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Decision

Matter of: Morgan Business Consulting, LLC

File: B-421509

Date: June 12, 2023

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DIGEST

Protest challenging agency's selection of a higher-rated, higher-priced proposal is denied where the record reflects the agency evaluated proposals reasonably, and that the evaluations and source selection decision were consistent with the solicitation.

DECISION

Morgan Business Consulting, LLC (MBC), a veteran-owned small business of Arlington, Virginia, protests the issuance of a task order to Booz Allen Hamilton (BAH) of McLean, Virginia, under fair opportunity proposal request (FOPR) No. N0003921R3028. The Department of Navy, Naval Information Warfare Systems Command issued the FOPR for support services for the Navy's international command, control, communications, computers, and intelligence (C4I) programs. The protester argues that the agency unreasonably evaluated MBC's proposal and made a flawed award decision.

We deny the protest.

BACKGROUND

On May 17, 2022, the agency issued the solicitation to holders of the Naval Sea Systems Command Seaport NxG multiple-award contract, in accordance with Federal

Acquisition Regulation (FAR) subpart 16.5. Agency Report (AR), Tab 3, FOPR at 2.¹ The solicitation sought proposals for the integrated international support services (IISS) task order for the program executive office for the C4I international integration program office (PMW 740). AR, Tab 1, FOPR attach.1, Statement of Work (SOW) at 7. PMW 740 promotes interoperability with coalition and friendly partner nations through foreign military sales (FMS) and other security cooperation processes that procure, integrate, install, test, train, and support integrated C4I capabilities. *Id.* The Navy's requirement for "[s]upport services include[s] administrative and executive business processes and address[es] the full lifecycle of the security cooperation process, including Pre-Letter of Request (LOR) efforts, FMS case development, case execution, case reconciliation, and case closure." *Id.* at 8.

The IISS task order is a "follow-on" procurement of the small business set-aside task order awarded to MBC for almost \$40 million in February 2019. AR, Tab 2, Individual Streamlined Acquisition Plan with Services at 2. While the scope of the requirement here may have some similarities to the previously awarded task order, PMW 740's portfolio has greatly expanded--with the current contract requirements more than tripling in dollar value (to over \$140 million) and increasing in scope to include cybersecurity requirements, as well as more tasks for currently provided services. *Id.* at 5-7; AR, Tab 28, Fair Opportunity Decision Authority (FODA) Declaration at 1.

The solicitation contemplated a single best-value award of a cost-plus-fixed-fee task order, consisting of a base year, four 1-year option periods, and a 6-month extension period. Conformed FOPR at 10, 44. The agency would consider the following non-cost factors, listed in descending order of importance, in its tradeoff analysis: (1) technical capabilities; (2) management approach; (3) past performance; and (4) small business participation. *Id.* at 58. The non-cost factors, when combined, were considered significantly more important than cost/price. *Id.* A cost/technical tradeoff analysis would be conducted between the non-cost and cost/price factors. *Id.* The solicitation also provided that cost/price would become more important, and may become the determining factor, in relation to the equality of the technical capabilities of the proposals. *Id.*

Under the technical, management, and small business participation factors, the FOPR provided that proposals would be evaluated as outstanding, good, acceptable, marginal, or unacceptable. *Id.* at 61-62. Under the past performance factor, the solicitation called for evaluating an offeror's record of recent and relevant performance, and assigning one of the following confidence ratings: substantial confidence, satisfactory confidence, limited confidence, no confidence, or neutral confidence. *Id.* at 59, 62-63. Under the cost/price factor, proposals would be evaluated for cost realism and completeness, but

¹ Citations to the record use the Adobe PDF or Microsoft Word pagination of documents or to the relevant worksheet and cell number for Microsoft Excel documents produced in the agency report. Furthermore, the FOPR was amended three times; all references to the FOPR are to the conformed version at Agency Report (AR), Tab 7, Conformed FOPR, unless otherwise noted, as in this instance.

would not receive a rating; the FOPR also provided that the agency may make adjustments to the proposed costs to calculate the most probable cost to the government. *Id.* at 60-61.

The FOPR also instructed offerors to provide details substantiating claims made in proposals and advised firms that proposals restating evaluation criteria or making cursory statements without supporting information are not acceptable and will not satisfy the solicitation requirements or evaluation criteria. *Id.* at 45. In this regard, the solicitation specifically advised offerors as follows:

Statements which paraphrase or repeat SOW language or attest that “standard procedures will be employed, etc.,” are inadequate. Offerors who do not present sufficient specific details to describe the approach and experience to permit complete evaluation by the Government will not be considered in rating that factor.

