Decision

Matter of: CAE USA, Inc.

File: B-414259.6; B-414259.7

Date: December 19, 2017

DIGEST

1. Protest challenging agency’s evaluation of the protester’s staffing approach is denied where the agency reasonably concluded that the protester’s proposal failed to meet the required student-to-flight instructor ratio set forth in the solicitation.

2. Protest challenging agency’s evaluation of the awardee’s staffing approach is denied where the agency’s evaluation was reasonable and consistent with the solicitation criteria.

3. Protester is not an interested party to challenge agency’s analysis of the offerors’ costs where the solicitation provided for award on a low-cost, technically-acceptable basis and the agency reasonably concluded that awardee provided the only technically-acceptable offer.

DECISION

CAE USA, Inc., of Tampa, Florida, protests the award of a contract to URS Federal Services, Inc., of Germantown, Maryland, by the Department of the Army under request for proposals (RFP) No. W9124G-16-R-0004 for rotary wing flight training instructor support services. CAE challenges multiple aspects of the agency’s evaluation and award decision.
We deny the protest.

BACKGROUND

On July 15, 2016, the Army issued the solicitation pursuant to the procedures of Federal Acquisition Regulation (FAR) part 15 for rotary wing flight training and flight training support for Army and Air Force personnel at the U.S. Army Aviation Center of Excellence in Fort Rucker, Alabama. The solicitation contemplated the award of a cost-plus-fixed-fee contract for a 3-month phase-in, 12-month base, and eight 12-month options. The RFP provided that award would be made on a lowest-cost, technically-acceptable basis based on the following seven factors: technical approach; organization and staffing; management approach; flight operations procedures; ground and flight safety program; past performance; and cost. The solicitation stated that an unacceptable rating for any non-cost factor would render the proposal ineligible for award. Costs would be evaluated for reasonableness, unbalanced pricing (as applicable), and realism.

As relevant to this protest, under the organization and staffing factor, the RFP instructed offerors to provide a plan to addresses the following: key personnel; non-key staffing positions; flight and academic instructor staffing; organization; and hiring, training, and retention. With respect to key personnel, the solicitation required offerors to provide resumes for key personnel that clearly demonstrate the requisite education, training, experience, and certification requirements of the performance work statement (PWS). With respect to flight and academic instructor staffing organization, the RFP required offerors to address the requirements set forth in the PWS with personnel adequate to train the student load.

For the evaluation of key personnel, the solicitation provided that “[a]n Acceptable proposal is one in which the resumes provided for key personnel clearly meet or exceed all of the requisite education, training, experience, [and] certification requirements as defined in the PWS, Section C, Paragraph C1.6 Personnel General Requirements and C1.7 Certification and Qualification.” For the evaluation of flight and academic instructor staffing, the solicitation provided that “[a]n Acceptable proposal is one in which the proposal completely considers and satisfies the requirements set forth in C1.5.2 Flight Instructors through C1.5.3 Academic Training Instructors of the PWS, with properly qualified instructors, an appropriate staffing level, and an appropriate percentage of personnel to fill in for non-available instructors.”

The agency received three proposals in response to the solicitation. On December 29, the Army issued an award to CAE. On January 9, 2017, URS protested the agency’s evaluation and award decision to our Office. After the GAO attorney handling the bid

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1 The solicitation was amended six times. Contracting Officer Statement (COS) at 3. All citations herein are to the conformed copy of the RFP.
protest conducted an alternative dispute resolution conference, the agency took corrective action on March 31.  Id.  As a result, our Office dismissed the protest.  URS Federal Servs., Inc., B-414259.2, B-414259.3, Apr. 4, 2017 (unpublished decision).

In late May, the Army established a competitive range of CAE and URS and issued discussion notices to the two offerors.  COS at 3; AR, Tab 51, SSD, at 6.  The agency received final proposal revisions from both offerors on June 2.  AR, Tab 51, SSD, at 6.  The agency evaluated the revised proposals and found CAE's proposal unacceptable and ineligible for award due to multiple deficiencies under the organization and staffing factor.  Id. 7-10.  The agency concluded that URS provided the best value to the agency as the lowest-cost, technically-acceptable offeror and awarded the contract to URS.  Id. at 10.

On September 12, CAE received a debriefing, which was followed by the Army's answers to additional questions.  COS at 11.  CAE filed this protest on September 22.

