Decision

Matter of: Computer World Services Corporation; CompQSoft
File: B-411216; B-411216.3; B-411216.4; B-411216.5
Date: June 17, 2015

Lee Dougherty, Esq., Katherine A. Straw, Esq., Offit Kurman, for Computer World Services Corporation; and Christopher R. Shiplett, Esq., Danielle N. Hart, Esq., and Nishat Azam, Esq., Randolph Law PLLC, for CompQSoft, the protesters.
Tudo N. Pham, Esq., Department of State, for the agency.
Lois Hanshaw, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging an agency’s evaluation of the awardee’s past performance is denied where the evaluation was reasonable and consistent with the terms of the solicitation.

2. Protest that discussions misled a protester to increase its price is denied where the record does not support the protester’s assertion.

3. Protest that an agency improperly conducted a realism analysis is denied where the record shows that the agency did not analyze prices for realism.

4. Protest alleging that the best value determination was unreasonable is denied where the selection of a higher technically-rated offeror was reasonable.

DECISION

Computer World Services Corporation (CWS), of Washington, D.C., and CompQSoft, of Houston, Texas, protest the award of a contract to TSymmetry, Inc., of Washington, D.C., under request for proposals (RFP) No. SAQMMA13R0393, issued by the Department of State (DOS) for information technology services for the agency’s Bureau for International Narcotics and Law Enforcement Affairs, Office of Aviation (referred to as the DOS Air Wing). CWS challenges various aspects of the
agency’s technical and past performance evaluations, and alleges that the agency conducted misleading discussions. CompQSoft challenges the agency’s price evaluation and best value determination.

We deny the protests.

BACKGROUND

DOS Air Wing provides aviation support for the eradication and interdiction of illicit drugs; training of contractor and host nation personnel; movement of personnel and equipment; reconnaissance; personnel recovery; medical evacuation; security of personnel and equipment; and ferrying of aircraft. RFP at 26. DOS Air Wing’s operations are accomplished through multiple contracts employing information technology services to provide information management support, web-based reporting, and management of information systems that include unclassified communications, data processing, and computer systems in Central Florida, Columbia, Peru, Pakistan, Afghanistan, and Iraq. Id.

On July 7, 2014, DOS issued the RFP as a set-aside for HUBZone (Historically Underutilized Business Zone) small businesses. Id. at 9. The RFP contemplated the award of a single indefinite-delivery/indefinite-quantity (ID/IQ) contract with fixed fully-loaded hourly labor rates for a base year and nine one-year option periods. Id. at 9, 10, 35. The RFP also included a sample task order (TO) that included both fixed-price and cost-plus-fixed-fee portions. Agency Report (AR), Tab 14, Sample TO Instructions, at 1. Both the ID/IQ and sample TO included instructions for preparing price proposals. Id. at 2; RFP at 123.

Award was to be made on a best-value basis considering five factors, listed in descending order of importance: (1) technical, (2) management, (3) key personnel, (4) past performance, and (5) price. Id. at 135, 137-38. Additionally, the RFP provided that the technical and management factors would be equal, but more important than the key personnel factor. Id. at 138. The non-price factors, when combined, were significantly more important than price. Id. at 135. A best-value tradeoff was to be made between the non-price and price factors. Id.

The RFP stated that the government would conduct its evaluation in two phases. Id. at 136. Phase 1 would include a review to determine eligibility for award, while Phase 2 would include evaluation of proposals and the establishment of a competitive range or an award determination. Id.

The government intended to make award without discussions, but reserved the right to conduct discussions and request proposal revisions if it determined this to be in the government’s best interest. Id. at 136-37.
Twelve offerors submitted proposals by the closing date, including CWS and CompQSoft. CWS Contracting Officer (CO) Statement at 7. The technical and past performance evaluations were performed separately from the price evaluation.\(^1\) Id. at 8. Following the evaluation of initial proposals, the source selection authority (SSA) decided to engage in discussions and established a competitive range of ten offerors. Id. at 10.

After receipt of final proposal revisions, the agency evaluated the revised proposals,\(^2\) assigning the following ratings for the protesters and the awardee:

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<th>CWS</th>
<th>CompQSoft</th>
<th>TSymmetry</th>
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<td>Technical</td>
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<td>Management</td>
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<tr>
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<tr>
<td>Final Price</td>
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CWS AR, Tab 52, Best Value Determination, at 9-8; CompQSoft AR, Tab 37, Best Value Determination, at 8-9.

