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Decision

Matter of: Enterprise Services, LLC; Accenture Federal Services, LLC; CSRA LLC

File: B-415368.2; B-415368.3; B-415368.4; B-415368.6; B-415368.7;
B-415368.8; B-415368.9; B-415368.10; B-415368.11; B-415368.12

Date: January 4, 2018

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DIGEST

1. Protests challenging the agency's evaluation of offerors' technical and price proposals are denied where the evaluations and source selection decision were reasonable and consistent with the terms of the solicitation.

2. Protests that the acquisition of an offeror's information technology (IT) division by another firm prior to award rendered improper the evaluation of the offeror's proposal and its award of a fixed-price contract for IT services is denied where the proposal informed the agency of the impending corporate transaction and the agency reasonably determined that the transaction would not have a material impact on performance of the contract and where the protesters have not shown that the resources of the IT business have been rendered unavailable by the transaction or that the awardee's successor in interest intends to perform in a manner differently than what was proposed.

DECISION

Enterprise Services, LLC, of Herndon, Virginia (Enterprise); Accenture Federal Services, LLC, of Arlington, Virginia (Accenture); and CSRA LLC, of Falls Church, Virginia (CSRA), protest the award of multiple contracts under request for proposals (RFP) No. SSA-RFP-17-1001, issued by Social Security Administration for information technology (IT) services.¹ The protesters challenge the agency's evaluation of technical and price proposals, as well as the agency's best-value determination and source selection decision.

We deny the protests.

BACKGROUND

The RFP was issued on March 31, 2016, pursuant to Federal Acquisition Regulation (FAR) parts 12 and 15, and provided for the award of one or more fixed-price, indefinite-delivery, indefinite-quantity (IDIQ) contracts for a 21-month base period and four 2-year option periods. RFP at 1-2, 18-20, 31, 83, 97.² The RFP included a detailed statement of work (SOW) specifying five broad task areas: (1) lifecycle activities for software improvement and web/interface; (2) database and data administration; (3) software engineering and management support; (4) systems administration and systems security support; and (5) contract management. Id., attach. 4, SOW at 154-55. Each task area listed numerous technical specifications and required functions, including the requirement to provide support for dozens of commercial software platforms and applications. Id. at 155-66. The RFP also required that all IT solutions, documentation, and technical support be fully accessible to end users with disabilities, consistent with Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794d), and the agency's accessibility requirements as specified in the solicitation. Id. at 13; attach. 1, Accessibility Requirements, at 105-11.

The RFP stated that award would be based on a best-value tradeoff among four evaluation factors, listed in descending order of importance: corporate experience, management plan, past performance, and price. See RFP at 83, 97-98. The management plan evaluation factor included three subfactors of equal importance: project management plan; general staffing plan (staffing); and experience and qualification of proposed key personnel (key personnel). Id. at 100-101. The RFP advised that the non-price evaluation factors, when combined, were significantly more important than the price factor. Id. at 83, 98.

¹ The awardees are CGI Federal Inc., of Fairfax, Virginia (CGI); Lockheed Martin Corporation, of Gaithersburg, Maryland (Lockheed); and Northrop Grumman Systems Corporation, of McLean, Virginia (Northrop).

² Citations to the RFP are to the conformed version of the solicitation, including pagination, as provided in the agency report. Agency Report (AR), Tab 2A, RFP.

Offerors were to submit separate technical and business (or price) proposals. Id. at 96. The solicitation reserved the agency's right to make award based on initial proposals, or to conduct discussions if the contracting officer deemed necessary. Id. at 98. In their technical proposals, offerors were to acknowledge that they had read and agreed to comply with the Section 508 and agency accessibility requirements. Id. at 85.

With respect to the corporate experience evaluation factor, offerors were to describe their experience providing services as a prime contractor under three public or private sector contracts, each of which was to include work under all five SOW task areas. See id. at 86-88. The contracts must have been completed within the past 5 years (or if the contract was currently being performed, must have had at least 2 years of performance prior to submission of proposals) and performed within specified geographic areas. Id. Moreover, each contract should have at least 2 years of performance at an "annual obligated" amount of \$70 million, which could include task orders issued by the same agency under an IDIQ contract. See id. Offerors were to identify the contract, its dollar value, and the awarding entity, and submit a complete description of the services provided under each SOW task area, among other things. Id. at 88-89.

With respect to the management approach evaluation factor, offerors were to propose a project management plan, staffing plan, and four individuals to perform in the key personnel positions specified in the RFP. Id. at 44, 89-90. The project management plan was to address, among other things, how the offeror would manage multiple tasks from several agency customers, as well as the roles, authority, and proposed lines of communications among the contractor's resources and the agency. See id. at 89. The staffing plan was to describe the offeror's proposed labor categories and correlate them to the categories listed in the RFP. See id.; attach. 3, Labor Categories & Qualifications, at 124-52. For each labor category that it proposed, the offeror was to identify the position's education level, years of experience, skills, and certifications, and document how the offeror established those criteria. See RFP at 89. The staffing plan was also to discuss the offeror's plan for recruiting and retaining experienced staff, as well as its plan for soliciting personnel to fill vacancies. Id. The protesters do not challenge the agency's evaluation of proposed key personnel.

With respect to the past performance evaluation factor, offerors were to submit, for each contract cited under the corporate experience evaluation factor, a past performance questionnaire and contact information for the awarding entity's contracting officer or program manager. See id. at 90-91. If the reference was for an IDIQ contract, the offeror was to provide contact information for up to 10 of the most relevant task orders. Id. Offerors were also to describe any significant performance problems encountered and explain how the offeror resolved the problems. Id. at 91.

Finally, with respect to price, offerors were to propose fully-burdened, fixed hourly rates for 28 labor categories for each calendar year, using the Excel spreadsheets included as an attachment to the RFP. Id.; attach. 2, Pricing Matrixes, at 112-23. The pricing spreadsheets were prepopulated with notional labor hours and programmed to calculate

the offeror’s proposed annual labor price and total labor price for all performance periods.³ Id. Offerors were to propose rates that were consistent with, or discounted from, the rates that the offeror charged other customers for similar services under current or prior contracts, and explain and support any differences between the established rates and the rates proposed to the government. See RFP at 92-93. Offerors were also to identify any assumptions, constraints, or other information affecting the proposed rates. Id. at 92.

Eight offerors, including the three protesters and three awardees, submitted proposals by the May 11, 2016, deadline.⁴ The relevant proposals were evaluated as follows:

	Accenture	CSRA	Enterprise	CGI	Lockheed	Northrop
Corp. Exp.	Marginal	Marginal	Satisfactory	Satisfactory	Exceptional	Exceptional
<i>Contract 1</i>	Marginal	Marginal	Marginal	Exceptional	Exceptional	Exceptional
<i>Contract 2</i>	Satisfactory	Marginal	Satisfactory	Satisfactory	Exceptional	Very Good
<i>Contract 3</i>	Marginal	Marginal	Satisfactory	Marginal	Very Good	Exceptional
Mgmt. Plan	Exceptional	Very Good	Very Good	Very Good	Exceptional	Exceptional
<i>Proj. Mgmt.</i>	Exceptional	Very Good	Satisfactory	Very Good	Exceptional	Exceptional
<i>Staffing</i>	Very Good	Very Good	Very Good	Satisfactory	Very Good	Exceptional
<i>Key Pers.</i>	Exceptional	Exceptional	Exceptional	Very Good	Exceptional	Exceptional
Past Perf.	Very Good	Satisfactory	Very Good	Very Good	Exceptional	Exceptional
<i>Contract 1</i>	Exceptional	Satisfactory	Satisfactory	Very Good	Exceptional	Exceptional
<i>Contract 2</i>	Very Good	Satisfactory	Very Good	Exceptional	Exceptional	Very Good
<i>Contract 3</i>	Very Good	Satisfactory	Exceptional	Neutral	Exceptional	Exceptional
TEP⁵	\$2,539,306,130	\$2,543,720,469	\$2,897,885,857	\$2,404,559,087	\$2,319,113,031	\$3,077,036,021

³ The RFP advised that the labor hours listed in the pricing spreadsheets were estimates provided for evaluation purposes only and that those hours may not reflect the actual volume of services to be ordered under the contract. RFP at 91-92.

⁴ AR, Tab 2D, Source Selection Determination (SSD), at 2. Accenture, CSRA, Lockheed, and Northrop are all incumbents.

⁵ The RFP provided that an offeror’s total evaluated price (TEP) would be the sum of their total labor prices for all performance periods, including a 6-month option to extend services, plus the government’s estimate (\$11,900,000) for other direct costs (ODC) for all option periods. See RFP at 31 (incorporating FAR clause 52.217-8, Option to Extend Services), at 92, 102; AR, Tab 2D, SSD, at 6.