DISCUSSION

CAE challenges the agency's evaluation and award determination.  CAE argues that the agency's evaluation under the organization and staffing factor was unreasonable.  CAE also contends that the agency's discussions with CAE under this factor were not meaningful.  The protester also challenges the agency's cost realism evaluation.  While we do not address each of the protester's allegations, and variations thereof, we have considered all of CAE's arguments and find no basis to sustain the protest.2

Organization and Staffing Evaluation

The protester challenges the agency's evaluation of both CAE's and URS' proposals under the organization and staffing factor.  With respect to CAE, the protester argues that the agency unreasonably assessed deficiencies in its proposal.  With respect to URS, the protester argues that the Army failed to recognize that aspects of URS' proposal were unacceptable.  We find the agency's evaluation unobjectionable.

In reviewing a protest challenging an agency's technical evaluation, our Office will not reevaluate proposals, nor substitute our judgment for that of the agency, as the evaluation of proposals is a matter within the agency's discretion since the agency is responsible for defining its needs and the best method of accommodating them.

2 For example, CAE alleges that the source selection authority (SSA) failed to exercise independent judgment in arriving at the source selection decision.  We find no basis to object to the SSA's judgments because the SSA was permitted to rely on the analysis of the agency's evaluators.  U.S. Electrodynamics, Inc., B-414678, Aug. 1, 2017, 2017 CPD ¶ 252 at 8.  Further, the record reflects that the SSA independently made the determination that CAE was not eligible for award and that URS provided the lowest-cost, technical-acceptable proposal.  AR, Tab 51, SSD, at 10.
Noridian Administrative Services, LLC, B-407355; B-407355.3, Dec. 21, 2012, 2013 CPD ¶ 15 at 4. Rather, we will review the record only to determine whether the agency’s evaluation was reasonable and consistent with the stated evaluation criteria and with applicable procurement statutes and regulations. Shumaker Trucking & Excavating Contractors, Inc., B-290732, Sept. 25, 2002, 2002 CPD ¶ 169 at 3. A protester’s disagreement with the agency’s evaluation judgments, without more, does not render those judgments unreasonable. Smiths Detection, Inc.; Am. Sci. and Eng’g, Inc., B-402168.4 et al., Feb. 9, 2011, 2011 CPD ¶ 39 at 6-7.

With respect to the agency’s evaluation of CAE’s proposal, CAE challenges each of the six deficiencies assigned to its proposal. As explained below, we find that the agency reasonably found CAE’s proposal unacceptable and ineligible for award.

The RFP sought flight training and flight training support services for Army and Air Force personnel. RFP, PWS, at 17. For Army personnel, the flight training included initial entry rotary wing (IERW) flight training for newly appointed commissioned officers and warrant officers, and graduate training for already qualified aviators. Id. The IERW training included two flight courses: IERW common core course for the UH-72A (Lakota) utility helicopter, and IERW common core course for the TH-67 (Creek) and OH-58A (Kiowa) training helicopters. RFP, attach. No. 5, Master Course List, at 1; COS at 3. The RFP detailed that the common core courses are offered during a 22-week session and within any given fiscal year there are ten courses on-going at any one time. RFP, attach. No. 2, Estimated/Projected Workload, at 1-2; COS at 14. The Army graduate training consists of five graduate level courses, including a rotary wing instrument flight examiner (RWIFE) course. RFP, attach. No. 5, Master Course List, at 1.

To appropriately staff the agency’s requirement for these courses, the solicitation required an offeror to propose a plan for flight and academic instructor staffing. RFP at 99. The RFP stated that an offeror’s staffing plan would be evaluated to determine whether the proposal satisfies the requirements set forth in the PWS for properly qualified instructors and an appropriate staffing level. Sections C1.5.2 and C1.5.3 of the PWS provided, in relevant part:

C1.5.2 Flight Instructors

C1.5.2.1 The daily required number of instructors shall be based on the projected in-resident number of students by stage/course as indicated by the estimated/projected workload (Attachment 2). . . .

C1.5.2.2 The Contractor shall provide personnel to train the student load using two to one (2:1) student to flight instructor ratio.

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C1.5.3 Academic Training Instructors
C1.5.3.1 The contractor shall provide instructors to train the student load using the number of academic courses in which an Academic Instructor may reasonably maintain annual certification requirements. . . .