After reviewing the evaluation reports, findings, and recommendations of the evaluation teams for the technical, past performance, and price proposals, the SSA determined that TSymmetry’s higher technically-rated proposal represented the best value. CWS AR, Tab 53, Source Selection Decision (SSD), at 11. With respect to price, the SSA noted that only CompQSoft’s proposal, with its lower ratings, offered a lower price. CompQSoft AR, Tab 38, SSD, at 3.

On March 4, 2015, the agency notified unsuccessful offerors that TSymmetry had been selected for award. After the agency provided timely debriefings to the protesters, these protests were filed with our Office.

DISCUSSION

The protesters raise numerous challenges to the agency’s evaluation of proposals and the subsequent award to TSymmetry. Our Office has considered each of the

\(^1\) Technical proposals were rated superior, acceptable, marginal, and unacceptable. RFP at 141.

\(^2\) The only change in the offerors’ technical ratings between initial and revised proposals was in CWS’s key personnel rating, which improved from marginal to acceptable following discussions. CWS CO Statement at 9.
allegations, and finds that none provides a basis on which to sustain the protests.³ CWS argues that the agency’s evaluation of the awardee’s past performance was unreasonable, and that the agency conducted misleading discussions. CompQSoft challenges the agency’s price evaluation, and argues that the agency’s best value determination was flawed.

CWS’s Challenge to the Evaluation of TSymmetry’s Past Performance

CWS challenges the agency’s evaluation of the awardee’s past performance. Specifically, CWS contends that a rating of substantial confidence for the awardee is unreasonable because the awardee has not performed as a prime contractor on contracts of a similar scale and complexity as the current acquisition. CWS Supp. Protest at 7-9. CWS also argues that the agency did not evaluate the awardee’s past performance in accordance with the RFP’s evaluation criteria. Id. at 8. Specifically, CWS argues that the agency did not determine if TSymmetry and its team’s performance was recent and relevant, and was similar in nature or complexity to the RFP criteria. Id. CWS also argues that the agency did not consider strengths and weaknesses of the awardee and its team. CWS Comments at 10-11. The agency responds that the awardee’s rating was supported by the experience offered by the awardee and its subcontractors, as discussed in further detail below. CWS Legal Memorandum at 15.⁴

Our Office has held that, in the absence of any prohibition in the solicitation, an agency may properly evaluate and give weight to the past performance of a proposed subcontractor. Al-Razaq Computing Servs., B-410491, B-410491.2, Jan. 7, 2015, 2015 CPD ¶ 28 at 14. An agency’s evaluation of past performance is a matter of discretion which we will not disturb unless the agency’s assessments are unreasonable or inconsistent with the solicitation criteria. Nova Techs., B-405982.2, May 16, 2012, 2012 CPD ¶ 172 at 10. Where a protester challenges an agency’s past performance evaluation, we will review the evaluation to determine if it was reasonable and consistent with the solicitation’s evaluation criteria and procurement statutes and regulations. Delaware Resource Group of Oklahoma, LLC, B-408962.3, B-408962.4, Mar. 24, 2014, 2014 CPD ¶ 111 at 10. A protester’s disagreement with the agency’s evaluation judgments concerning the merits of past performance does not establish that the evaluation was

³ On April 14, 2015, we dismissed CWS’s challenge of unequal discussions for failure to state a valid basis of protest in our ruling on supplemental document production. CompQSoft initially challenged the agency’s evaluation of its technical proposal, but withdrew those allegations in its comments. CompQSoft Comments at 1.
⁴ The agency responded to CWS’s initial and supplemental protests in one consolidated agency report.
As relevant to past performance, the RFP required the prime contractor and each proposed subcontractor to provide at least three references for contracts and/or subcontracts performed on a relevant program for the past three years. RFP at 120. The RFP advised that present and past performance, for the offeror and principal subcontractors, would be evaluated as a measure of the government’s confidence in the offeror’s ability to successfully perform based on previous and current contract efforts. Id. at 141. In particular, the following five areas would be considered: (1) meeting technical requirements, (2) adherence to contract schedules, (3) controlling contract costs, (4) managing the contracted effort, and (5) commitment to customer satisfaction and businesslike concern for the interest of its customers. Id. at 120. The past performance evaluation would also consider strengths, weaknesses, major weaknesses, deficiencies, and the overall performance record of each offeror. Id. In addition, the agency reserved the right to consider information that was readily available to the government, such as past performance questionnaires (PPQ) and information from databases such as the Past Performance Information Retrieval System. Id. As relevant here, the RFP also lists, “[p]ast [p]erformance and experience similar in nature by the prime and/or partners (vendors, subcontractors) [that] conducted similar services performed in OCONUS [(outside the continental United States)] locations, complexity, technology, and contract scope,” but did not state how such factors would be rated or their relationship to the confidence rating. Id. at 141.