AR, Tab 2D, SSD, at 5-6.⁶ The agency did not conduct discussions or request revised proposals. The findings of the technical evaluation panel and the price evaluators, as well as the RFP's evaluation provisions, are addressed in relevant part below. The contracting officer, who was the source selection authority for this procurement, performed a best-value tradeoff. On August 21, 2017, the agency awarded contracts to CGI, Lockheed, and Northrop, valued at their respective total evaluated prices listed in the table above. See id. at 71. These protests followed.

DISCUSSION

Accenture, Enterprise, and CSRA protest various aspects of the technical and price evaluations, as well as the contracting officer's best-value tradeoff and source selection decision. Although we do not address each of the protesters' many arguments, we have considered all of the protesters' contentions and find that none provide a basis to sustain the protests.⁷ Below we address some of the protesters' more salient arguments.

Corporate Experience Evaluations

Accenture protests the evaluation of its corporate experience.⁸ CSRA also protests the evaluation of its corporate experience, as well as the evaluation of CGI's corporate experience.

⁶ The RFP provided for an initial pass/fail evaluation of whether offerors provided a written acknowledgement that they had read and agreed to comply with the Section 508 and agency accessibility requirements. RFP at 83, 98. All eight offerors passed this initial phase of the evaluation. AR, Tab 2D, SSD, at 3.

⁷ For example, while CSRA and Enterprise both protest the evaluations under the management plan evaluation factor, their challenges are based almost entirely on the protesters' disagreement with the evaluators' assessed adjectival ratings. See CSRA 3rd Supp. Protest at 13-14; CSRA Comments & 4th Supp. Protest (hereinafter, Comments) at 80-82; CSRA Supp. Comments at 77-80; Enterprise Protest at 9, 11-12. The essence of an agency's evaluation is reflected in the evaluation record itself, not the adjectival ratings. See Stateside Assocs., Inc., B-400670.2, B-400670.3, May 28, 2009, 2009 CPD ¶ 120 at 8. Without more, CSRA's and Enterprise's disagreements with assessed ratings are insufficient to show that the agency's evaluation of management plans was unreasonable or inconsistent with the terms of the RFP. See, e.g., Verdi Consulting, Inc., B-414103.2 et al., Apr. 26, 2017, 2017 CPD ¶ 136 at 6-7 n.8 (declining to address evaluation challenge based only on protester's disagreement with assessed adjectival ratings).

⁸ Enterprise initially challenged the evaluation of its corporate experience and past performance, but withdrew those protest grounds. See Enterprise Comments at 1 n.2. We also dismiss, as untimely, Enterprise's supplemental protest challenging the evaluation of CGI's corporate experience, because it was filed more than 10 days after

(continued...)

Where a protester challenges an agency's evaluation of experience or past performance, we will review the evaluation to determine if it was reasonable and consistent with the solicitation's evaluation criteria and procurement statutes and regulations, and to ensure that it is adequately documented. See Veteran Technologists Corp., B-413614.3, B-413614.5, Nov. 29, 2016, 2016 CPD ¶ 341 at 6; MFM Lamey Grp., LLC, B-402377, Mar. 25, 2010, 2010 CPD ¶ 81 at 10. The evaluation of an offeror's experience and past performance is within the discretion of the contracting agency, and we will not substitute our judgment for reasonably based evaluation ratings. MFM Lamey Grp., LLC, supra.

As set forth above, the RFP required offerors to describe their experience providing services under three contracts, each of which had to include work under all five SOW task areas. RFP at 86-88. For example, with respect to database and data administration (SOW task area no. 2), offerors were to describe their experience, among other things, providing technical database and data administration support across multiple software platforms and technologies, such as z/OS, WebSphere, UNIX, LINUX, Windows, CICS, COBOL, ALC, Java, SAS, SQL, Oracle PL/SQL, CA-IDMS, DB2, DB2 UDB, and Microsoft SQL Server. Id. at 87. With respect to software engineering and management support (SOW task area no. 3), offerors were to describe their experience providing, among other things, support for various software engineering methodologies, including Agile, Cloud, Development and Operations (DevOps), and virtualized infrastructures or Platform as a Service (PaaS). Id.

The RFP stated that the agency would assess the breadth, depth, and relevance of an offeror's experience on contracts where all five SOW task areas were performed and where each contract had an "annual obligated" amount of \$70 million for at least 2 years.⁹ Id. at 98-100. Offerors were informed that the evaluation "will only consider": (i) contracts completed within the past 5 years, or for current contracts, those with at least 2 years of performance prior to submission of proposals; and (ii) contracts completed or being performed within specified geographic areas not at issue here. Id.

(...continued)

Enterprise learned of that basis of protest when it received the agency's Contracting Officer's Statement and Memorandum of Law (COS/MOL), notwithstanding Enterprise's later receipt of the agency report exhibits. See id. at 17-19 (filed Nov. 13); COS/MOL at 55-56 (filed Oct. 30, describing CGI contract forming basis of supplemental protest); 4 C.F.R. § 21.2(b); see, e.g., Ti Hu, Inc., B-284360, Mar. 31, 2000, 2000 CPD ¶ 62 at 4 (supplemental protest grounds dismissed as untimely, notwithstanding protester's claim that they were based on latter-received attachments to the agency report, where the report itself contained a detailed discussion of the matters forming the basis of supplemental protests).

⁹ The RFP advised, in response to questions from offerors, that the 2 years of performance is from the date of proposal submission. RFP, Questions & Answers, at 265.

at 99 (emphasis added). Based on our review of the record, we find the corporate experience evaluations in question reasonable and consistent with these provisions.

Accenture's Corporate Experience

Accenture contends that the evaluators improperly assessed weaknesses in the protester's contracts under a number of task areas, including task area no. 3. Accenture Protest at 18-20. Accenture challenges, for example, the evaluators' assessment of a significant weakness in its technical proposal for not mentioning or providing examples of support for engineering methodologies in Cloud, virtualized infrastructures, DevOps, or PaaS, with respect to a Department of Education (DOE) contract cited by Accenture. See AR, Tab 2B, Tech. Evaluation (Eval.) Rep., attach. E, at 22. The evaluators concluded that Accenture's lack of experience with these technologies presented a risk of costly project delays. Id.

Accenture disputes this and similar assessments because, according to the protester, information regarding such tasks was "readily apparent" in various other sections, subsections, or paragraphs of Accenture's proposal that the evaluators must have ignored. See Accenture Comments at 17-21. For example, Accenture complains that while paragraph E.II.2.3.2 of its proposal--the section of the proposal that specifically addressed Accenture's task area no. 3 experience on the DOE contract--may not have addressed Cloud, virtualized infrastructures, or PaaS, such experience was otherwise "clearly accessible" in subsection E.II.2.4.1, which specifically addressed Accenture's experience under task area no. 4. Id. at 19.

The agency asserts that it reasonably evaluated Accenture's corporate experience as presented in its proposal, and that the evaluators were not required "to cobble together information" from other sections of the proposal addressing different task areas. See COS/MOL at 105-8, 114-16. Moreover, the agency contends that even if the evaluators were required to search through various sections of Accenture's technical proposal for relevant experience, the evaluators would have necessarily had to infer how those references were related to the particular tasks in question. See id. at 107-8, 115-16. We agree.

Agencies are not required to piece together general statements and disparate parts of a protester's proposal to determine the protester's intent. See, e.g., Optimization Consulting, Inc., B-407377, B-407377.2, Dec. 28, 2012, 2013 CPD ¶ 16 at 9 n.17 (agency not required to infer information from an inadequately detailed proposal). Rather, it is an offeror's responsibility to submit a well-written proposal, with adequately detailed information which clearly demonstrates compliance with the solicitation requirements and allows a meaningful review by the procuring agency, and an offeror runs the risk that the agency will, as here, unfavorably evaluate its proposal where it fails to do so. See, e.g., International Med. Corps, B-403688, Dec. 6, 2010, 2010 CPD ¶ 292 at 8, citing Mike Kesler Enters., B-401633, Oct. 23, 2009, 2009 CPD ¶ 205 at 3-4 (agency reasonably determined that the protester's proposal did not provide sufficient detail where the proposal lacked clear and consistent language and information).

Similarly, Accenture's contention that the agency failed to credit Accenture's proposal for its "numerous strengths" under the corporate experience factor, is also without merit. See Protest at 29-40. Contrary to Accenture's suggestion, the record shows that the evaluators assessed numerous strengths for Accenture's experience performing various SOW task areas. See AR, Tab 2B, Tech. Eval. Rep., attach. E, at 6-7, 18-21, 23, 26, 31. The technical evaluation report includes lengthy discussions of assessed strengths in Accenture's experience with the DOE contract with respect to SOW task no. 2, as well as Accenture's many strengths with respect to task no. 4 (systems administration and system security support) on a contract performed for the Department of the Army. See id. at 20-21, 31. Moreover, for each of Accenture's three contracts, the evaluation report contains extensive discussion of how the contracts met numerous RFP requirements for each SOW task area. See id. at 6-7, 9, 11, 13, 15, 18-19, 21-24, 26-28, 30-31, 33-35.