RFP, PWS, at 19-20. The RFP also included an attachment that provided offerors with the estimated/projected workload for the base year of the contract. RFP, attach. No. 2. The attachment detailed that an offeror “shall use the student in-resident loads as a basis for proposal prices and the number of personnel required to meet or exceed the performance standards. . . .” Id. at 1. The attachment also noted that more information on student loads, sequencing, and report and close dates could be found in RFP attachment 5 (master course list) as well as associated flight training guides, program of instruction, and course management plans. Id. As relevant here, for the IERW common core course, attachment 2 provided an estimated student load of 440 students on any single training day.  

CAE’s proposal stated that the firm calculated the required number of flight, simulator, and academic instructors based on the student load, as well as the number of required contractor hours of instruction for each syllabus and method of instruction. AR, Tab 39, CAE Final Proposal, at 63. CAE additionally explained that it had “developed a proprietary system to propose the staffing necessary to meet the ratios required by the syllabi.” CAE Comments at 14. With respect to the common core courses, CAE proposed “[t]o account for appropriate personnel to train the student load using two to one (2:1) student-to-flight instructor ratio for the TH-67 and UH-72 COMM CORE courses, CAE provided [DELETED] instructors . . . .” AR, Tab 39, CAE Final Proposal, at 63.

The agency assigned a deficiency to CAE’s proposal after concluding that its flight instructor staffing was insufficient. AR, Tab 51, SSD, at 7. The evaluators found that for the IERW common core training, which required a student-to-flight instructor ratio of 2:1, CAE’s proposal of [DELETED] flight instructors was too low by [DELETED] flight instructors because 220 flight instructors are required for a student load of 440 in accordance with the 2:1 ratio. AR, Tab 51, SSD, at 7.

CAE challenges this deficiency asserting that the agency’s evaluation was based upon a level of staffing not required by the solicitation. In this regard, CAE contends that the agency misunderstands the ratios required by its own RFP and argues that the 2:1 student-to-flight instructor requirement did not specifically apply to every common core class as certain classes permitted a higher 16:1 or 24:1 ratio (e.g. academic lectures).

3 Offerors had to calculate the daily student load using the information contained in attachment 2 (10 courses x 44 students in each course = 440 student load). The protester agrees that attachment 2 provided a daily student load of 440 for the common core courses. See CAE Comments at 7 (“CAE assumed a 440 student load when creating its staffing numbers for the entirety of the proposal.”).
CAE argues that the agency failed to consider various solicitation attachments (programs of instruction, syllabus of instruction, and flight training guides), which the protester alleges provided class-specific instructor staffing ratios and formed the basis of CAE’s calculation of the required number of instructors. We find no basis to question the agency’s evaluation of CAE’s flight instructor staffing.

The solicitation stated that the proposals would be evaluated based on compliance with sections C1.5.2 Flight Instructors and C1.5.3 Academic Instructors. RFP at 105. Section C1.5.2.2 required personnel to train the student load using 2:1 student-to-flight instructor ratio. Id., PWS, at 19. With respect to calculating the necessary number of flight instructors, the RFP instructed that “[t]he daily required number of instructors shall be based on the projected in-resident number of students by stage/course as indicated by the estimated/projected workload (Attachment 2).” Id. Attachment 2 provided that there were 440 students present on any given day of training. See RFP, attach. No. 2 at 1-2.

As the agency explains, to meet the required 2:1 ratio of PWS section C1.5.2.2, using the projected in-resident number of students (440), an offeror would need to propose at least 220 flight instructors. COS at 14. We see nothing unreasonable with this assessment. While the protester argues that the agency failed to consider its own scheduling and class requirements set forth in the programs of instruction, syllabus of instruction, and flight training guides, we find the agency’s evaluation was consistent with the solicitation’s criteria. In this regard, the solicitation stated that the daily number of flight instructors shall be based on a 2:1 ratio using the projected in-resident number of students in attachment 2 (440). RFP, PWS, at 19. The PWS did not provide for an assessment of class-specific ratios given in the programs of instruction, syllabus of instruction, and flight training guides. Moreover, any conflict between the 2:1 ratio requirement in PWS C1.5.2.2 and the programs of instruction, syllabus of instruction, and flight training guides would present, at best, an ambiguity in the solicitation. Any such ambiguity, however, would be obvious on the face of the solicitation, and therefore would constitute a patent ambiguity that should have been challenged prior to the time for receipt of initial proposals. See 4 C.F.R. § 21.2(a)(1); Protection Strategies, Inc.,

4 CAE’s proposal and protest reference the term instructors in various places without further detail. It is not clear in each instance whether CAE intended this general reference to mean flight instructors, academic instructors, simulator instructors, or a combination thereof.