The record shows that TSymmetry submitted references for itself and each of its subcontractors. These references outlined the description of work and responsibilities these firms had performed; the agency considered these and compared the work performed on the prior contracts to the current requirement, as required by the RFP. CWS AR, Tab 44, TSymmetry’s Past Performance, Vol. III, at 3-24. The agency reached a composite score for the awardee based on the combination of scores for the awardee and its subcontractors by evaluating the five areas of consideration listed above.5 CWS AR, Tab 49, Past Performance Evaluation, at 1. Based on the composite scores, TSymmetry received a rating of substantial confidence and its subcontractors received ratings of substantial or

5 In response to a question posed by our Office after the agency report and comments were filed, the agency provided notes that were referenced in the awardee’s past performance evaluation. These notes consisted of a chart assigning to TSymmetry and its subcontractors numerical ratings that correlate to the confidence ratings. Although the awardee proposed five subcontractors, the agency’s evaluation combined the evaluation and scores for two subcontractors. This chart is consistent with the past performance evaluation provided in the agency record.
satisfactory confidence. The agency also relied on PPQs, which stated that TSymmetry provided “exceptional performance with all deliverables provided on time; [was] proactive, provided solutions; [and] kept costs in control and communicated risks and mitigation to the COR [contracting officer’s representative].” Id. The agency assigned an overall rating of substantial confidence based on the team’s evaluated ability to perform. Id.

We have no basis to object to the agency’s evaluation of the awardee’s past performance. The RFP required the prime contractor and its subcontractors to present past performance based on relevant contracts performed within the last three years. RFP at 120. Although the protester focuses on the dollar value and magnitude of contracts that the awardee performed as a prime contractor, the RFP did not require an offeror’s past performance to have been completed as a prime contractor, nor did it preclude the agency from relying on the past performance of subcontractors. The record shows, in this regard, that several of the contracts referenced for TSymmetry and its principal subcontractors met or exceeded the value of the procurement at issue here. Accordingly, we find no merit to this argument.

Additionally, to the extent the protester argues that the past performance evaluation is flawed because the agency did not make determinations regarding strengths and weaknesses or performance similarities contemplated by the RFP, we disagree. The RFP stated that offerors would be assigned a confidence rating in a manner consistent with the RFP’s terms, i.e., based on the prime contractor’s and subcontractors’ recent and relevant record of performance considering the five areas mentioned above. Id. at 141. The RFP did not indicate that offerors would receive a separate rating for the recency and relevancy of their past performance or explain the role that other RFP criteria, such as similarity and complexity, would play in the confidence rating. The record shows that the agency assigned confidence ratings based on the five areas of past performance consideration. CWS AR, Tab 49, Past Performance Evaluation, at 1. Specifically, the agency’s evaluation of the prime contractor’s and subcontractors’ experience mentioned on-time deliverables, keeping costs in control, and communicating risks to the COR. Id. The protester has not provided a basis for our Office to conclude that because

6 The RFP established the following past performance ratings, from highest to lowest: substantial confidence, satisfactory confidence, unknown confidence, limited confidence, and no confidence. CWS AR, Tab 49, Past Performance Chart, at 1.

7 The RFP established a minimum/maximum ordering quantity of $100,000 to $80,000,000. RFP at 9. TSymmetry’s contracts ranged from $14.5 million to $44.2 million, while its subcontractors’ contracts ranged from $1.8 million to $486.2 million. AR, Tab 44, TSymmetry’s Past Performance, Vol. III, at 3-24.
the agency did not specifically address strengths or weaknesses in its evaluation this indicates that the agency failed to consider these elements or that its evaluation did not comply with the terms of the RFP. Accordingly, we find the agency’s evaluation to be reasonable.

