



The Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

Matter of: Southeastern Computer Consultants, Inc.  
File: B-229064  
Date: January 19, 1988

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### DIGEST

1. Award of contract for computer software services to higher-priced offeror which had higher-ranked proposal in noncost areas is proper where protester has not shown that contracting agency's selection was unreasonable and where meaningful discussions were held with protester concerning problem areas of its proposal.
2. Where a protester initially files a timely protest and later supplements it with new and independent grounds of protest, the later-raised issues must independently satisfy the General Accounting Office timeliness requirements.

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### DECISION

Southeastern Computer Consultants, Inc. (SCC), protests the award to MacAulay-Brown, Inc., of a fixed-price contract under request for proposals (RFP) No. F33657-87-R-0061, issued on April 7, 1987, as a total small business set-aside. The RFP was for computer software support services (consisting of software support engineering, verification, validation, and assessment services) in support of computer resources "within weapon systems and related equipment for the Deputy for Reconnaissance/Strike and Electronic Warfare, Aeronautical Systems Division," Wright-Patterson Air Force Base, Ohio. We deny the protest.

### BACKGROUND

Section "M" of the RFP listed the proposal evaluation standards (technical, management and cost) in descending order of importance and provided that the contractor would be selected on the basis of an integrated assessment of "technical and cost proposal and past performance." The technical proposal was to be divided into three areas: technical approach, program management and past performance. Under technical approach, each offeror was to describe the methodology and practices to be utilized to accomplish the

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work. The offeror was to describe the types and levels (experience and education/training) of services by individuals proposed to be assigned to accomplish the tasks. The offeror was to indicate with reference to the scope of tasks and contract delivery schedules, the availability of personnel to perform the required services. Specifically, the RFP provided that each offeror's proposal demonstrate capabilities in the definition, planning, development, test and support of computer resources as they pertain to the areas of electronic warfare, reconnaissance, defense suppression and strike systems. Offeror's knowledge and understanding of software development and acquisition standards, both technical and procedural, were to be evaluated. The offeror's corporate experience and company assets in software consultant services, previous experience and personnel depth would also be evaluated.

Under program management, the offeror was to describe the overall approach to functional management, the degree and nature of authority delegated to various levels, and the manner in which the approach supported the fulfillment of work requirements. Specifically, the offeror was to describe the location of its facility within the proximity (20 miles) of Wright-Patterson from which the work would be performed.

Under management, the RFP also provided that award of the contract was to be made only to a source having an overall security clearance of SECRET. The offeror was also to describe the capability to comply with the security requirements set forth in DD Form 254, Department of Defense Contract Security Classification Specification, for the RFP in the areas of personnel security, physical security, classification management, and "Tempest/Comsec/Opsec."

Further RFP requirements were that the offeror was to: (1) describe the flexibility of its personnel to service multiple tasks and also its ability to dynamically adjust the level of support, up or down, to service the changing workload as tasks were initiated and completed; (2) describe its approach to administratively support this effort; (3) describe its approach to program management and reporting; (4) describe its plan to document the transfer of information and decisions received from program offices; (5) identify all subcontractors that would perform the effort as a part of this contract; and (6) define its "plan for interface with subcontractors."

As to the evaluation of past performance, offerors were advised that their performance on similar contracts would be an evaluation standard in the selection of a source for this contract. To this end, the offeror was to include in the

proposal specific relevant past performance information related to the prime offeror and any major subcontractors. Past performance meant quality of work, essentially comparable to the work contemplated by this RFP, completed under and in accordance with a contract. Only contracts/subcontracts performed in the past five years were to be considered relevant.

As to cost considerations, the RFP provided that proposals would be evaluated for cost/price realism, verification of labor and burden rates, risk, and assessment of any cost effect due to proposal deficiencies. The offeror's proposed price, and other aspects of cost which could be reasonably defined, were to be considered in determining the government's estimate of the most probable cost to the government.

Several proposals were received on May 7, 1987. Initial proposal evaluations were then made. Subsequently, written clarification requests and deficiency reports were issued to offerors and written responses were received. Best and final offers were then received on August 14, 1987. SCC's proposal was considered as failing to meet minimum requirements in the management area and as containing significant deficiencies in the technical area. At the same time, a proposal submitted by MacAulay-Brown was determined to contain the "most technically sound approach at reasonable prices." Further, the Air Force decided that the quality of services offered and the corporate capabilities presented by MacAulay-Brown in its proposal justified the higher acquisition cost involved (about \$6,400,000 or about 11.2 percent higher than SCC's price of about \$5,700,000). Consequently, the contract was awarded to MacAulay-Brown on August 28, 1987.

The protester has taken issue with the Air Force's evaluation of the technical and management areas of its proposal. SCC contends that had a proper technical evaluation been made, its proposal would have been considered the "best-buy" for the contract.

It is well-established that the evaluation of proposals is a matter within the discretion of the contracting agency subject only to a test of reasonableness. Harbert International, Inc., B-222472, July 15, 1986, 86-2 CPD ¶ 67. Based on our review of the record, as discussed below, we do not find unreasonable the Air Force's evaluation of proposals or the award.

## TECHNICAL AREA

In the technical area, the Air Force found a "lack of experience" in software acquisition management and configuration management as well as a lack of a plan to provide the capability to adjust to a changing workload, up or down, as program requirements are changed. Further, the Air Force observed that SCC had not given a plan to recruit employees locally with necessary skills/experience/training.