Id. at 58.

In June 2022, the Navy received proposals from four offerors, including MBC and BAH. After evaluating the proposals, the agency engaged in interchanges with MBC and BAH, the two offerors whose proposals were deemed to have the greatest likelihood of being found the best value to the Navy. Contracting Officer’s Statement and Memorandum of Law (COS/MOL) at 16-17. After evaluating the final proposal revisions (FPR) and proposed costs, the final evaluation ratings were as follows:

Evaluation Factor	BAH	MBC
Technical Capabilities	Outstanding	Marginal
Management Approach	Outstanding	Good
Past Performance	Substantial Confidence	Satisfactory Confidence
Small Business Participation	Good	Outstanding
Total Evaluated Cost	\$134,679,683	\$95,649,059

AR, Tab 11, Technical Evaluation Team (TET) FPR Evaluation Report at 7; AR, Tab 32, Debriefing at 3.

After the evaluators completed the FPR technical and cost evaluations, the fair opportunity decision authority (FODA) performed a cost/technical tradeoff in accordance with the solicitation. The FODA determined that BAH’s proposal was the best value to the government because BAH’s proposal was technically superior to MBC’s proposal and BAH’s technical superiority justified its cost premium. The FODA noted that although BAH’s evaluated cost of \$134,679,683 was higher than MBC’s, BAH’s evaluated cost was lower than the independent government cost estimate (IGCE). AR, Tab 9, FODA Decision at 1-2.

The Navy awarded the task order to BAH on February 27, 2023. After requesting and receiving a debriefing, MBC filed this protest.²

DISCUSSION

MBC challenges various aspects of the Navy's evaluation of its proposal and contends that the award decision was flawed. MBC argues that the agency improperly assigned its proposal four weaknesses--and a rating of marginal--under the technical factor. Protest at 16-32. The protester also argues that the agency unreasonably rated its past performance as merely satisfactory confidence. *Id.* at 32-36. MBC further contends that the Navy's best-value determination was unreasonable and failed to establish a reasonable basis for paying a \$40 million cost premium for BAH's proposal. *Id.* at 36-40. As explained below, we find the protester's arguments to be without merit.

Technical Evaluation

The TET assessed six weaknesses to MBC's proposal under the technical factor and assigned a rating of marginal. AR Tab 11, TET FPR Evaluation Report at 13. MBC challenges the assessment of four of these weaknesses, arguing that the agency unreasonably ignored information in its proposal, considered unstated evaluation criteria, and conducted an evaluation inconsistent with the solicitation terms.³ Protest at 17-24, 28-31; Comments at 2-11. MBC also challenges its rating of marginal because, in MBC's view, even assuming the weaknesses were reasonable, its proposal met the FOPR "requirements, indicated an adequate approach and understanding of the requirements, and risk of unsuccessful performance was no worse than moderate." Protest at 16 (citing the definition of a rating of acceptable); see *also* Comments at 2.

The Navy responds that it reasonably evaluated proposals in a manner consistent with the solicitation's evaluation criteria and that the weaknesses were due to the fact that MBC's proposal includes "inaccurate statements/misrepresentations," lacks detail, restates SOW requirements, and provides generic responses. COS/MOL at 21; see *generally, id.* at 19-58. The Navy maintains that the weaknesses demonstrate that MBC's rating of marginal is warranted. *Id.* at 21.

We have reviewed the evaluation record and find no basis to question the agency's assignment of weaknesses or the rating of MBC's proposal as marginal under the technical factor. Although we do not specifically address all of MBC challenges, we have reviewed them all and conclude that none provides a basis to sustain the protest.

² Because the value of the task order at issue exceeds \$25 million, the protest is within our jurisdiction to hear protests of task order awards under multiple-award indefinite-quantity, indefinite-delivery contracts established within the Department of Defense. 10 U.S.C. § 3406(f)(B).

³ In its initial protest, MBC challenged all six weaknesses; however, after reviewing the agency report, MBC withdrew challenges to two weaknesses. Comments at 1 n.2 & 11.