CWS’s Allegation of Misleading Discussions

CWS also contends the agency conducted improper discussions with the firm by directing it to include additional items in its technical and pricing proposal.

When an agency engages in discussions with an offeror the discussions must be meaningful, that is, sufficiently detailed so as to lead an offeror into the areas of its proposal requiring amplification or revision. Hanford Env'tl. Health Found., B-292858.2, B-292858.5, Apr. 7, 2004, 2004 CPD ¶ 164 at 8. Although discussions must address deficiencies and significant weaknesses identified in proposals, the precise content of discussions is largely a matter of the contracting officer’s judgment. Federal Acquisition Regulation (FAR) § 15.306(d)(3); Am. States Util., Servs., Inc., B-291307.3, June 30, 2004, 2004 CPD ¶ 150 at 5. An agency may not mislead an offeror through the framing of a discussion question into responding in a manner that does not address the agency’s actual concerns, or otherwise misinform the offeror concerning a problem with its proposal. Per Aarsleff a/s; Copenhagen Arctic a/s; Greenland Contractors i/s, B-410782, et. al., Feb 18, 2015, 2015 CPD ¶ 86 at 15.

As relevant here, the price evaluation was to be based on offerors’ responses to a sample TO.8 RFP at 122-23,142. The instructions for the sample TO required offerors to show the breakdown of proposed “supplies” prices for each task order year, based on applicable line items of the performance work statement (PWS).9 AR, Tab 14, Sample TO Instructions, at 3-4. Regarding supplies, the PWS lists “management of bandwidth utilization for all satellite circuits to remote locations” as part of IT Customer Support Services. AR, Tab 24, PWS, at ¶ 2.C.3.d. Additionally, through questions and answers (Q&A), the agency advised offerors that bandwidth

8 The RFP advised that the government reserved the right to convert the sample task order into an actual task order after the award of the ID/IQ contract. RFP at 143. The estimates in the pricing tables for the ID/IQ contract and sample task order would be used only for price evaluation purposes, as the government was not committing to order or pay for these quantities and dollar amounts. Id. at 142.

9 The instructions for the sample TO required offerors to include other direct costs in the supplies column. AR, Tab 14, Sample TO Instructions, at 2. The agency also advised offerors in a Q&A response that supplies could include any supplies, services, licensing, etc. proposed as part of their technical approach to perform the sample TO. CWS CO Statement at 4-5.
should be provided by the contractor as part of its technical solution. AR, Tab 26, Q&A Set 1, at 4.

Additionally, the pricing table for the ID/IQ contract required offerors to propose fixed rates for labor categories specified in the RFP, such as System Technician, for the base year and nine one-year option periods. AR, Tab 28, Pricing Tables, at Table 6. Various pricing tables also requested an indirect cost rate description, such as overhead or G&A (general and administrative expenses). RFP at 125, 129.

As relevant here, after receipt of proposals and the initial evaluation, the agency engaged in discussions with CWS by asking CWS to respond to evaluation notices (EN) related to CWS' technical and price proposals. CWS CO Statement at 10. CWS emailed the agency additional questions related to both its price and technical ENs. CWS AR, Tab 47, Q&A between DOS and CWS, at 1-4.

Price Evaluation Notice

With respect to the price evaluation, the agency concluded that offerors were not pricing the breakdown of supplies correctly and provided a price EN to all offerors. CWS CO Statement at 16. The price EN directed offerors to comply with the RFP instructions provided for pricing the sample TO, and highlighted four areas for offerors to address in the breakdown of the proposed “supplies” prices.10 CWS AR, Tab 40, Price EN, at 1. The price EN also directed offerors to ensure the pricing proposal reflected the complete technical approach in the offeror’s technical proposal, and advised offerors that the solicitation’s examples of predictable supply requirements was not all-inclusive and that the price proposal should include items such as bandwidth, post hardship differential pay, or danger pay. Id.

The protester sought additional information from the agency in a series of emails. Referring to the four highlighted areas, CWS asked whether the price EN was requesting “additional detail into what each of the supplies includes or how they were calculated.” CWS AR, Tab 47, Q&A between DOS and CWS, at 3. As relevant here, the CO’s response stated, “[s]o if upon analyzing your technical and price proposal[,] elements of cost/price were not included[,] then the price proposal should be updated accordingly.” Id. The CO response also advised the protester that if it did not intend to submit changes, it should indicate this in its response to the price evaluation. Id. at 4.