5 The protester asserts that the programs of instruction, syllabus of instruction, and flight training guides are controlling over the PWS requirements because the PWS was listed in the specifications section of the RFP, which FAR 52.215-8 provides is given less weight than these solicitation attachments. We disagree. The RFP, section M, provided for the evaluation of flight instructor staffing based upon PWS C1.5.2 and the student load referenced in attachment 2. Thus, as provided in the RFP, the PWS 2:1 ratio requirement formed the basis of the agency’s evaluation, not the programs of instruction, syllabus of instruction, and flight training guides.
B-414648.2, B-414648.3, Nov. 20, 2017, 2017 ¶ __ at 12 (solicitation provisions in direct conflict demonstrate a patent ambiguity that must be challenged prior to the time for receipt of initial quotations or proposals). On this record we find no basis to sustain the protest.

Accordingly, we find that the agency appropriately assigned CAE’s proposal a deficiency due to an insufficient number of flight instructors for the common core flight instruction classes. Since this one deficiency alone would render CAE’s proposal unacceptable, we do not address the protester’s challenges to the agency’s assignment of the other five deficiencies. In this regard, even if the agency erred in the evaluation of any of the five remaining deficiencies, the protester could not demonstrate it was prejudiced by any error. Competitive prejudice is an essential element of a viable protest; where, as here, the record establishes no reasonable possibility of prejudice we will not sustain a protest even if a defect in the procurement is found. Melling, LLC, dba MellingMedical, B-413085.2, Oct. 25, 2016, 2017 CPD ¶ 35 at 7-8 n. 10.

The protester also alleges that the agency’s discussions with CAE were not meaningful with respect to the required number of flight instructors for the IERW common core courses.

The Army’s evaluation notice included the following, with respect to CAE’s flight instructor staffing of the common core courses:

Following the review of the Dec, 2016 final revised proposal ambiguity remains present regarding employee staffing as defined in C1.5.2 through C 1.5.3 of the PWS.

Considering all applicable Request for Proposal (RFP) references[,] using a single numerical value for each bullet[,] define the following:

(a) C1.5.2.2 The Contractor shall provide personnel to train the student load using two to one (2:1) student to flight instructor ratio.

In support of:

• 2C-IERW (TH-67 COMM CORE) and 2C-IERW-CC (UH-72 COMM CORE) [Common Core Courses]

AR, Tab 35, Evaluation Notice, at 3.

CAE alleges that the information provided in the Army’s evaluation notice did not properly notify the protester of the agency’s concern. The protester asserts that the agency’s notice should have specifically noted that CAE had proposed an insufficient number of common core flight instructors. We disagree.
The FAR requires agencies conducting discussions with offerors to address, “[a]t a minimum . . . deficiencies, significant weaknesses, and adverse past performance information to which the offeror has not yet had an opportunity to respond.” FAR § 15.306(d)(3). 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 in a manner to materially enhance the offeror’s potential for receiving the award. FAR § 15.306(d); Cubic Simulation Sys., Inc., B-410006, B-410006.2, Oct. 8, 2014, 2014 CPD ¶ 299 at 12. The requirement that discussions be meaningful, however, does not obligate an agency to spoon-feed an offeror or to discuss every area where the proposal could be improved. FAR § 15.306(d)(3); Insignia-Spectrum, LLC, B-406963.2, Sept. 19, 2012, 2012 CPD ¶ 304 at 5. Instead, to satisfy the requirement for meaningful discussions, an agency need only lead an offeror into the areas of its proposal requiring amplification or revision. CEdge Software Consultants LLC, B-408203, July 19, 2013, 2013 CPD ¶ 177 at 7. Here, we find that the agency’s discussions meaningfully alerted CAE of the aspect of its proposal needing further consideration.

As demonstrated above, the Army’s evaluation notice specifically focused on the common core training deficiency at issue. Indeed, the protester concedes that the “Army had previously issued an EN [evaluation notice] on this point.” Protest at 10. The evaluation notice also reaffirmed the requirement of a 2:1 student-to-flight instructor ratio and asked the protester to address the number of flight instructors proposed. While the protester alleges that to be meaningful, the agency was required to specifically alert the protester that its proposed number of instructor pilots was too low, we find that the agency’s recitation of the 2:1 student-to-flight instructor ratio for the common core courses at issue was sufficient to indicate the area of the proposal that needed to be addressed.