The evaluation of proposals in a task order competition in accordance with FAR subpart 16.5, including the determination of the relative merits of proposals, is primarily a matter within the agency's discretion. *NTT Data Servs. Fed. Gov't, LLC*, B-420274, B-420274.2, Jan. 18, 2022, 2022 CPD ¶ 69 at 10; *Logistics Mgmt. Inst.*, B-417601 *et al.*, Aug. 30, 2019, 2019 CPD ¶ 311 at 4. In reviewing protests challenging an agency's evaluation of task order proposals, our Office does not reevaluate proposals or substitute our judgment for that of the agency, but examines the record to determine whether the agency's judgment was reasonable and in accord with the stated evaluation criteria and applicable procurement laws and regulations. *NTT Data Servs. Fed. Gov't, LLC, supra*; *Logistics Mgmt. Inst., supra*. A protester's disagreement with the agency's judgment, without more, is insufficient to establish that the agency acted unreasonably. *American Fuel Cell & Coated Fabrics Co.*, B-420551, B-420551.2, June 2, 2022, 2022 CPD ¶ 139 at 9.

By way of example, MBC argues that the agency unreasonably assessed its proposal a weakness for not sufficiently detailing "its capability, approach, and expertise in the development of requirements and project details throughout the lifecycle of the FMS process." Protest at 18. More specifically, the record reflects that the agency assigned MBC's proposal a weakness for not offering examples of "leading 'regional and country-specific threat actors, [concept of operations], and capability discussions with major stakeholders,'" and for merely providing "a broad statement that does not provide a capability approach and related processes for collecting and translating requirements." *Id.* at 12, 19; AR Tab 11, TET FPR Evaluation Report at 14. The agency "noted that MBC had failed to describe how its proposed [DELETED] tool 'facilitated collaboration and engagement' or 'streamlined tracking requirements,' and did not 'give insight into meaningful benefits.'" Protest at 12 (citing AR Tab 11, TET FPR Evaluation Report at 14) (quotations to MBC's proposal omitted)). MBC contends that it provided detailed information in its proposal and the agency failed to consider its whole proposal, which addressed the agency's concerns. *Id.* at 18-20; Comments at 3-5. MBC also contends that agency unreasonably found that it did not explain how the "[DELETED] tool" was a benefit and argues that even if [DELETED] was not a benefit, it should not have been deemed a weakness because it would not pose a risk to successful performance. Protest at 20-21; Comments at 5-6.

As noted above, the FOPR instructed offerors to "include sufficient detail to substantiate the validity of stated claims." Conformed FOPR at 45. As relevant here, under the first element of the technical capabilities factor, the FOPR provided that the Navy would evaluate the extent to which the offeror's detailed approach:

Describes in detail their capability, approach, and expertise in the development of requirements and project details throughout the life cycle of the FMS process from pre-[letter of request (LOR)], Case Development, Case Execution, through to Case Closure in support of delivering technical support and capabilities to Partner Nations. Describes the Offeror's ability to translate technical requirements of partner nations in Security

Cooperation/Assistance engagement into executable FMS case requirements.

Id. at 58.

The record reflects that in assessing the above weakness, the evaluators noted that MBC made broad statements about its capability approach and processes for collecting and translating requirements from partner nations and other stakeholders. AR, Tab 11, TET FPR Evaluation Report at 14. The evaluators explained that MBC did not include examples to support its claims. In particular, the TET observed that MBC did not explain how the [DELETED] tool “provided specific and measurable benefits to the [government] and [p]artner [n]ations, *i.e.*, Saudi Ministry of Defense (MoD).” *Id.*

In this regard, MBC’s proposal states that MBC uses the [DELETED] tool “to collaborate and consolidate on case engineering and logistics requirements, deliverables, and case documentation” to support PMW 740, and that the benefit of using the [DELETED] tool is “full traceability of system requirements and case documentation throughout the planning case.” AR, Tab 14, MBC FPR Technical Proposal at 5. The proposal further states that the [DELETED] tool “facilitated collaboration and engagement for requirements development and capture (especially in a remote work environment during COVID -19)” and it “streamlined tracking requirements for future case development and data transfer to the Saudi MoD at completion of case.” *Id.*

The TET observed that this language does not describe how the [DELETED] tool “‘facilitated collaboration and engagement’ or ‘streamlined tracking requirements.’” AR, Tab 11, TET FPR Evaluation Report at 14. Specifically, the benefits from the [DELETED] tool, as indicated in the proposal, do not “give insight into meaningful benefits to the [government] outside of being a repository for system requirements and case documentation.” *Id.*