CWS also asked whether the PWS required offerors to include bandwidth in the pricing of supplies, because the protester had not included this in its price proposal.

10 The four highlighted entries of the list were: description of each supply/ODC (other direct costs); proposed unit cost for each supply/ODC; unit of measurement for each supply/ODC; and proposed units. CWS AR, Tab 40, Price EN, at 1.
In response, the CO indicated that bandwidth should be included as part of supplies pricing, and directed CWS to the agency’s answer to a similar question that had been previously provided in the Q&A phase of the RFP release. See e.g. AR, Tab 26, Q&A Set 1, at 1; Tab 24, PWS, at ¶ 2.C.3.d.

Technical Evaluation Notice

With respect to the protester’s technical proposal, the agency provided CWS with seven technical ENs. CWS CO Statement at 10. As relevant here, technical EN 006 sought clarification of the protester’s organizational chart. AR, Tab 39, CWS Technical ENs, at 2. Both the CO and the protester understood this EN to indicate that the protester had not proposed adequate personnel to meet the requirement. See Protest at 14; CO’s Statement at 14.

The protester emailed the agency, seeking clarification as to whether it would be required to provide support only to U.S. government (USG) personnel as stated in some areas of the PWS; i.e., approximately 120 users; or to both USG personnel and contractors, as stated in other areas of the PWS (and in a diagram of support locations), i.e., approximately 1800 users. The protester noted that the organization chart and workforce that CWS included in its initial proposal was based on supporting only USG personnel. CWS AR, Tab 47, Q&A between DOS and CWS, at 3. The agency’s response was, “[t]he offeror will be required to support both government and contractor personnel at all locations and should propose their workforce as such.”

At the conclusion of discussions, CWS submitted a revised technical proposal and increased its price. CWS provided an organization chart that included the specific number of personnel dedicated to each support function. CWS AR, Tab 41, CWS Technical EN Response, at 3. CWS also modified its price proposal to include additional labor and costs associated with overseas support. AR, Tab 42, CWS Price EN Response, at 1. Specifically, CWS increased the rate for System Administrator II; and added more System Administrator I and II positions for each OCONUS site. Id. at 1-2. This increased CWS’s supply costs because CWS provided additional benefits such as housing overseas living allowance (HOLA), danger pay, and perks. Id. at 2. CWS also included program manager visits for most sites and provided supply costs for satellite circuits and internet services. Id.

The agency’s evaluation acknowledged CWS’s changes to its technical approach and reviewed CWS’s ID/IQ rates, sample TO rates, indirect costs, and fees and profits. CWS AR, Tab 52, Best Value Determination, at 11-12. As relevant to the evaluation of ID/IQ rates, the agency noted that CWS’s hourly rates for System Administrator II increased by $[deleted]. Id. at 12. As relevant to the evaluation of the sample TO rates, the agency noted that rates nearly tripled from $[deleted] million to $[deleted] million and that no inflation was built into CWS’s price for supplies. Id. at 12.
The protester alleges that discussions with the agency misled CWS into increasing its price. Basically, the protester contends that the agency’s guidance regarding supplies and staffing caused CWS to increase its pricing dramatically in order to account for supplies necessary for performance in OCONUS locations. CWS Protest at 14-15. Additionally, CWS argues that the agency should have informed CWS that its original price--before it was revised to include additional personnel and supplies--was on par with, or higher than, other offerors’ prices. Id. at 15; Comments at 2. CWS asserts that had it known its relative price standing it would have reevaluated its decision to [deleted], and would have limited additional discretionary spending. Comments at 4. The agency contends that it did not mislead the protester because it did not encourage the protester to increase its price or to include anything that was not required by the RFP. CWS Legal Memorandum at 10. The agency also states that the protester’s revisions were a result of its own business judgment. Id.