In sum, we find that the agency engaged in meaningful discussions with the protester and that the agency reasonably concluded that the protester failed to provide a sufficient number of common core flight instructors. Accordingly, the agency evaluation of CAE’s proposal as unacceptable and ineligible for award was reasonable.

CAE also challenges the agency’s evaluation of URS’ flight instructor staffing. CAE argues that the agency’s evaluation was unreasonable because URS failed to provide a sufficient number of flight instructors for the Army RWIFE graduate course. We find the agency’s evaluation unobjectionable.

As stated above, section C1.5.2.2 of the PWS required a 2:1 student-to-flight instructor ratio. RFP, PWS, at 19. This requirement applied to both the IERW common core courses and the Army’s RWIFE graduate course. Id. CAE argues, as it did with respect to the IERW common core courses, that the agency’s evaluation should have considered the ratios listed in the RWIFE programs of instruction, syllabus of instruction, and flight training guides to evaluate the offerors flight instructor staffing. Specifically, CAE contends that during stage II of the RWIFE course these documents provide for a 1:1 student-to-flight instructor ratio. CAE asserts the awardee’s proposal was
unacceptable and ineligible for award since URS proposed a 2:1 ratio for the RWIFE course. For the same reasons as explained above, we do not agree with the protester’s assertion that the solicitation required a ratio a 1:1 ratio for flight instructors. In this regard, the PWS' 2:1 ratio was mandated by the RFP and any ambiguity introduced by the programs of instruction, syllabus of instruction, and flight training guides was required to be challenged prior to the receipt of proposals.

Moreover, with respect to the RWIFE course, the agency argues that the protester’s reliance on these attachments is misplaced. In this regard, the contracting officer explains that while these documents provide a 2:1 ratio in stage I and III, where both students engage in simulator training at the same time, and stage II provides a 1:1 ratio, where the instructor is in one seat of the simulator, the 2:1 overall ratio is still unchanged. COS at 15. This is so because the second student, not participating in the stage II simulator training, is observing the training. Id. That student then switches positions with the other student at the conclusion of the simulation session. Id. Thus, the overall 2:1 ratio is unaffected. Since we have no basis to question the contracting officer’s statement, and the protester failed to rebut the agency’s explanation, we find no basis to question the agency’s evaluation of URS’ proposal.

CAE also challenges the agency’s evaluation of the awardee’s key personnel under the organization and staffing factor. CAE contends that the agency’s evaluation of URS’ key personnel was flawed because the resumes of URS’ contract manager and basic warfighter skills (BWS) division director did not satisfy the solicitation’s minimum requirements. Based on our review of the record, we find no basis to sustain the protest.

The PWS provided both general personnel requirements (section C1.6) and certifications and qualifications (section C1.7). RFP, PWS, at 20-24. As relevant to the protest, PWS sections C1.6 and 1.7 provided:

C1.6.7 Aviation Training Related Management

* * *

C1.6.7.3 Shall have five years’ experience in rotary wing flight training appropriate for the position to be filled.

* * *

C1.7.5 All Flight Instructor Personnel:

* *

C1.7.5.11 Night Flying – 75 hours.
C1.7.6  Basic Warfighter Skills [BWS] Instructors.  Shall be certified Night Vision Goggle (NVG) qualified and have 200 hours of NVG time.

Id. at 21-23.

The RFP required an offeror to provide resumes for key personnel and stated that “an acceptable proposal is one in which the resumes provided for key personnel clearly meet or exceed all of the requisite education, training, experience, [and] certification requirements as defined in the PWS, Section C, Paragraph C1.6 Personnel General Requirements and C1.7 Certification and Qualification.” Id. at 99, 105. Both the contract manager and BWS division director were listed in the solicitation as key personnel. Id. at 18-19. The solicitation also provided that employees of the incumbent contractor, hired into the same position by a successor contractor, are considered to have previously met the certification and qualification requirements for hire in that position and to be fully qualified to hold that position. Id. at 20. The RFP also explained that those employees of a successor contractor qualifying under this provision, if promoted or otherwise moved to another position on this contract, shall meet the specific certification and qualification requirements of the new contract position before performing duties in the new positions. Id.