Based on our review of the evaluation record, we find no basis to question the agency’s assessments regarding MBC’s capability, approach, and development expertise in the lifecycle of the FMS process. While MBC cites to several benefits of the [DELETED] tool, see Protest at 20, it does not identify, nor does our review of the record reveal, any meaningful explanation in its proposal of how the tool would be used to facilitate collaboration or streamline the tracking requirement, or what use it would have other than as a repository. MBC contends that the solicitation did not direct firms to explain the underlying mechanics of proposed tools in describing benefits from their use and analogizes that “the benefit of a washing machine is that it cleans clothing; how it gets stains out is not the highlight.” *Id.* The protester’s analogy assumes, however, that despite the means of achieving the benefit being unclear, the benefit itself is clear. Here, in contrast, the TET was concerned that without further information about how the [DELETED] tool would be used, it could not determine whether the benefits claimed by MBC would be realized.

Moreover, MBC misunderstands the reason the agency assigned a weakness for this element. The TET did not assign a weakness for the [DELETED] tool itself. Rather, the agency assessed a weakness here because MBC failed to sufficiently explain MBC's proposed approach under this element; how the [DELETED] tool would perform the work was but one example of MBC's failure to describe its approach in sufficient detail. See *generally*, COS/MOL at 22-28; see AR, Tab 10, TET Chair Declaration at 1-2.

Next we turn to MBC's challenge to its rating of marginal. As noted above, the protester contends that even if its proposal merited six weaknesses, it should have received a technical rating of acceptable rather than marginal because its proposal still met the solicitation requirements, reflected an adequate approach and understanding of the requirement, and had a risk of performance no higher than moderate. Protest at 16.

The solicitation defined ratings of acceptable and marginal under the technical factor as follows:

Acceptable: Proposal meets requirements and indicates an adequate approach and understanding of the requirements, and risk of unsuccessful performance is no worse than moderate.

Marginal: Proposal has not demonstrated an adequate approach and understanding of the requirements, and/or risk of unsuccessful performance is high.

Conformed FORP at 62.

The record here reflects that the TET and the FODA considered the content of MBC's proposal and sufficiently documented their basis for assigning a rating of marginal. In this regard, the TET documented the weaknesses assigned to MBC's proposal and its conclusion that MBC did not meet the definition for a rating of acceptable. AR, Tab 11, TET FPR Evaluation Report at 13-24. The record also shows that the FODA documented her concurrence with the TET and her consideration of the evaluation underlying MBC's rating of marginal in her award decision. AR, Tab 9, FODA Decision Document at 3. Specifically, the FODA found that even though MBC was able to eliminate a significant weakness after interchanges, MBC did not show adequate understanding and its "lack of description of their capabilities indicates there will be a significant risk to schedule and performance to the PMW [740], which could have a negative cost impact." *Id.* We find, therefore, unavailing MBC's disagreement with the rating of marginal that the Navy assigned to its proposal. Accordingly, we deny this protest ground.

Past Performance Evaluation

Next, MBC argues the agency's evaluation of its past performance as satisfactory confidence is unreasonable and inconsistent with the solicitation's evaluation criteria. MBC maintains that the Navy failed to recognize and give MBC the more favorable

consideration that its incumbent performance merited. Protest at 32-35. MBC also contends that the agency unreasonably assessed its subcontractor's past performance as merely somewhat relevant when the subcontractor performed essentially the same scope of work required here for another Navy office. Protest at 34-35. For the reasons below, we find the Navy's evaluation of past performance to be reasonable.

In reviewing an agency's evaluation of an offeror's past performance, our Office evaluates only whether the evaluation was reasonable and consistent with the stated evaluation criteria and applicable statutes and regulations, as determining the relative merit of an offeror's past performance is primarily a matter within the agency's discretion. *Golden Key Group, LLC.*, B-419001, Nov. 16, 2020, 2021 CPD ¶ 135 at 5; *TeleCommunication Sys., Inc.*, B-413265, B-413265.2, Sept. 21, 2016, 2016 CPD ¶ 266 at 7. The evaluation of past performance, by its very nature, is subjective, and we will not substitute our judgment for reasonably-based evaluation ratings; an offeror's disagreement with an agency's evaluation, without more, does not demonstrate that those judgments are unreasonable. *Golden Key Group, LLC.*, *supra*.