We agree with the agency. The record shows that the agency informed the protester of weaknesses in its proposal through its technical and price ENs. Then, in response to questions posed by the protester, the agency gave CWS the option to revise its technical and price proposal, if necessary, or to make no changes. CWS AR, Tab 47, Q&A between DOS and CWS, at 3-4. Additionally, as the protester acknowledges, portions of its proposal, such as bandwidth and user support counts, were not consistent with the information provided by the RFP (and as supplemented by the agency). Id. at 1, 3; CWS Protest at 14. In short, the protester does not dispute that it failed, in its initial proposal, to propose the personnel and supplies required by the RFP--nor does it dispute that the agency led CWS to improve these areas of weakness or noncompliance in its proposal through discussions. Rather, the crux of CWS’s complaint about discussions is that the agency failed to advise the protester how its price compared to other offerors’ prices. There is no requirement, however, that an agency inform an offeror during discussions that its price may be too high, where the offeror’s price is not considered excessive or unreasonable. Xtreme Concepts Sys. B-406804, Aug. 31, 2012, 2012 CPD ¶ 253 at 5. Here, the protester has not shown that the agency regarded CWS’s initial price to be unreasonably high.

Accordingly, we find unobjectionable the agency’s statement that the protester’s proposal should be in accordance with the requirements of the RFP, where, as here, the agency did not provide specific direction for compliance. To the extent the protester’s revisions resulted in an increased overall price, that, by itself, does not indicate the agency’s conduct of discussions was unreasonable.11

11 During development of the protest, we dismissed the protester’s allegation that the agency conducted unequal discussions about price. For the record, the protester did not challenge the awardee’s price evaluation, and did not receive (continued...)
CompQSoft’s Challenge to the Price Evaluation

CompQSoft advances several complaints regarding the agency’s analysis of price proposals. The gravamen of CompQSoft’s arguments is that the agency performed a realism analysis regarding CompQSoft’s proposed price, effectively downgrading its proposal on the basis that CompQSoft’s labor rates and total price were considered to be unrealistically low. See Supp. Protest at 4-7. As discussed below, CompQSoft’s complaints are without merit.12

As a general rule in awarding fixed-price contracts, agencies are only required to determine that prices are not unreasonably high. FAR § 15.402(a). As an exception to this rule, an agency may conduct a price realism analysis for the limited purposes of assessing whether an offeror’s low price reflects a lack of technical understanding or risk, see FAR § 15.404-1(d)(3); however, offerors must be advised that the agency will conduct such an analysis. Emergint Techs., Inc., B-407006, Oct. 18, 2012, 2012 CPD ¶ 295 at 5-6. That is, the solicitation must contain either an express price realism provision or a statement warning offerors that a proposal may be rejected on the basis of its low price.13 DynCorp Int’l LLC, B-407762.3, June 7, 2013, 2013 CPD ¶ 160 at 9. Absent a solicitation provision so advising offerors, agencies are neither required, nor permitted, to conduct a price realism analysis in awarding a fixed-price contract. Emergint Techs., Inc., supra.

(...continued)

information about the pricing or labor rates of other offerors. Accordingly, these arguments were speculative. Because the price EN reasonably led CWS into the area it needed to address, we do not conclude that the agency was required to offer the protester additional assistance that could have compromised the proposals offered by other offerors. See Hanford Envtl. Health Found., supra, (agencies are not required to spoon-feed an offeror or to discuss the approach proposed by competing offerors).

12 Throughout its pursuit of this protest, CompQSoft refers to both “cost realism” and “price realism.” As discussed below, we conclude that the agency did not engage in either.

13 In contrast to a cost realism analysis, where a probable cost of performance is determined in the context of evaluating cost-reimbursement proposals, no adjustment to price is permitted in evaluating proposals for fixed-price contracts. See, e.g., DynCorp Int’l LLC, B-407762.3, June 7, 2013, 2013 CPD ¶ 160 at 8-9; Triad Int’l Maint. Corp., B-408374, Sep. 5, 2013, 2013 CPD ¶ 208 at 8.
Here, the RFP did not state that a realism analysis would be performed; rather, offerors were advised that the agency would evaluate proposals for price reasonableness using one or more methods from FAR § 15.404. Accordingly, in reviewing CompQSoft’s various protest complaints we have considered whether the agency’s evaluation included an improper realism assessment with regard to CompQSoft’s price proposal; we conclude it did not.

In asserting that the agency performed an improper realism assessment, CompQSoft notes that the agency’s SSD identified CompQSoft as the low offeror and stated that the primary reasons for CompQSoft’s relatively low price were its proposed labor rates, its G&A rates, and its limited annual increases in the option years. CompQSoft AR, Tab 38, SSD at 11. Based on these statements in the SSD, CompQSoft asserts that the agency performed a “de facto” realism analysis. CompQSoft Supp. Protest at 6. The agency responds that it did not perform any realism analysis in evaluating proposals, and further states that the references in the SSD merely reflected the agency’s factual recognition of the components making up CompQSoft’s total price. CompQSoft Supp. CO Statement at 2.