Although Accenture may not agree with the exact number of strengths that the evaluators assessed in Accenture's proposal, an agency is not required to document all "determinations of adequacy" or explain why a proposal did not receive a strength, weakness, or deficiency for a particular item.¹⁰ See Allied Tech. Grp., Inc., B-412434, B-412434.2, Feb. 10, 2016, 2016 CPD ¶ 74 at 13. Agencies are also not required to assign strengths for aspects of proposals that merely meet the requirements of the solicitation. See, e.g., Building Operations Support Servs., LLC, B-407711, B-407711.2, Jan. 28, 2013, 2013 CPD ¶ 56 at 6. Moreover, there is simply no requirement that the record explain how agency evaluators translated individual strengths and weaknesses into an offeror's assessed ratings, only that ratings be adequately supported in order to determine their reasonableness. Id.

CSRA's Corporate Experience

CSRA challenges virtually every aspect of the evaluation of its corporate experience, under every SOW task area and for every contract cited by CSRA. CSRA Protest at 12-41; CSRA 3rd Supp. Protest at 8-13; CSRA Comments at 38-80; CSRA 5th Supp. Protest at 2-14; CSRA Supp. Comments at 47-77. CSRA complains of "the widespread inequality that pervades the Agency's Corporate Experience evaluation," and claims that many of the assessed weaknesses in CSRA's proposal were unjustified and assessed unequally compared to the number of strengths and weaknesses assessed in the awardees' proposal. See CSRA Supp. Comments at 54. Like Accenture, CSRA also complains that the agency did not assess enough strengths for CSRA's corporate experience. While we have considered all of CSRA's many objections, our role is not to

¹⁰ We note that although the agency report addressed the protester's assertion, the extent of Accenture's response was to reiterate that the agency "underrated [Accenture's] proposal by failing to credit the strengths in" the proposal. Compare COS/MOL at 126-27 with Accenture Comments at 22.

determine if each individual evaluation finding regarding the offerors' corporate experience is accurate.¹¹

As an initial matter, we note that CSRA's disparate treatment arguments amount to little more than tallying the number of strengths and weaknesses assessed in CSRA's proposal. See, e.g., CSRA Comments at 50-51 (complaining that the evaluators assigned one strength to Lockheed and two strengths to Northrop for web portal design, but did not assign CSRA a strength in that respect). Our Office has repeatedly rejected protest arguments that essentially seek a mathematical or mechanical consideration of the number of weaknesses assessed against the offerors. See Burke Consortium, Inc., B-407273.3, B-407273.5, Feb. 7, 2013, 2013 CPD ¶ 74 at 10-12; see, e.g., MAXIMUS Fed. Servs., Inc., B-410359, Dec. 17, 2014, 2015 CPD ¶ 11 at 12-13 (denying protest challenge that amounted to nothing more than tallying the number of strengths and weaknesses assessed in the protester's technical proposal by the evaluators). As we state above, agency evaluators are not required to assign strengths for aspects of proposals that merely meet solicitation requirements. See Building Operations Support Servs., LLC, supra.

Moreover, CSRA essentially asks us to reevaluate the awardees' corporate experience. CSRA's comments on the agency reports, for example, include no less than four dozen citations to the awardees' technical proposals, including extensive discussion and wholesale excerpts of passages and charts from the proposals. See, e.g., CSRA Comments at 40 ("Northrop's discussion of . . . cloud implementation on its CMS¹² contract is ambiguous . . ."), at 48 ("Lockheed's NASA FDOC¹³ contract proposed for Task Area IV fails to mention any experience with Linux in the cloud . . ."); CSRA Supp. Comments at 74 ("CGI makes mention of Linux machines, but never states that those machines are on the cloud . . ."). It is not our role to independently evaluate proposals and substitute our judgment for that of the contracting activity. Analytic Servs., Inc., B-405737, Dec. 28, 2011, 2012 CPD ¶ 16 at 8. Rather, we will review an evaluation to ensure that it was reasonable and consistent with the evaluation criteria in the solicitation and applicable procurement statutes and regulations; a protester's disagreement with the evaluation, without more, does not show that it lacked a reasonable basis. Id. We thus decline CSRA's invitation to assess whether Northrop,

¹¹ See Information Spectrum, Inc., B-256609.3, B-256609.5, Sept. 1, 1994, 94-2 CPD ¶ 251 at 8; JWK Int'l, B-256609.4, Sept. 1, 1994, 95-1 CPD ¶ 166 at 6; see also NCLN20, Inc., B-287692, July 25, 2001, 2001 CPD ¶ 136 at 5 n.4 (finding that the fact that other offerors' proposals had deficiencies similar to the protester's does not demonstrate unequal treatment where the evaluation is based on the overall proposal not on a single deficiency).

¹² That is, the Department of Health and Human Services (HHS), Centers for Medicare and Medicaid Services (CMS).

¹³ That is, the National Aeronautics and Space Administration (NASA), Facility Development and Operations Contract (FDOC).

Lockheed, or CGI have sufficient experience providing Cloud-based services, for example.

To the extent that CSRA substantively challenges its own corporate experience evaluation, the protester either misstates the record or focuses on isolated statements in the technical evaluation report taken out of context. For example, CSRA claims that, with respect to its Department of Homeland Security (DHS), Transportation Security Administration (TSA) contract for IT Infrastructure Program (ITIP), the evaluators assessed a “devastating” significant weakness under task area no. 2 for not showing experience with CICS, COBOL, ALC, SAS, CA-IDMS, DB2, and DB2 UDB technologies. See CSRA Comments at 44-45, citing AR, Tab 2B, Tech. Eval. Rep., attach. G, at 20. However, CSRA does not dispute that its proposal actually states that the ITIP contract “does not currently include” support for those technologies.¹⁴ Instead, CSRA’s argument is that the agency’s assessment is unreasonable, because CSRA’s proposal otherwise states that support for those technologies “would be in-scope” of the TSA contract and that TSA “could issue additional task orders through the ITIP contract to support additional technologies.” See CSRA Supp. Comments at 47, 56-61, citing AR, Tab 6A, CSRA Tech. Proposal, at 70 (emphasis added). In other words, CSRA believes that the evaluators should have assessed a strength for CSRA’s experience on the ITIP contract, based on CSRA’s potential for future experience with the technologies in question. We find this argument to be both unsound and meritless.

CSRA makes a number of other inconsistent arguments with respect to the evaluators’ assessment of weaknesses under the ITIS contract. For example, CSRA complains that the assessment—that CSRA’s proposal did not mention any “accomplishments” supporting the platforms and databases that CSRA did cite—amounted to an unstated evaluation criterion, because “the Solicitation did not require offerors to itemize specific accomplishments.” CSRA Comments at 61, citing AR, Tab 2B, Tech. Eval. Rep., attach. G, at 20. Yet, the protester later attempts to rebut another assessment in the same contract (under task area no. 3), by arguing that CSRA’s proposal “chronicled one of its ‘recent accomplishments’” developing a particular mobile application. CSRA Comments at 64, citing AR, Tab 2B, Tech. Eval. Rep., attach. G, at 21.

Despite CSRA’s many objections, the record here, which is substantial, reflects that the evaluators thoroughly assessed offerors’ corporate experience, assigned strengths and weaknesses fairly, and adequately documented their findings. The record shows that the evaluators assessed strengths in all of CSRA’s contracts. See, e.g., AR, Tab 2B, Tech. Eval. Rep., attach. G, at 6, 17, 26 (assessing strengths, in all of CSRA’s contracts, for demonstrating the ability to manage projects at a scale larger than the requirement, which would benefit the agency by reducing transition and operational

¹⁴ See CSRA Comments at 57-62, citing AR, Tab 6A, CSRA Tech. Proposal, at 69-70 (emphasis added); CSRA Supp. Comments at 56-59. To be clear, we do not and did not reevaluate proposals. Rather, we compared the evaluators’ assessments with the passages that CSRA cites and excerpts from its proposal.

risk and risk of failure), at 14 (assessing a strength with respect to task area no. 5 on CSRA's CMS contract because of CSRA's "strong experience with maintaining a Quality Management Plan and providing quality assurance and control on active tasks [that] would benefit the agency by leading to an increase in work product acceptance and less software defects escaping to production."), at 22 (assessing a strength with respect to task area no. 4 on CSRA's TSA ITIP contract because CSRA's "strengths with cyber security would benefit [the agency] by decreasing cyber and intrusion threats."), at 29 (assessing a strength with respect to task area no. 3 on CSRA's DHS contract because CSRA's "strong experience with DevOps would benefit [the agency] by increasing communication between developers and operations personnel, faster Return on Investment (ROI), and a decreas[e] in escaped defects.").