Here, the FOPR provided that the Navy would assign proposals an overall confidence rating based on the offeror's demonstrated record of recent and relevant performance. Conformed FOPR at 59. The solicitation instructed offerors to submit up to three examples of relevant experience. *Id.* at 49. First, the agency would evaluate the relevancy of the recent effort.⁴ *Id.* at 59. Relevant performance was "defined as experience similar in technical nature, scope, dollar value, and complexity to this effort." *Id.* The FOPR provided that for each of the three past references submitted, the agency would assign a relevancy rating: very relevant, relevant, somewhat relevant, or not relevant. *Id.* at 59, 62. The FOPR further stated that more favorable consideration would be given to direct experience with Department of Defense commands performing tasks relevant to the FOPR requirements. *Id.* at 59. Then, the agency would consider "how well the [o]fferor performed on those relevant, recent contracts." *Id.*

The Navy determined that all three of MBC's past experiences were recent and that the two references submitted on behalf of MBC--the prime contractor--were very relevant. AR, Tab 13, TET Initial Evaluation Report at 29.⁵ In this regard, the TET found that past performance reference 1, which was the previous requirement for PMW 740, had "essentially the same scope and complexity this solicitation requires" although it had 71 percent small dollar value when compared to this effort. *Id.* at 29-30. The TET made similar findings for the past performance reference 2, which was a contract MBC performed for the Navy's Multifunctional Information Distribution System program

⁴ Recent performance was defined as any contract under which performance occurred within three years prior to the proposal's submission. Conformed FOPR at 59.

⁵ The TET made no changes to its evaluation of MBC under the past performance factor after receiving FPRs and referenced the initial evaluation in its FPR evaluation report. AR, Tab 11, TET FPR Evaluation Report at 25.

office (PMW/PMA-101).⁶ AR, Tab 13, TET Initial Evaluation Report at 30. Specifically, the TET found the scope and complexity were “essentially the same” as the FOPR’s requirements although the dollar value was 87 percent smaller than the FOPR. *Id.* at 30-31.

The agency found that the third reference, submitted for MBC’s subcontractor, was somewhat relevant, noting that while the dollar value of the third reference exceeded the IGCE for this solicitation by 214 percent, the scope and complexity of that contract were only somewhat similar to the FOPR’s requirements. *Id.* at 31-32. Under past performance reference 3, the subcontractor provided logistics support to another Navy command, Naval Air Systems Command (NAVAIR), AIR 6.6F, International Sustainment Directorate, “in the areas of aviation enterprise acquisition and sustainment logistics support, including FMS projects, in the areas of logistics, training, program management, and [i]nformation [t]echnology.” *Id.* at 31. In its evaluation, the TET noted that while the SOW specified eight performance requirements, the reference for the subcontractor only describes a portion of four of the performance requirements. *Id.* at 31-32.

For example, past performance reference 3 describes work similar to SOW section 6.2, integrated FMS case development, execution, reconciliation, and closure support, such as the subcontractor’s assistance supporting the “validation and reconciliation of logistics and logistics financial data to facilitate case development, management, reconciliation, and closure.” *Id.* at 31 (internal quotations omitted). The reference does not, however, “include the required scope of SOW 6.2 case management activities throughout the FMS lifecycle,” and “does not describe any direct support of case development and management activities outside of the very specific area of ‘...logistics program planning, including the validation, and tracking of requirements and related financial commitment/obligation/ expenditures...’.” *Id.* at 32. In another example, the TET noted that past performance reference 3 indicated that the support the subcontractor provided to NAVAIR encompassed activities somewhat similar to SOW section 6.4, systems engineering and cybersecurity analysis, design, technical assistance support, but did not provide evidence of supporting “delivery of integrated technical C4I solutions to meet [p]artner [n]ation requirements.” *Id.* The TET also noted that the reference “for this task does not describe any engineering related activities to support FMS.” *Id.*

In addition to assessing the relevance of the protester’s references, the record reflects that the Navy considered both positive and negative information regarding the quality of the protester’s past performance on those contracts. *Id.* at 28-33. The TET explained that the two very relevant past performance references reflected contractor performance assessment reporting system (CPARS) ratings that ranged from very good to satisfactory and the somewhat relevant reference received ratings from exceptional to