Here, the agency’s contemporaneous evaluation record does not reflect any assignment of risk to CompQSoft’s proposal based on its low proposed price. Further, the record does not reflect any agency assessment that CompQSoft failed to understand the contract requirements. Finally, the agency’s source selection decision recognized that CompQSoft was the low-priced offeror, and the agency’s tradeoff decision reflected its assumption that CompQSoft would perform at its proposed price. CompQSoft AR, Tab 38, SSD at 11. On this record, we reject CompQSoft’s assertions that the agency improperly performed a realism analysis in evaluating CompQSoft’s price proposal.

CompQSoft’s Challenge to the Best Value Determination

CompQSoft also argues that the agency’s best value determination was unreasonable, essentially alleging that the agency failed to give CompQSoft’s offer appropriate credit in its best value determination for the protester’s low price, which, according to the protester, was instead viewed negatively. CompQSoft Protest at 8; Supp. Protest at 7.

In response, the agency asserts that the best-value tradeoff was based on a determination that TSymmetry’s technically-superior proposal was worth the price premium; and therefore was reasonable and in accordance with the evaluation criteria. CompQSoft Legal Memorandum at 15. Further, the agency asserts that

14 The purpose of a price reasonableness evaluation is to determine whether the prices offered are too high, as opposed to too low. See FAR § 15.404-1(b); Sterling Servs., Inc., B-291625, B-291626, Jan. 14, 2003, 2003 CPD ¶ 26 at 3.
the protester's entire price evaluation argument is without merit because it rests on the unsupported notion that a realism analysis was conducted. CompQSoft Supp. Legal Memorandum at 2.

As stated above, the RFP here provided for award based on a tradeoff between the non-price factors and price to ensure the best value to the government; and stated that non-price evaluation factors, when combined, were significantly more important than price. RFP at 135. The RFP explained that evaluated price would rise in importance and might become the determining factor as non-price factors, when combined, become more equal. Id.

The record supports the best value and source selection decisions. TSymmetry's technical proposal received higher ratings under every evaluation factor; in other words, TSymmetry's and CompQSoft's nonprice factors were not viewed as equal, or nearly equal, in quality. CompQSoft AR, Tab 37, Best Value Determination, at 18. The CO notes that the technical evaluation team (TET) recommended TSymmetry for award from a technical standpoint because it was technically superior to all other offerors. Id. at 17. The CO performed a cost-technical tradeoff between TSymmetry and other higher-priced, technically superior offerors, and determined that the other offerors did not offer any strengths or advantages to justify the payment of a price premium. Id. Next, the CO performed a tradeoff between TSymmetry and CompQSoft’s lower-priced, but lower-rated proposal, and concluded that TSymmetry offered a stronger technical approach than CompQSoft. Id. at 18-24. As a result, the CO recommended TSymmetry's proposal as the best value. Id. at 24.

The SSA reviewed the final consensus reports of the TET, Past Performance Team, the Price Evaluation Teams as well as the CO’s best value recommendation in making his award decision. CompQSoft AR, Tab 38, SSD, at 1. The decision incorporated the tradeoffs made in the underlying evaluations and recommendations. Id. at 2-9. The SSA recommended TSymmetry for award, stating that the entire evaluation record supported paying a price premium to select TSymmetry. Id.

In conclusion, the record does not support CompQSoft’s arguments. As the protester did not challenge the awardee’s technical proposal, we have no basis to conclude that the agency’s evaluation of the awardee’s technical proposal was flawed or unreasonable. MetalCraft Marine Inc., B-410199, B-410199.2, Nov. 13, 2014, 2014 CPD ¶ 338 at 10-11. Additionally, the selection decision and underlying evaluation thoroughly documents the rationale for paying a price premium for

15 The TET also stated that TSymmetry offered the best technical solution of the top three superior proposals. CompQSoft AR, Tab 36, TET Report, at 1.
TSymmetry’s technically-superior proposal by comparing the strengths, weakness, and attributes of TSymmetry’s and CompQSoft’s proposals.

The protests are denied.

Susan A. Poling  
General Counsel