According to the agency, however, CSRA's proposal merited few strengths and numerous weaknesses, because it lacked details to show that it exceeded or met technical requirements. 2nd Supp. COS/MOL at 7. The agency contends that CSRA generally presented much of its proposal in simple bullet form and that, at times, the information in those bullets did not relate to, or only parroted back, the solicitation's requirements. Id. The agency asserts that throughout its proposal, CSRA usually only stated that it provided support in a particular task area, without explaining what that support entailed or demonstrating how it exceeded requirements (a necessity, according to the agency, in order for the evaluators to assess a strength). See id.

While CSRA, like Accenture, may not agree with such assessments, the protester's objections provide no basis for us to find that its corporate experience evaluation was unreasonable. In sum, the evaluation of experience and past performance, by its very nature, is subjective, and the protesters' disagreements with the agency's evaluation judgments here do not demonstrate that those judgments were unreasonable. See Glenn Def. Marine-Asia PTE, Ltd., B-402687.6, B-402687.7, Oct. 13, 2011, 2012 CPD ¶ 3 at 7. We therefore deny Accenture's and CSRA's protests of the agency's corporate experience evaluations. See, e.g., United Contracting, LLC, B-408279, June 25, 2013, 2013 CPD ¶ 150 at 4 (denying protest that the protester's proposal was not assessed any strengths under the RFP's experience/capability factor where the evaluations were reasonable and consistent with the RFP's stated evaluation criteria).

Past Performance Evaluations

All three protesters challenge the agency's past performance evaluations, particularly the agency's assessment of CGI's performance of a CMS task order discussed below. Accenture Protest at 15-16; CSRA 3rd Supp. Protest at 5-8; Enterprise Protest at 9-12.

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, and to ensure that the agency's rationale is adequately documented. DynCorp Int'l, LLC, B-412451, B-412451.2, Feb. 16, 2016, 2016 CPD ¶ 75 at 14; Falcon Envtl. Servs., Inc., B-402670, B-402670.2, July 6, 2010, 2010 CPD ¶ 160 at 7. An agency's evaluation of past performance, which includes its consideration of the relevance, scope, and significance

of an offeror's performance history, is a matter of discretion which we will not disturb unless the assessment is unreasonable or inconsistent with the solicitation criteria. WingGate Travel, Inc., B-412921, July 1, 2016, 2016 CPD ¶ 179 at 4; Metropolitan Life Ins. Co., B-412717, B-412717.2, May 13, 2016, 2016 CPD ¶ 132 at 14. A protester's disagreement with the agency's judgment, without more, is insufficient to establish that an evaluation was improper. WingGate Travel, Inc., *supra*; Beretta USA Corp., B-406376.2, B-406376.3, July 12, 2013, 2013 CPD ¶ 186 at 10.

The solicitation here provided that past performance would be evaluated as follows:

Taking into account such elements as those identified in FAR [section] 42.1501, the Government will evaluate past performance subjectively based on information provided in the Offeror's proposal; responses to the past performance questionnaires received from the references; information obtained via subsequent contacts with the references; and pertinent information relative to the Offeror's past performance, which may be available to the Government from a variety of other public and private sources, such as the Past Performance Information Retrieval System [PPIRS].

RFP at 102.

As an initial matter, the protesters contend that this provision required the agency to consult four sources of past performance information, including PPIRS and the Contractor Performance Assessment Reporting System (CPARS). At issue here, the evaluators primarily relied on customer questionnaires to evaluate offerors' past performance. The agency sent a questionnaire to each reference identified in an offeror's proposal. If the agency received a completed questionnaire, the agency evaluated an offeror's past performance for that contract or task order based solely on the questionnaire. See COS/MOL at 86, 166. If the agency did not receive a completed questionnaire, the agency searched PPIRS and CPARS for reports on the offeror's performance of the contract or task order. Id.

The protesters contend that the RFP terms above did not permit the agency to limit its past performance evaluation in such a manner. CSRA Comments at 86 ("The Solicitation commits the Agency to looking beyond the [questionnaires], and identifies the PPIRS as an example of the pertinent information beyond the [questionnaires] that the Agency must consult."); Enterprise Comments at 7 (The agency "does not have the option to decline to consult any of the four listed sources of past performance information, but instead commits itself to examining all four sources."); see Accenture Comments at 12.

The agency disputes the protesters' interpretation and argues that it assessed offerors' past performance reasonably and consistent with the solicitation. The agency asserts that it was not required to look beyond past performance questionnaires received. COS/MOL at 52. In the agency's view, the solicitation gave the agency the option of

consulting other sources of past performance, such as PPIRS reports, if an offeror's reference did not provide a completed questionnaire. See id. at 49-52.

Where a dispute exists as to the meaning of a solicitation provision, we will resolve the matter by reading the solicitation as a whole and in a manner that gives effect to all its provisions. See Veterans Elite, Inc., B-409233, Feb. 10, 2014, 2014 CPD ¶ 64 at 3-5.

We find unobjectionable the agency's primary reliance on questionnaires to evaluate offerors' past performance. Contrary to the protesters' assertion, the RFP did not mandate that the agency seek past performance data from all available sources. The RFP provision excerpted above states that the agency would evaluate past performance "subjectively" based, among other things, on "pertinent information . . . which may be available to the Government from a variety of other public and private sources, such as [PPIRS]." RFP at 102 (emphasis added). We agree with the agency that the RFP's use of these terms did not oblige the agency to seek out every other source of past performance information available for each contract cited by an offeror. This interpretation is consistent with the discretion that rests with agencies in determining the scope of performance history to be considered when evaluating offerors' past performance. BillSmart Sols., LLC, B-413272.4, B-413272.5, Oct. 23, 2017, 2017 CPD ¶ 325 at 6-8, citing Hygeia Sols. Partners, LLC; STG, Inc., B-411459 et al., July 30, 2015, 2015 CPD ¶ 244 at 13 (agency's decision to limit its evaluation to documented sources of past performance information found to be unobjectionable) and Braswell Servs. Grp., Inc., B-278921.2, June 17, 1998, 98-2 CPD ¶ 10 at 6 (no legal requirement for agency to consider all listed past performance references).

Aside from the language quoted above, the solicitation also established that past performance questionnaires may be sent "to some, but not necessarily all," contacts; that past performance information "may be obtained from other sources known" to the agency, and that it "may evaluate information from such other sources . . ." RFP at 91. Reading the foregoing language together with the language excerpted on the previous page above, the RFP established that the agency would consider past performance questionnaires and additional information from government sources, but not that the agency was necessarily required to consider every possible source of past performance information listed in the RFP. Thus, consistent with the terms of the solicitation, the agency considered an offeror's performance on its referenced contracts primarily through the completed past performance questionnaires it received for those contracts.

CGI's Healthcare.gov Task Order

Among its three contract references, CGI's proposal identified an on-going IDIQ contract, known as the Enterprise System Development (ESD) contract, awarded by CMS in 2007 to provide various IT services. AR, Tab 6L, CGI Tech. Proposal, at 26, 82. CGI's proposal stated that it had performed 21 task orders across 13 ESD projects, and provided references and contact information for the overall EDS contract and for eight task orders. Id. at 26-27, 294-97. The proposal included a lengthy discussion of the relevance (to the SOW tasks) of the task orders, including, of significance here, a \$209 million task order to develop Healthcare.gov, the web portal for the Federally

Facilitated Marketplace (FFM) required under the Patient Protection and Affordable Care Act (ACA), Pub. L. No. 111-148, 124 Stat. 119 (Mar. 23, 2010).¹⁵ See id. at 26-91 (hereinafter, Healthcare.gov task order). CGI's proposal also discussed problems encountered during performance of the Healthcare.gov task order. See id. at 297.

The agency received questionnaires for five ESD task orders, but not for the Healthcare.gov task order. See AR, Tab 4K, CGI Past Perf. Questionnaires, at 1-34, 45-53; COS/MOL at 51. The agency evaluated CGI's performance of the ESD contract based solely on the five questionnaires received and did not seek additional past performance information for the overall contract or the other task orders. COS/MOL at 51; AR, Tab 2B, Tech. Eval. Rep., at 20-21; attach. C, at 53. As reflected in the table above, the evaluators assigned an overall past performance rating of very good to CGI, which incorporated the same adjectival rating given to the offeror for its performance on the ESD contract.