⁶ The FOPR requirement includes surge support services for PMW/PMA-101’s FMS division as needed. AR, Tab 1, FOPR attach. 1, SOW at 7.

satisfactory.⁷ *Id.* at 29. For reference 1, the TET explained that MBC's most recent CPARS report reflected a rating of very good for schedule and a rating of satisfactory for quality, cost control, management, and regulatory compliance. *Id.* at 30. For reference 2, the TET noted that MBC's most recent CPARS report reflected a rating of very good for schedule, cost control, management, and regulatory compliance, and a rating of satisfactory for quality. *Id.* at 31. The Navy also observed, however, that the CPARS comments for past performance reference 2 included critiques of MBC's performance. The evaluators noted in this regard that even though the CPARS comments indicated that MBC's "overall performance was satisfactory" and most personnel who performed on the task order "were very good and often exceed[ed] requirements," the CPARS comments also specified "persistent vacancies and some issues with performers offset these benefits requiring government staff and remaining contractor employees make up the difference." *Id.* (internal quotations omitted). The PPQ for past performance reference 3 indicated a range of ratings from exceptional to satisfactory for quality, schedule, business relationships, customer satisfaction, and cost control.⁸ *Id.*

MBC argues that the agency's satisfactory confidence rating was unreasonable and inconsistent with the solicitation terms. The protester contends that the agency minimized the positive quality ratings from its references, which were primarily very good and exceptional, and instead "assigned the [s]atisfactory [c]onfidence rating on the basis of isolated, critical aspects of the CPARS." Comments at 12. MBC asserts that the TET disregarded the reviewing official's praise documented in the CPARS reference for the incumbent contract, PMW 740 (past performance reference 1), and downplayed the four very good ratings for the PMW/PMA-101 contract (past performance reference 2). Protest at 33-34; Comments at 12-13. MBC also asserts that past performance reference 3 was erroneously deemed somewhat relevant and that the agency undervalued the exceptional and very good ratings documented in the PPQ for this reference. Protest at 34-35; Comments at 13.

Based on our review of the record, we find the agency's rating of MBC's past performance as satisfactory confidence unobjectionable. The record shows that the agency recognized and considered both positive and negative aspects of MBC's past performance record in arriving at this rating. The Navy explained that the TET considered all the comments included in the PMW 740 CPARS reference, which enumerated several performance issues explaining the satisfactory ratings for quality,

⁷ MBC submitted a past performance questionnaire (PPQ) for its subcontractor's reference (past performance reference 3) because a CPARS report was unavailable for that past effort. AR, Tab 13, TET Initial Evaluation Report at 29. The PPQ does not track precisely to the ratings categories of the CPARS report.

⁸ For past performance reference 3, the subcontractor received exceptional ratings for quality, schedule, and customer satisfaction; very good ratings for quality, cost control, schedule, business relationships, and customer satisfaction; and a satisfactory rating for business relationships. *Id.* at 32-33.

cost control, management and regulatory compliance. COS/MOL at 66-68. The TET also included the PMW/PMA-101 reviewing official's concerns in its report, demonstrating the basis for the TET's quality assessment and showing that it looked behind the four very good and one satisfactory ratings in its assessment of MBC's performance. AR, Tab 13, TET Initial Evaluation Report at 31. With regard to the protester's complaint that reference 3 should have been considered more than somewhat relevant, the evaluators explained in detail, as noted above, the basis for their finding that the reference was only somewhat similar in the scope and complexity to the FOPR.

In sum, we find no basis to question MBC's rating of satisfactory confidence. MBC has only raised arguments that reflect its disagreement with the agency's evaluation. Such disagreement is insufficient to render the agency's evaluation unreasonable. *American Fuel Cell & Coated Fabrics Co., supra*. Accordingly, MBC's protest challenging the agency's past performance evaluation of its proposal is denied.

Best-Value Tradeoff

MBC challenges the Navy's best-value tradeoff analysis, arguing that as part of its analysis, the agency unreasonably assessed risk to MBC's management approach based on staffing numbers taken from its cost proposal. Protest at 38-40; Comments at 15-18. MBC also contends that the underlying evaluation errors undermined the agency's tradeoff analysis and that a reasonable tradeoff would not have resulted in an award to BAH at a substantial cost premium of over \$39 million. Protest at 40; Comments at 14-15.