In reply, SCC argues that it has the necessary experience through some of its contracts with the Navy. Nevertheless, the record of evaluation shows that SCC was found to lack the requisite experience even considering its experience on Navy contracts. Specifically, the record shows that the Air Force's evaluators considered SCC to have little experience with reconnaissance warfare programs and to lack software acquisition management and software configuration management experience. Although SCC generally asserts it has the required experience, the company has not furnished us with specific evidence showing that the Air Force evaluators' conclusions were erroneous. Further, although SCC's proposed subcontractor, a large business, had relevant experience, the subcontractor could do no more than 35 percent of the work given the RFP ceiling (35 percent) on large business participation in the competition for the award of this small business set-aside contract.

Therefore, we see no basis to question the reasonableness of the evaluation of SCC's proposal in the experience area.

SSC raises two other points under its technical evaluation concerning "software development standards" and "software acquisition management" both of which, SCC states, were discussed by Air Force with SCC at an Air Force conference with SCC on September 15, 1987. These two other points were first made the subject of a protest to our Office by SCC's letter of September 20, 1987, which was filed in our Office on October 21, 1987. The later-raised bases of protest must independently satisfy the timeliness requirements of our Bid Protest Regulations, 4 C.F.R. part 21 (1987). K-Son Construction Company, B-225207, Feb. 10, 1987, 87-1 CPD ¶ 145. However, these bases of protest were filed with our Office more than 10 working days after the bases were known on September 15, 1987. Consequently, they are untimely filed and will not be considered. See 4 C.F.R. § 21.2(a)(2) (1987).

## MANAGEMENT AREA

In management, the Air Force found that SCC's approach to management of the effort was seriously lacking. For

example, the Air Force found that SCC's responses regarding the security aspects of requirements were considered unsatisfactory based on the time required to open a facility (within 20 miles of Wright-Patterson) in compliance with the RFP, obtain the necessary clearances, and to provide a staff sufficient to conduct the effort.

SCC argues that its firm has a "Secret" clearance and therefore this general clearance should have been sufficient notwithstanding that SCC did not show that its Dayton, Ohio, branch, which would service the contract, does not have the appropriate clearance. Notwithstanding SCC's argument, we see no evidence in the record before us to question the Air Force's position, that, notwithstanding the company's overall Secret clearance, SCC failed to provide a satisfactory explanation as to how it would open the required facility, with appropriate security clearances, within 20 miles of Wright Patterson within the time necessary for the work, other than an unverified allegation that the "DIS cognizant security office" for Dayton, Ohio, said that a clearance "would immediately issue" to SCC on submission of the appropriate security clearance form. Given the unverified nature of this allegation, and the absence of a detailed statement from the DIS office as to how the clearance would be processed within the available time, this allegation cannot be accepted. Since SCC has not otherwise shown error in this evaluation, we find no basis to conclude that the Air Force's evaluation of SCC's management proposal in this regard was unreasonable.

Finally, SCC argues that it was not advised of the above problem areas in its proposal concerning experience, workload adjustments, and the security clearance involving its proposed facility near Wright-Patterson.

The content and extent of competitive negotiations is a matter of judgment to be exercised by the contracting officer based on the particular facts of the case at hand. Federal Acquisition Regulation (FAR) § 15.610 (FAC 84-16). Our cases and the cited regulation provide that the contracting officer should advise an offeror of deficiencies in its proposal so that they may be corrected. The FAR provides, however, that the contracting officer should not engage in technical leveling, that is, help an offeror to bring its proposal up to the level of the other proposals through successive rounds of discussions, such as by pointing out weaknesses resulting from the offeror's lack of diligence, competence, or inventiveness in preparing the proposal.

The Air Force specifically requested the offeror to clarify its approach in fulfillment of RFP provisions requiring

well-qualified personnel in concert with the further RFP stipulation that not more than 35 percent of the work could be subcontracted to large business. In effect, therefore, the Air Force was pointing to a concern with the experience level of SCC and its own employees. Further, in another request to SCC, the Air Force pointed out that SCC had not described its capability to adjust to a changing workload. Thus, we conclude that the Air Force did conduct discussions with SCC concerning the problems found in experience and workload adjustments.

As to the management area, and the above-described criticism regarding security at the proposed facility within 20 miles of Wright Patterson, the Air Force told SCC that a facility not meeting the prescribed requirements "would suggest some degree of risk in compliance with the security requirements of the contract." Consequently, SCC was put on notice of the importance of this facility in the Air Force's view especially as concerned security at the facility. Having been put on this notice, we cannot conclude that the Air Force's discussions with the contractor in this proposal area were inadequate.

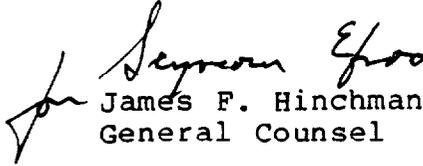
Finally, SCC contends that the Air Force gave too much weight to technical considerations in awarding the contract and too little weight to cost considerations.

Concerning the Air Force's use of technical and cost factors, contract selection officials have broad discretion in determining the manner and extent to which they will make use of the technical and cost evaluation results. Lockheed Corp., B-199741.2, July 31, 1981, 81-2 CPD ¶ 71. Where the contracting agency's selection official has made a cost/technical tradeoff, the question is whether the tradeoff was reasonable in light of the solicitation's evaluation scheme. Petro-Engineering, Inc., B-218255.2, June 12, 1985, 85-1 CPD ¶ 677.

As noted above, the Air Force selected the higher-priced contractor because of the company's sound technical approach and quality of service proposed notwithstanding the slightly higher price involved. Especially since cost was the least

important evaluation standard, and since SCC has not otherwise shown the selection to be unreasonable other than its bare allegation, we have no basis to question the selection.

Protest denied.

 Seymour Ego  
James F. Hinchman  
General Counsel