Enterprise and Accenture vigorously dispute this assessment of CGI's past performance, arguing that the evaluators ignored CGI's "significant delivery failures" performing the Healthcare.gov task order and the "massive Healthcare.gov debacle." See Accenture Protest at 15; Enterprise Protest at 9-12. The protesters argue that CGI's performance of Healthcare.gov is public knowledge, that such information was readily available to the agency, and that the agency had an obligation to consider it, particularly since CGI "repeatedly relie[d]" on its performance of that task order throughout its technical proposal. See Accenture Comments at 12; Enterprise Supp. Comments at 17. Enterprise, for example, cites numerous public sources, including congressional hearings, GAO and CMS reports, and extensive media coverage of performance problems launching the Healthcare.gov website. See Enterprise Comments at 4-15, citing, inter alia, GAO-14-694 (see supra n.15). Enterprise maintains that the Healthcare.gov work is precisely the type of work required under the SOW here--setting up an online system for millions of Americans to create, monitor, and administer accounts. Id. at 8.

The agency argues that it reasonably evaluated CGI's past performance based on the questionnaires submitted by the CMS references and that the evaluators were not obliged to seek out PPIRS reports, news articles, or whatever other public information might exist about CGI's performance of the Healthcare.gov task order. See COS/MOL at 51-56.

¹⁵ The ACA required the establishment (by January 1, 2014) of health insurance marketplaces for individuals to compare and select insurance plans offered by private insurers. For states that elected not to establish a marketplace, CMS was responsible for developing a federal marketplace. In September 2011, CMS issued task orders, including to CGI, to develop the FFM, which is accessed through Healthcare.gov. See generally Healthcare.gov: Ineffective Planning and Oversight Practices Underscore the Need for Improved Contract Management, GAO-14-694 (July 2014), available at <https://www.gao.gov/products/GAO-14-694>.

We find the evaluation of CGI's past performance reasonable based on our review of the record. As quoted above, the RFP stated that the agency would evaluate past performance based on the elements in section 42.1501 of the FAR. RFP at 102. Section 42.1501 of the FAR provides for the consideration of a contractor's record of, among other things: (1) conforming to requirements and to standards of good workmanship; (2) forecasting and controlling costs; (3) adherence to schedules; (4) reasonable and cooperative behavior and commitment to customer satisfaction; and (5) business-like concern for the interests of the customer. FAR § 42.1051(a).

Consistent with these FAR provisions, the record demonstrates that while the agency did not assess any strengths for CGI's performance of the EDS contract, the evaluators noted several positive reviews by the CMS references that returned questionnaires, including that: (1) CGI has always come within budget; (2) CGI has had minimal changes in their key personnel over the years; (3) CGI is always receptive; and (4) CGI has never had issues meeting deadlines or providing reports. AR, Tab 2B, Tech. Eval. Rep., attach. C, at 53. The evaluators also noted that the references evenly rated the contractor's performance as exceptional, very good, and satisfactory. Id. The evaluators assessed a weakness based on one customer's comments (on one questionnaire) regarding CGI's quality of service and business relations, which the evaluators found could cause costly scheduling delays. Id. However, the evaluators also noted that the same customer observed that CGI was able to resolve or fix identified issues and that CGI received positive feedback generally from its references. See id.; AR, Tab 4K, CGI Past Perf. Questionnaires, at 45-53. The agency concluded that CGI's performance of the ESD task orders met and sometimes exceeded requirements; that CGI's corrective action on an issue identified was effective; and that little doubt existed that CGI would successfully preform the required effort. AR, Tab 2B, Tech. Eval. Rep., at 20.

More importantly, the record also shows that the agency assessed strengths--which none of the protesters dispute--for CGI's performance of a contract for the California Franchise Tax Board (FTB). Id., attach. C, at 54; see generally Accenture, CSRA & Enterprise Comments & Supp. Comments. These strengths included that: (1) CGI was reasonable to work with when presented with unforeseen events impacting the project; (2) FTB and CGI maintained common goals and success criteria for the project that made it easy to collaborate and agree upon solutions; (3) CGI provided an exceptional project management officer who quickly set a solid foundation that kept the project organized, well documented and managed; and (4) FTB would award another contract to CGI. AR, Tab 2B, Tech. Eval. Rep., attach. C, at 54. The evaluators concluded that CGI's strength with respect to its performance of the FTB contract would benefit the agency by increasing the likelihood of project success and could avoid costly scheduling delays, and assigned an exceptional rating to CGI's proposal for this contract.¹⁶ Id. These findings are also reasonable and consistent with the FAR criteria above.

¹⁶ We find no merit in CSRA's assertion that the agency improperly assigned a neutral rating to CGI's contract with a "Large Financial Institution" (LFI) because CGI could not disclose client information for that contract for confidentiality reasons. See CSRA 3rd (continued...)

We also disagree with the protesters that the agency was obliged to seek out and consider information from congressional hearings, GAO reports, or the press regarding CGI's performance of the Healthcare.gov task order. See BillSmart Sols., LLC, supra, at 8, citing Orbital Scis. Corp., B-414603, B-414603.2, July 26, 2017, 2017 CPD ¶ 249 at 10. As discussed above, we similarly disagree that the agency was required to consult PPIRS or CPARS, where the agency already received past performance questionnaires for CGI.¹⁷ In any event, even were we to assume that the agency had or should have had knowledge of CGI's performance of the Healthcare.gov task order,¹⁸ in assessing past performance, it is proper for the agency's evaluation to reflect the totality of an offeror's prior contract performance, and an agency may reasonably assign a satisfactory rating to an offeror despite the fact that portions of its prior performance

(...continued)

Supp. Protest at 5-8. CSRA argues that CGI's proposal should have instead been found technically unacceptable for failing to provide "material information" necessary for the evaluation of CGI's past performance. See id. In our view, CSRA's arguments in this respect would render superfluous the RFP's provision that a neutral rating would be assigned for a contract reference for which past performance information was not available. See RFP at 102. Moreover, while CGI's proposal did not provide contact information for the LFI contract, the record shows that the proposal actually provided the agency with two alternate means for receiving a past performance questionnaire for the LFI contract. See AR, Tab 6L, CGI Tech. Proposal, at 298. (We note that while Enterprise raised this same challenge, it was untimely for the same reasons discussed at n.8 above.)

¹⁷ Even assuming that the agency was required to seek and consider PPIRS reports, the record fails to establish that the protesters (Enterprise in particular) suffered any prejudice, since they have offered no evidence that searching PPIRS would have revealed any information regarding CGI's performance of the Healthcare.gov task order. In fact, although the evaluators did not consult PPIRS in evaluating CGI's past performance, the record states that the contracting officer reviewed the Federal Awardee Performance and Integrity Information System (FAPIIS)--which is a component of PPIRS--in conducting his responsibility determination of CGI, and did not find any negative information of record. See AR, Tab 4O, CGI Responsibility Determination; <https://www.ppirs.gov/>. Enterprise does not dispute this finding. See Enterprise Supp. Comments at 17 n.2.

¹⁸ Contrary to the protesters' assertions, this information was not "too close at hand" for the agency not to have considered it. Our Office has limited application of this principle to situations where the alleged "too close at hand" information relates to contracts for the same services with the same contracting activity, or information personally known to the evaluators. Orbital Scis. Corp., supra. In this case, the Healthcare.gov task order was not performed for the Social Security Administration, but for CMS, and the technical evaluation panel submitted a declaration, executed by each member, stating that they had no direct personal knowledge regarding CGI's performance of the task order. See AR, Tab 6W, Tech. Eval. Panel Decl., at 1-2.

may have been unsatisfactory. See Ball Aerospace & Techs. Corp., B-411359, B-411359.2, June 16, 2015, 2015 CPD ¶ 219 at 9.

In the final analysis, the challenges to the evaluation of CGI's past performance stem, in no small part, from the protesters' disagreement with CGI's assessed evaluation ratings.¹⁹ The protesters have otherwise not shown that the agency evaluated CGI's past performance unreasonably or contrary to the RFP's stated evaluation criteria or procurement laws and regulations. We deny this aspect of the protests, accordingly. See BillSmart Sols., LLC, *supra*; Veterans Elite, Inc., *supra*.

Spinoff of Lockheed's Information Systems & Global Solutions (IS&GS) Business

Accenture and CSRA also challenge the evaluation of Lockheed's proposal and its contract award, because Lockheed's IS&GS business segment (the firm's government IT business proposed for performance) was spun-off and acquired by Leidos Innovations Corporation, of Gaithersburg, Maryland, after Lockheed submitted its proposal and before Lockheed was awarded the contract.