Regarding its first argument, MBC notes that in the FODA's tradeoff decision, she stated that MBC was "not as robust [as BAH] in their staffing plan since named staff is only 84.50 [percent] of the total proposed, and 9.73 [percent] of their proposed staff is [to be determined (TBD)]." Protest at 38, citing AR, Tab 9, FODA Decision at 3. The protester argues that the FODA's decision document inaccurately asserts that MBC proposed 84.50 percent named employees and 9.73 percent TBD employees for its staffing plan under the management approach factor. Protest at 38-39. The protester contends that in accordance with the guidance provided in the solicitation, it did not propose the same percentages of named and TBD employees in its staffing plan that it proposed in its cost proposal, and that it was inconsistent with the terms of the solicitation for the agency to consider the percentages proposed in the cost proposal in evaluating the staffing plan. Comments at 16. The protester also contends that it proposed to have its TBD employees in place within 21 days of contract award, which was less than the 45 days that solicitation required, and thus, it was improper for the agency to assess a risk to its proposal. Protest at 39-40; Comments at 16-17.

The FOPR cautioned offerors to expect the level of effort (LOE) they should propose in their cost proposals to be inconsistent with the LOE in the staffing plan spreadsheet. Conformed FOPR at 48. The FOPR explained that the "discrepancy is intentional" because "[t]he [s]taffing [p]lan spreadsheet represents known positions required at time

of award or within 45 days of award,” whereas the cost proposal “includes anticipated hours to support emerging requirements within PMW 740.” *Id.* As a consequence, offerors were required to propose more labor hours in the cost proposal than the number of labor hours the agency knew were required at time of award (or within 45 days of award) as identified in the staffing plan spreadsheet. See COS/MOL at 79-81.

Here, the record shows that the Navy performed an extensive and detailed best-value tradeoff, in which the FODA discussed the relevant evaluation factors and benefits of the proposals. See *generally* AR, Tab 9, FODA Decision. As relevant here, the record reflects that the FODA understood what MBC proposed in which part of its proposal and that the FODA attributed risk to MBC’s staffing plan and not its cost proposal. In this regard, the FODA explained that “five of the eleven TBDs for MBC were listed on the staffing plan as Priority 2 by PMW 740, [these five included] one Systems Engineer (Network Emphasis) II and four Cyber Security Engineers,” which the FODA concluded added to the risk associated with MBC’s proposal in the areas “Cybersecurity, Risk Management Framework (RMF), and system engineering.”⁹ *Id.* at 2-3.¹⁰

To the extent it appears that the Navy erred and treated the number of full-time equivalent employees in MBC’s staffing plan interchangeably with the labor hours in the cost proposal, as the protester alleges, the FODA decision indicates the agency assessed risk to MBC’s proposal because of its staffing plan in which PMW 740 identified 5 of 11 TBD employees were listed as priority 2, and not MBC’s cost proposal. AR, Tab 9, FODA Decision at 2-3. The record reflects that the agency assessed risk to MBC’s proposal because approximately half the TBD employees fulfill important systems engineering and cyber security engineering positions. The FODA’s declaration clarified this point. AR, Tab 28, FODA Declaration at 5. Competitive prejudice is an

⁹ Priority 2 staff “[s]tart work no later than 45 days after [task order] award.” AR, Tab 26, FORP attach. 6, Staffing Plan, Cell 99A-E.

¹⁰ In a declaration submitted in response to the protest here, the FODA further explained that “[a]lthough the [d]ecision [d]ocument does identify information from the cost proposal on the overall level of effort, there was never any reliance on the cost proposal to find risk in the [s]taffing [p]lan. The discussion of risk of the 5 specific TBD employees identified was directly from MBC’s [s]taffing [p]lan submitted as part of the [m]anagement [a]pproach.” AR, Tab 28, FODA Declaration at 4; COS/MOL at 81-82. The FODA clarifies further that “percentages provided in the [d]ecision [d]ocument [were] consistent with the overall picture of the level of effort that MBC proposed, but the area of risk that [she] identified was based specifically on the 5 TBD in the staffing plan (with 4 of those TBD being the majority of the Cyber Security Engineer Labor Category), which [she] considered to be an important risk to highlight.” AR, Tab 28, FODA Declaration at 5. While the FODA’s explanation was provided post protest, our Office will generally consider post-protest explanations that provide a detailed rationale for contemporaneous conclusions as long as those explanations are credible and consistent with the contemporaneous record, as is the case here. *Booz Allen Hamilton, Inc.*, B-420116.6, B-420116.7, Aug. 22, 2022, 2022 CPD ¶ 221 at 9.

