission of BAFO's.) Further, Mantech points out that during discussions, the Navy noted that 5 of 12 proposed personnel purported to have conducted and/or received Combat Systems training during shipboard tours were not in a position to have done so.

The Navy states that soon after award, Syscon proposed to substitute four individual proposed personnel who were unavailable due either to death, resignation or failure to honor a contingent employment agreement, but the Navy has no reason to suspect that Syscon's originally proposed personnel were proposed in bad faith. The substitution of personnel, the Navy contends, may be permitted under the contract and is a matter of contract administration that is not for consideration by our Office.

We agree that the post-award proposed substitutions involve a matter of contract administration which this Office does not review. 4 C.F.R. § 21.3(f)(1) (1986). Regarding whether Syscon intentionally misrepresented personnel availability in its proposal, the record does not show that Syscon was aware that any of its proposed personnel would be unavailable. We note that the protester's Technical Director states that he was advised by a naval officer that the officer informed a senior Syscon employee of the proposed employee's impending death in October 1985, prior to the closing date for submitting revised proposals. This self-serving, unsupported statement was made in the protester's comments so that the Navy had no opportunity to rebut it, and does not meet the protester's burden of proving its case. See Starlite Servs., Inc., B-219418, Oct. 15, 1985, 85-2 CPD ¶ 410.

Finally, Syscon acknowledged in its BAFO having mistakenly stated that 12 proposed personnel had conducted and/or received combat systems training during shipboard tours, whereas three members only observed such training. Thus, the misstatement was corrected and there is no evidence that it originally was made intentionally.

CONCLUSION

We find no merit in the protester's arguments that the Navy engaged in technical leveling, that the Navy's evaluation was inconsistent with the RFP's emphasis on technical merit, and that the awardee's proposal contained intentional material representations.

The protest is denied.

for Seymour E. For
Harry R. Van Cleve
General Counsel