Lockheed's business (hereinafter, price) proposal, submitted on May 11, 2016, informed the agency of the impending transaction. AR, Tab 6U, Lockheed Bus. Proposal, at 28. The proposal stated that: (1) Lockheed had announced in January 2016 that it entered into a definitive agreement to separate and combine its IS&GS business with Leidos; (2) the transaction is subject to certain regulatory and shareholder approvals and is expected to close in the third or fourth quarter of 2016; (3) IS&GS will continue to operate as a Lockheed business until the transaction is closed; (4) the government IT business that submitted the proposal and that would perform any resulting contract is part of the IS&GS business encompassed within the transaction; (5) Lockheed structured the proposal so that the transaction would not have a material impact on performance of any resulting contract; (6) Lockheed personnel, equipment, technology or services identified in proposal would be converted to subcontract or supply agreements with Leidos, covering the same products, services and capabilities in the same quantities and on consistent schedules and pricing terms; (7) Leidos and

¹⁹ See Accenture Protest at 16 (“[I]t is inconsistent that CGI received a Very Good rating for Past Performance but only [a] Satisfactory score for Corporate Experience . . . but for the Agency’s improper and inconsistent evaluation, CGI would have received Marginal ratings for both Past Performance and Corporate Experience”); CSRA Comments at 90 (“CSRA was rated merely Satisfactory in Past Performance while Lockheed and Northrop were rated Exceptional and CGI was rated Very Good. . . . Had the Agency considered the information available to it from the PPIRS . . . CSRA could have had a more competitive rating for the Past Performance factor.”); Enterprise Comments at 10 (Had the agency “properly considered CGI’s Healthcare.gov failures, [Enterprise] would have received a significantly higher past performance score than CGI, and [C]GI’s past performance score would have been substantially decreased due to this ‘debacle.’”).

Lockheed had agreed that certain human resources, benefits, IT and other back-office functions that are not included with the IS&GS business segment would continue to be provided by Lockheed for a transition period following the transaction; and (8) the transition period would provide sufficient time for a seamless transition to Leidos' systems so that the business performing any resulting contract maintains continuity of operations and the support necessary to fully meet its contractual obligations without disruption. See id.

The contracting officer provided this excerpt from Lockheed's price proposal to the technical evaluators, who concluded that the corporate transaction would not have a material impact on contract performance. AR, Tab 2B, Tech. Eval. Rep., at 13. The technical evaluation report stated that the assessment of Lockheed's corporate experience, management plan, and past performance reflected the evaluators' awareness of the pending transaction. See id.

Accenture and CSRA contest this, arguing that the agency failed to adequately assess the impact of the corporate transaction, and simply accepted the statements in Lockheed's proposal without independently analyzing the risk of the transaction on Lockheed's proposed prices and technical approach. See Accenture Comments at 6-7; CSRA Comments at 14. Accenture argues that the proposal was vague and did not provide sufficient information regarding the transaction, and that the record of the agency's consideration of the transaction is likewise scant and conclusory. Accenture Comments at 3-4. CSRA also argues that the evaluators could not reasonably have concluded that the transaction would have no material impact on contract performance, based solely on the two paragraph description of the transaction in Lockheed's price proposal. See CSRA Comments at 12. CSRA contends that the agency was obligated, but failed, to consider whether the assets, resources, corporate experience, and past performance relied on in Lockheed's proposal would all transfer and be used by Leidos after award. Id. The protesters assert that Lockheed's proposal was unawardable and should have been rejected for not adequately describing the transaction and its potential impact on performance, and for not committing Leidos to RFP requirements such as the accessibility standards and key personnel specifications. See id. at 9; Accenture Comments at 10.

The agency responds that it reasonably assessed the impact of the corporate transaction and that Lockheed's proposal provided sufficient detail regarding the scope of the transaction and Leidos' commitment to perform in accordance with the proposal. COS/MOL at 82, 84, 186; Supp. MOL (CSRA)²⁰ at 4-5. The agency asserts that the transaction did not change Lockheed's proposal because Lockheed transferred its entire government IT business to Leidos. Supp. MOL (CSRA) at 4.

²⁰ The agency filed separate memorandums of law in response to the protesters' respective supplemental protests.

This aspect of Accenture's and CSRA's protests lack merit. We first note that the corporate transaction at issue here has been the subject of, or discussed in, a number of recent GAO decisions. See SRA Int'l, Inc.; NTT DATA Servs. Fed. Gov't, Inc., B-413220.4 et al., May 19, 2017, 2017 CPD ¶ 173 at 6 n.10, at 27 n.34; Lockheed Martin Integrated Sys., Inc., B-410189.5, B-410189.6, Sept. 27, 2016, 2016 CPD ¶ 273, recon. den., B-410189.7, Aug. 10, 2017, 2017 CPD ¶ 258; see also Veterans Evaluation Servs., Inc., et al., B-412940 et al., July 13, 2016, 2016 CPD ¶ 185 at 9-10; Leidos Innovations Corp., B-414289.2, June 6, 2017, 2017 CPD ¶ 200 at 4.

Protest decisions regarding matters of corporate status and restructuring are highly fact-specific, and turn largely on the individual circumstances of the proposed transactions and timing. IBM U.S. Fed., a Div. of IBM Corp.; Presidio Networked Sols., Inc., B-409806 et al., Aug. 15, 2014, 2014 CPD ¶ 241 at 22. We have noted that where a corporate acquisition or restructuring does not appear likely to have a significant impact on cost or technical impact on contract performance, and the offering entity remains intact and retains the same resources reflected in its proposal, the subsequent acquisition of that offeror does not render the agency's evaluation and award decision improper. Consortium HSG Technischer Serv. GmbH & GeBe Gebäude- und Betriebstechnik GmbH Südwest Co., Mgmt. KG, B-292699.6, June 24, 2004, 2004 CPD ¶ 134 at 3.

Significantly, the protesters' objections are based on the premise that the entity whose proposal the agency evaluated no longer exists and that, as a result, the agency's conclusions about that proposal (and entity) have been rendered invalid. See, e.g., id. Accenture and CSRA, however, have not shown that the IT business entity that will ultimately perform the requirement has been rendered unavailable by the transaction. Moreover, the award here is for a fixed-price contract and the protesters have not shown that Leidos will not be bound by the fixed labor rates proposed by Lockheed. See, e.g., IBM U.S. Fed., a Div. of IBM Corp.; Presidio Networked Sols., Inc., supra, at 23. The protesters also largely overlook the assurances in Lockheed's proposal that it and Leidos had agreed that certain resources and functions will continue to be provided by Lockheed for a transition period, which would provide a seamless transition and continuity of operations to fully meet the contractual obligations without disruption.²¹ AR, Tab 6U, Lockheed Bus. Proposal, at 28. The protesters have not shown that it was unreasonable for the agency to rely on such assurances and, as the agency points out, none of the protesters has shown that Leidos intends to perform in a manner differently than proposed by Lockheed. See COS/MOL at 84, 187; Supp. MOL (CSRA) at 5, citing SRA Int'l, Inc.; NTT DATA Servs. Fed. Gov't, Inc., supra. On this record, we have no basis to sustain Accenture's and CSRA's protests of the evaluation of Lockheed's proposal and its award.

²¹ Indeed, CSRA essentially concedes that the excerpt from Lockheed's price proposal provided the technical evaluators a "basis to conclude" and "assurances" that Leidos would take advantage of Lockheed's human resources and benefit (retention) support. CSRA Comments at 10.

Unequal Discussions

CSRA also contends that the agency conducted unequal discussions with Lockheed regarding the corporate transaction. At issue here, the contracting officer, prior to award, submitted multiple requests to each offeror, including Lockheed, to verify and extend the validity of their proposed prices. See, e.g., AR, Tab 6Y, Lockheed Price Verifications.

Lockheed complied, and with each pricing extension included an identical statement informing the contracting officer that: (1) the corporate transaction had closed on August 16, 2016; (2) Lockheed's entire IS&GS business was transferred to and became part of Leidos, which is the full successor in interest to the IS&GS business entity that submitted the proposal; (3) the transfer included Lockheed's proposal and all IS&GS assets, key personnel, tools, business processes, knowledge and experience necessary to perform any resulting contract; (4) the contract references (for corporate experience and past performance) in Lockheed's proposal were awarded to the IS&GS business that is now a part of Leidos; and (5) neither the transaction nor any post-transaction integration activity will have any significant impact on the technical, management, cost/price, or other performance of any resulting contract. See id. at 8-9, 15-16, 23-24, 33-34, 45-46.

CSRA argues that these exchanges--the contracting officer's requests for pricing extensions and Lockheed's replies--constituted unequal discussions because other offerors, including CSRA, were not given similar opportunities to submit revised proposals. See CSRA Comments at 19; CSRA 2nd Supp. Protest at 7-9. In this respect, CSRA contends that the agency improperly permitted Lockheed to revise its proposal "with additional and different information about the transaction and its impacts . . ." CSRA Comments at 16. CSRA maintains that if Lockheed had initially provided such information in its proposal regarding the corporate transaction, then a "simple confirmation" of the transaction would have sufficed. Id. at 18.