The protester alleges that the URS’ proposal was unacceptable because its proposed contract manager and BWS division director failed to meet the minimum requirements of the PWS. Specifically, CAE contends that the resume of URS’ proposed contract manager does not clearly show that he has a minimum of five years of experience in rotary wing flight training appropriate for the position in accordance with PWS section C1.6.7.3, and the resume of the proposed BWS division director does not demonstrate that he has 75 hours of night flying experience and 200 hours of night vision goggle time in accordance with PWS sections C1.7.5.11 and C1.7.6.

Based on our review of the record and the agency’s explanations, we find the agency’s determination that the experience of URS’ proposed key personnel met the solicitation’s requirements was reasonable. With respect to the contract manager, the resume provided over 22 years of experience including, as relevant here, the following positions: Commander, Rotary Wing Aviation Unity in Sinai Egypt (2007-2009); Commander, 1st Battalion–23rd Aviation Regiment at Fort Rucker (2013-2015); Primary Instructor Pilot for URS at Fort Rucker on the Rotary Wing (2015-2016); and Director of Training for URS on the incumbent contract (2016-present). AR, Tab 43, URS Final Technical Proposal, Appendix 1, Resumes of Key Personnel, at i. The agency explains that it included the individual’s experience as a
Commander because unit commanders are responsible for all unit training. COS Supp. at 9. Thus, the agency accepted this rotary wing flight training experience as appropriate for the contract manager position. Id. While the protester argues that the proposed contract manager's experience as a Commander prior to 2013 does not meet the "direct hands-on" experience conducting rotary wing flight training required by the solicitation, we disagree that the RFP contained such a requirement. Indeed, the RFP stated only “[s]hall have five years’ experience in rotary wing flight training appropriate for the position to be filled.” RFP, PWS, at 21. On this record, we have no basis to question the Army’s assessment.

With respect to URS’ proposed BWS division director, we also find the agency’s evaluation unobjectionable. The agency states that it determined that the individual proposed for this position met the requirements because his resume provided that the individual completed a night vision goggle method of instruction course. COS Supp. at 10; AR, Tab 43, URS Final Technical Proposal, Appendix 1, Resumes of Key Personnel, at viii. The agency explains that the completion of this course demonstrates that the individual is a qualified night vision goggle instructor pilot and has been trained to administer training to other instructor pilots and qualify others with night vision goggles, which exceeds the requirement for 75 hours night flying experience and 200 hours of night vision goggle time. COS Supp. at 10.

We see nothing unreasonable with this assessment. While we agree with the protester that the resume does not list the hours of night flying experience or hours of night vision goggle time, the agency’s reliance on knowledge of the night vision method of instruction course is not improper. An agency is not bound by the “four corners” of an offeror’s proposal, and may properly use information known by its own evaluators to aid in the evaluation of proposals. Interfor US, Inc., B-410622, Dec. 30, 2014, 2015 CPD ¶ 19 at 6-7 (agency properly used evaluator knowledge of subcontractors’ experience and available equipment to evaluate awardee’s technical approach); see also Park Tower Mgmt. Ltd., B-295589, B-295589.2, Mar. 22, 2005, 2005 CPD ¶ 77 at 6. We find no basis to question the agency’s judgment; the protester’s disagreement with the agency’s analysis, without more, does not provide a basis to sustain the protest. 6

6 Although the protester claims that we should give no weight to the agency’s explanations, our Office generally considers post-protest explanations, such as these, where the explanations provide a detailed rationale for contemporaneous conclusions and fill in previously unrecorded details, so long as the explanations are credible and consistent with the contemporaneous record. Lynxnet, LLC, B-409791, B-409791.2, Aug. 4, 2014, 2014 CPD ¶ 233 at 6. Here, the contracting officer’s statements are consistent with the resumes, and provide a more detailed explanation of the Army’s evaluation in the contemporaneous record.

7 We also note that the proposed BWS division director’s resume reflects that he is currently the BWS Flight Commander on URS’ incumbent contract. AR, Tab 43, URS Final Technical Proposal, Appendix 1, Resumes of Key Personnel, at viii. The requirements of PWS sections C1.7.5--All Flight Instructor Personnel and C1.7.6--Basic (continued...)
Cost Evaluation

Next, CAE challenges the agency evaluation of the awardee’s costs. The protester argues that the Army’s cost realism analysis was unreasonable because URS’ proposed cost failed to include overhead or general and administrative (G&A) costs and the agency failed to consider the performance risk associated with this approach. In a supplemental protest, CAE also challenges the agency’s analysis arguing that the agency failed to consider multiple cost assumptions of the awardee. The protester argues that had the agency reasonably considered and adjusted URS’ costs, CAE would have been the lowest-cost proposal.