We disagree with CSRA's assertion that the exchanges described above constituted discussions, unequal or otherwise. In situations where, as here, there is a disagreement concerning whether an exchange between an agency and an offeror constitutes discussions, we consistently have explained that the acid test of whether or not discussions have occurred is whether the offeror has been afforded an opportunity to revise or modify its proposal.²² Archer W. Fed. JV, B-410168.2, B-410168.3, Nov. 12, 2014, 2014 CPD ¶ 351 at 5-6.

²² Discussions occur when an agency communicates with an offeror for the purpose of obtaining information essential to determine the acceptability of a proposal, or provides the offeror with an opportunity to revise or modify its proposal in some material respect. FAR § 15.306(d); see, e.g., i4 Now Sols., Inc., B-412369, Jan. 27, 2016, 2016 CPD ¶ 47 at 13-14 n.11. Clarifications are limited exchanges between the agency and offerors that may occur when contract award without discussions is contemplated; an agency may, but is not required to, engage in clarifications that give offerors an opportunity to
(continued...)

First, requesting that an offeror verify its price or extend the acceptance period of its proposal does not, without more, constitute discussions.²³ Second, notwithstanding CSRA's assertions, the information that Lockheed provided with its pricing extensions, in our view, only confirmed the information that Lockheed had previously provided in its price proposal. The exchanges between the contracting officer and Lockheed did not result in any material change to Lockheed's proposal. See id.; FAR § 15.306(d). Moreover, the contracting officer's requests that Lockheed verify and extend its pricing reflected no intent on the part of the agency that Lockheed submit a revised technical or price proposal.²⁴ Based on our review of the record, we agree that the agency did not solicit the additional statements submitted by Lockheed (that the corporate transaction had been completed) with its pricing extension, and that nothing in the record shows that the additional statements were even considered in evaluating Lockheed's proposal. See Supp. MOL (CSRA) at 8-9. In short, the record does not support CSRA's assertion that the agency conducted discussions that permitted Lockheed to provide "additional and different" information beyond its initial proposal. The record also confirms that the agency did not engage in discussions or request revised proposals from any offeror. See generally AR, Tab 2B, Tech. Eval. Rep.; Tab 2C, Price Eval. Rep.; Tab 2D, SSD.

We thus deny Accenture's and CSRA's protest that the evaluation of Lockheed's proposal and its award was unreasonable based on the spinoff of Lockheed's IS&GS business to Leidos. See SRA Int'l, Inc.; NTT DATA Servs. Fed. Gov't, Inc., supra

(...continued)

clarify certain aspects of proposals or to resolve minor or clerical errors. FAR § 15.306(a).

²³ See, e.g., U.S. Facilities, Inc., B-293029, B-293029.2, Jan. 16, 2004, 2004 CPD ¶ 17 at 13-14 (finding that the contracting officer's request for pricing verification was not an invitation for the awardee to modify or revise its proposal); Professional Safety Consultants Co. Inc., B-247331, Apr. 29, 1992, 92-1 CPD ¶ 404 at 3-4, recon. den., B-247331.2, Sept. 28, 1992, 92-2 CPD ¶ 209 (denying protest where agency's request that offeror verify its price constituted clarifications that did not require holding discussions); Electronetics Corp., B-229934, Jan. 19, 1988, 88-1 CPD ¶ 52 at 2 (dismissing protest that agency's communications to verify awardee's price constituted discussions that necessitated opening negotiations with all offerors); see also Scot, Inc., B-295569, B-295569.2, Mar. 10, 2005, 2005 CPD ¶ 66 at 9 ("Even where . . . the acceptance period has expired on all offers, an agency may allow the successful offeror to waive the expiration of its proposal acceptance period without reopening negotiations and make award on the basis of the offer as submitted.").

²⁴ See AR, Tab 6Y, Lockheed Price Verifications, at 1-2 (The agency "seeks to confirm whether [Lockheed's] proposed prices, included in the business proposal, are still firm Consequently, please clarify whether [Lockheed's] proposed prices are still firm Note that this email does not constitute discussions, and [Lockheed] is not permitted to make any changes to its technical or business proposals. This email strictly seeks clarification as to whether [Lockheed's] proposed prices are still firm").

(dismissing objection to an agency's assessment of the impact of the Lockheed/Leidos transaction at issue here and finding that the agency acknowledged the transaction in its evaluation record and that the protester had not established that Leidos intended to perform in a manner differently than what Lockheed proposed or that the award was improper); IBM U.S. Fed., a Div. of IBM Corp.; Presidio Networked Sols., Inc., supra (denying protest that the offeror's corporate restructuring rendered improper the agency's award to the offeror's successor in interest where the restructuring is not likely to have any significant cost or technical impact on performance of the requirements since the award is based on proposed fixed labor rates and the same resources); Consortium HSG Technischer Serv. GmbH & GeBe Gebäude- und Betriebstechnik GmbH Südwest Co., Mgmt. KG, supra (denying protest that a change in ownership rendered the agency's evaluation of the offeror's proposal unreasonable where the entity remained intact and its resources remained available).

Price Evaluations

Accenture and CSRA also challenge the agency's price evaluations. Accenture, for example, questions the agency's conclusions regarding price reasonableness based on Northrop's "significant" price premium over the other two awardees. Accenture Comments at 13-16. CSRA contends that the agency failed to conduct a price realism analysis as required by the RFP. CSRA Comments at 20-30. According to CSRA, if the agency had conducted a price realism analysis, it would have found that Leidos may not be able to perform at Lockheed's proposed labor rates, based on its different cost structure and indirect rates such as overhead and general and administrative costs, among other things. Id. at 27.

The manner and depth of an agency's price analysis is a matter within the sound exercise of the agency's discretion, and we will not disturb such an analysis unless it lacks a reasonable basis. Gentex Corp.--W. Operations, B-291793 et al., Mar. 25, 2003, 2003 CPD ¶ 66 at 27-28. It is up to the agency to decide upon the appropriate method for evaluation of cost or price in a given procurement, although the agency must use an evaluation method that provides a basis for a reasonable assessment of the cost of performance under the competing proposals. S. J. Thomas Co., Inc., B-283192, Oct. 20, 1999, 99-2 CPD ¶ 73 at 3.

We find, based on our review of the record, that the agency's price evaluations were reasonable and consistent with the RFP. The RFP stated that offerors' proposed prices would be analyzed in accordance with FAR section 15.404 to determine whether: (1) the loaded hourly rates are fixed for the periods proposed and that pricing matrixes have been thoroughly and accurately completed; (2) the proposed prices are mathematically and/or materially unbalanced; and (3) the proposed prices are fair and reasonable. RFP at 103. The RFP also stated that the agency would not consider pricing schemes that call for differing rates for like labor categories across the differing task areas listed in the SOW, nor would it consider differing site rates. Id. Offerors were advised that proposals containing prices that were determined not fair and reasonable would not be accepted, and that any proposal containing unbalanced pricing may be rejected in accordance with FAR section 15.404-1(g). Id. The solicitation

also provided that the agency would consider any assumptions, constraints, or other information that may have an effect on the rates proposed, as discussed below.

The price evaluations were conducted by an auditor from the agency's Office of Acquisitions and Grants, Acquisition Financial Services Team (AFST), in conjunction with the contracting officer and contract specialist, and documented in a detailed price evaluation report. COS/MOL at 39; see AR, Tab 2C, Price Eval. Rep., at 1-135. The report shows that the offerors' prices were evaluated using the following methods: (1) verifying the mathematical accuracy of each proposal and compliance with the RFP's pricing instructions; (2) comparing each offeror's price for each contract year and the offeror's total evaluated price (TEP),²⁵ to the other offerors' prices and to the agency's independent government cost estimate (IGCE); (3) comparing each offeror's labor rates by contract year to compute their escalation rates; (4) comparing proposed rates for each category to an offeror's commercial pricelists and rates charged by the offeror on its other contracts, including General Services Administration (GSA) Schedule contracts; (5) calculating, for each labor category, the percentage difference between an incumbent's rates and its average commercial rates, and reviewing any outliers; (6) reviewing rate increases for potential price unbalancing; (7) reviewing rates for consistency with similar labor categories across different SOW task areas; (8) comparing an offeror's proposed rates by grouping labor categories by education and experience levels; and (9) reviewing an offeror's pricing assumptions and explanations for any price variances. See AR, Tab 2C, Price Eval. Rep., at 2-3, 40-41, 70, 95-96, 131. The AFST auditor found no errors, omissions, or discrepancies in any offeror's price proposals. Id. at 2. The contracting officer also performed a comparative sampling of offerors' proposed labor categories to their commercial price lists to assess the validity of the proposed categories. See id. at 69, 95.

Using these techniques, the price evaluators concluded that the awardees (CGI, Lockheed, and Northrop) proposed prices that were fair, reasonable, and balanced. Id. at 67-70, 93-96, 130-32. For example, with respect to CGI, the evaluators found, among other things, that the rate comparison among offerors for the base ordering period showed that all of CGI's labor rates were less than [DELETED] standard deviations from the average unit price ("no outliers"), and that CGI's rates for 19 of the 28 labor categories were within [DELETED] standard deviation. Id. at 93. With respect to Lockheed, the evaluators found that its proposed rates for 19 of the categories were below the average of Lockheed's [DELETED], and that none of the rates exceeded its highest [DELETED]. See id. at 68-69. With respect to Northrop, the evaluators also found that its proposed rates for 19 of the categories were below [DELETED], with many of the proposed rates over [DELETED] percent less for the base ordering period. Id. at 131. The evaluators also found reasonable Northrop's explanations for any rate variances. Id.

²⁵ As set forth above, the TEP was the sum of an offeror's total prices for all performance periods and the government's estimate for ODCs. See RFP at 92, 102; AR, Tab 2D, SSD, at 6.

Although Accenture and CSRA disagree with the extent of these price evaluation techniques and the evaluators' conclusions, the protesters have not shown that the price evaluations were unreasonable.

CSRA also fails to show that the evaluators were required to conduct a price realism analysis based on, or that their evaluation described above was inconsistent with, the following solicitation provision:

The Government will consider any assumptions, constraints, or other information that may have an effect on the rates proposed by the Offeror to determine if the information affects the proposed prices in a manner deemed not in the Government's interests, which may then result in the proposal being evaluated as ineligible for award based on price risk.

RFP at 103.

Where a solicitation, as here, anticipates award of fixed-price contract with fixed-price fully-burdened labor rates, the price realism of a proposal is not ordinarily considered, since the risk and responsibility for contract costs is on the contractor. See Ball Aerospace & Techs. Corp., B-402148, Jan. 25, 2010, 2010 CPD ¶ 37 at 8 n.7. While an agency may conduct a price realism analysis in awarding a fixed-price contract for the limited purposes of measuring an offeror's understanding of the requirements or to assess the risk inherent in the offeror's proposal, offerors must be advised that the agency will conduct such an analysis. Id. at 8; FAR § 15.404-1(d)(3). In the absence of an express price realism provision, our Office will only conclude that a solicitation contemplates a price realism evaluation where the solicitation expressly states that the agency will review prices to determine whether they are so low that they reflect a lack of technical understanding, and where the solicitation states that a proposal can be rejected for offering low prices. DynCorp Int'l LLC, B-407762.3, June 7, 2013, 2013 CPD ¶ 160 at 9. Absent a solicitation provision providing for a price realism evaluation, agencies are neither required nor permitted to conduct one in awarding a fixed-price contract. Id.

In our view, the RFP neither contemplated a price realism analysis, nor provided reasonable notice to offerors that the agency would conduct a price realism analysis. Here, there was no technical or price evaluation factor providing for the evaluation of an offeror's understanding of the requirements such that a price realism analysis was reasonably foreseeable by the offerors. See Milani Constr., LLC, B-401942, Dec. 22, 2009, 2010 CPD ¶ 87 at 5; RFP at 103. Rather, the price evaluation factor provided only for the evaluation of the reasonableness of the proposed price (that is, whether the offeror's price was unreasonably high) and whether the price proposal was unbalanced. See RFP at 103. Moreover, the RFP did not request cost or pricing information or any other information that would allow the agency to reasonably determine that a low proposed price reflected a lack of understanding of the contract requirements. See id. at 92-93; Milani Constr., LLC, supra.

The references in the RFP provision (excerpted above) to assumptions, constraints, and price risk, are simply too general to constitute adequate notice that the agency would consider price realism in the source selection decision. See Milani Constr., LLC, supra, at 4-6 (finding that, where the RFP did not provide for evaluation of an offeror's understanding of the requirements and did not request cost or pricing information or any other information that would allow the agency to reasonably determine that a low proposed price reflected a lack of understanding of the project requirements, the solicitation's reference to "assessing the degree of risk associated with the proposal" is too general to constitute adequate notice that the agency would consider price realism in the source selection decision for the award of a fixed-price contract). In this regard, since the submission of even a "below-cost" price is not by itself improper, offerors competing for award of a fixed-price contract, as here, must be given reasonable notice that a business decision to submit a low-priced proposal will be considered as reflecting on their understanding or the risk associated with their proposal. Id. at 5. The RFP here did not meet this standard of reasonable notice. See id.

The RFP provision, rather, contemplated a limited price risk review, which was consistent with the price evaluation described above. See ManTech Sec. Techs. Corp., B-297133.3, Apr. 24, 2006, 2006 CPD ¶ 77 at 9 (denying protest where an RFP provision requiring evaluation of "the risk associated with pricing scheme" does not contemplate a price realism analysis or more exhaustive price analysis and where the agency's price evaluation was consistent with the limited price risk evaluation contemplated by the solicitation); AR, Tab 2C, Price Eval. Rep., at 69, 95, 131 (contracting officer concluding that any higher labor rates proposed by CGI, Lockheed, or Northrop would not pose an unacceptable risk that the agency would pay unreasonably high prices in subsequent task order competitions).

We deny Accenture's and CSRA's protests of the agency's price evaluations, accordingly.

Best-Value Determination

Finally, all three protesters challenge the agency's source selection decision, alleging, among other things, that the best-value tradeoff performed by the contracting officer (the source selection authority (SSA) for the procurement) was unreasonable insofar as it relied on the allegedly flawed evaluations above. Accenture, for example, argues that the SSA unreasonably limited the number of awards to three contractors and applied an unstated evaluation criterion favoring incumbents.²⁶ Accenture Comments at 26-27. CSRA contends that the selection decision was based on an inaccurate understanding of the relative merits of the competing proposals. CSRA Comments at 109. Enterprise contends that the SSA never analyzed whether the perceived technical benefits of Enterprise's proposal merited paying a higher price, or whether the benefits of CGI's technical proposal sufficiently met the agency's needs. Enterprise Comments at 16.

²⁶ We find this second argument particularly odd given that Accenture is itself an incumbent.

Selection officials have considerable discretion in making cost/technical tradeoff decisions. American Material Handling, Inc., B-297536, Jan. 30, 2006, 2006 CPD ¶ 28 at 4. When proposals are compared for purposes of a best-value tradeoff decision, the number of identified strengths is not dispositive; rather, it is the qualitative information underlying the ratings that the SSA should consider in assessing whether and to what extent meaningful differences exist between proposals. Walton Constr. - a CORE Co., LLC, B-407621, B-407621.2, Jan. 10, 2013, 2013 CPD ¶ 29 at 6. The propriety of a cost/technical tradeoff decision does not turn on the difference in the technical scores or ratings per se, but on whether the SSA's judgment concerning the significance of the difference was reasonable and adequately justified in light of the RFP's evaluation scheme. Manassas Travel, Inc., B-294867.3, May 3, 2005, 2005 CPD ¶ 113 at 5.

Here, we find the SSA's cost/technical tradeoff and source selection decision unobjectionable. First, as described above, we find no merit to the protesters' objections to the agency's evaluations; thus there is no basis to question the SSA's reliance upon those judgments in making his source selection decision. Next, the record shows that in conducting his tradeoff, the SSA comparatively (and thoroughly) assessed the offerors' proposals and analyzed the evaluators' findings, including the strengths and weaknesses assessed in each proposals. See generally AR, Tab 2D, SSD, at 1-71. For example, the SSA concluded that the assessed weaknesses in Accenture's proposal, particularly the eight significant weaknesses assessed under SOW task area nos. 3, 4, and 5, represented a higher risk of unsuccessful performance, when compared to Lockheed's higher technically-rated and lower-priced proposal. Id. at 12-13. He similarly concluded that award to CGI would result in less performance risk than an award to CSRA, whose proposal was lower technically-rated and higher priced. Id. at 44. Likewise, the SSA concluded that Enterprise's proposal presented a higher risk of unsuccessful performance under all three non-price evaluation factors compared to Northrop's proposal, whose higher technically-rated proposal warranted paying a higher price. Id. at 22.

We find these conclusions reasonable, and the protesters' disagreements provides no basis to sustain their protests. See Citywide Managing Servs. of Port Washington, Inc., B-281287.12, B-281287.13, Nov. 15, 2000, 2001 CPD ¶ 6 at 10-11.

The protests are denied.

Thomas H. Armstrong
General Counsel