In response, the agency argues that such costs were properly considered and adjusted. We agree; however, we need not address the protester’s arguments because CAE is

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Warfighter Skills [BWS] Instructors, which include the 75 hours of night flying and 200 hours of night vision goggle time at issue here, apply to both positions. Since the RFP provided that the agency would consider incumbent contractor employees, hired into the same position by a successor contractor, to have “previously met the certification and qualification requirements for hire in that position,” the agency could reasonably conclude that the proposed BWS Division Director, as the incumbent BWS Flight Commander, previously met these general certification requirements. In this regard, although the solicitation advised that incumbent employees promoted or moved to another position, “shall meet the specific certification and qualification requirements of the new contract position before performing duties in the new positions,” the 75 hours of night flying and 200 night vision goggle time were not “specific certification and qualification requirements” of the BWS division director position; rather, these were general requirements for all BWS instructors. RFP at 20.

This allegation--the Army failed to consider the performance risk associated with URS’ decision to exclude the costs overhead and G&A--does not provide a valid basis of protest. As explained by the agency and documented in the record, URS’ cost proposal did not exclude overhead and G&A costs. AR, Tab 44, URS Cost Narrative, at 19; see also Tab 45, URS Cost Spreadsheet. Thus, we find that there is no factual basis to support the protest’s allegation and dismiss this aspect of the protest.

Agencies are given broad discretion to conduct cost realism evaluations, thus our review of an agency’s cost realism evaluation is limited to determining whether the cost analysis is reasonably based and not arbitrary. See Tridentis, LLC, B-410202.2, B-410202.3, Feb. 24, 2015, 2015 CPD ¶ 99 at 7. Based on our review of the record, we find no merit to the protest’s allegations. For example, the protester alleges that the agency failed to consider that URS proposed to replace retired employees with individuals with no experience. However, the protester mischaracterizes the awardee’s proposal. URS’ proposal stated that it would replace retiring employees with new employees with less tenure and compensation. AR, Tab 44, Cost Narrative, at 77. The proposal does not state that the new employees would have no experience as the (continued...)
not an interested party to raise these allegations since its proposal was properly found technically unacceptable and ineligible for award.  All Native, Inc., B-411693 et al., Oct. 5, 2015, 2015 CPD ¶ 337 at 5.  That is, even if CAE is correct that the agency failed to properly consider and adjust URS’ costs, CAE cannot establish that it is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of a contract or the failure to award a contract because its proposal is ineligible for award. As the only remaining technically-acceptable offeror, the adjustment of URS’ costs upward would not affect the propriety of the agency’s award decision.

The protest is denied.

Thomas H. Armstrong
General Counsel

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protester alleges.  Id.  In any event, the record demonstrates that the agency fully considered URS’ costs and made adjustments to the costs as necessary. AR, Tab 50, Price Negotiation Memorandum, at 11-12, 24; Tab 71, Price/Cost Analysis Statement, at 1-2.  Thus, we find this allegation does not provide a basis to question the agency’s assessment.  With respect to the protester’s remaining cost realism assertions, we find no basis to question the agency’s conclusions. While the Army may not have evaluated URS’ cost proposal to the more exacting degree that CAE (and its cost analyst) would have preferred, an agency is not required to conduct an in-depth cost analysis, see FAR § 15.404-1(c), or to verify each and every item in assessing cost realism; rather, the evaluation requires the exercise of informed judgment by the contracting agency. Cascade Gen., Inc., B-283872, Jan. 18, 2000, 2000 CPD ¶ 14 at 8.  An agency’s cost realism analysis need not achieve scientific certainty; rather, the methodology employed must be reasonably adequate and provide some measure of confidence that the rates proposed are reasonable and realistic in view of other cost information reasonably available to the agency as of the time of its evaluation. See SGT, Inc., B-294722.4, July 28, 2005, 2005 CPD ¶ 151 at 7; Metro Mach. Corp., B-295744, B-295744.2, Apr. 21, 2005, 2005 CPD ¶ 112 at 10-11.