essential element of any viable protest; where the protester fails to demonstrate that, but for the agency's actions, it would have had a substantial chance of receiving the award, there is no basis for finding prejudice, and our Office will not sustain the protest, even if deficiencies in the procurement are found. *American Fuel Cell & Coated Fabrics Co.*, B-420551, B-420551.2, June 2, 2022, 2022 CPD ¶ 139 at 14. We find therefore that MBC cannot establish that it was competitively prejudiced by the alleged errors in the FODA decision.

The record establishes that the agency reasonably considered the number of TBD employees proposed to be a discriminator between BAH and MBC. The agency did not assess a weakness to MBC under the management approach factor because its proposal included 11 TBD employees who would be in place before the 45 days transition period concluded; instead, the agency assessed a strength to MBC for its limited number of contingent and unidentified hires. AR, Tab 11, TET FPR Evaluation Report at 24-25. In comparison to BAH, however, MBC proposed more TBD employees and it was reasonable for the agency to conclude that proposing zero TBD employees, as BAH did, was an approach with less risk than MBC's approach. We find therefore the agency reasonably regarded the number of proposed TBD employees a discriminator and we find unobjectionable the agency's conclusion that "BAH's proposed employee team has lower risk with a higher level of confidence that they have currently employed personnel to accomplish the requirements upon contract award." AR, Tab 9, FODA Decision at 3.

Finally, we find to be without merit the protester's contention that the Navy's best-value tradeoff analysis was defective due to errors in the underlying evaluation. As discussed above, the agency's evaluation was reasonable and because there are no flaws in the underlying evaluation, there are no flaws in agency's best-value tradeoff analysis. See e.g., *TeleCommunication Sys., Inc.*, *supra*. As discussed below, we likewise find to be without merit the protester's contention that the agency has not adequately justified its selection of BAH's substantially higher-cost proposal.

Where, as here, a solicitation provides for issuance of a task order on a best-value tradeoff basis, it is the function of the source selection official to perform a cost/technical tradeoff, that is, to determine whether one proposal's technical superiority is worth its higher cost. *Engility Corp.*, B-413120.3 *et al.*, Feb. 14, 2017, 2017 CPD ¶ 70 at 24. An agency has broad discretion in making a tradeoff between cost and non-cost factors, and the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the solicitation's stated evaluation criteria. *Alliant Enter. JV, LLC*, B-410352.5, B-410352.6, July 1, 2015, 2015 CPD ¶ 209 at 14. While the agency's rationale for any cost/technical tradeoffs made and the benefits associated with the additional costs must be adequately documented, there is no need for extensive documentation of every consideration factored into a tradeoff decision. FAR 16.505(b)(7); *Engility Corp.*, *supra*. Rather, the documentation need only be sufficient to establish that the agency was aware of the relative merits and costs of the competing proposals, and that the source selection was reasonably based. *Engility Corp.*, *supra*.

As noted above, the agency assigned BAH's proposal six strengths and a rating of outstanding for the technical capabilities factor. See AR, Tab 9, FODA Decision at 2. The agency also assigned BAH's proposal five strengths and a rating of outstanding for the management approach factor, and a rating of substantial confidence for the past performance factor. *Id.* at 2-3. The protester's proposal, in contrast, received six weaknesses, and a rating of marginal, for the technical capabilities factor. AR Tab 11, TET FPR Evaluation Report at 13. MBC also received a rating of good for the management approach factor with two strengths and a rating of satisfactory confidence for past performance. *Id.* at 24-25.

The record reflects that, in conjunction with the adjectival ratings, the agency explained its basis for finding BAH's proposal to be superior to MBC's proposal under the non-cost evaluation factors, notwithstanding MBC's higher rating under the small business participation factor. The FODA found that "BAH proposed an exceptional forward-thinking technical approach for achieving SOW requirements and offering innovative solutions for current and anticipated challenges with detailed evidence of success." AR, Tab 9, FODA Decision at 2. The FODA also found that BAH's management approach was excellent and that its proposal detailed specific benefits and examples of its approach, which included a staffing plan with no TBD employees. *Id.* While the agency recognized that MBC's cost was lower, the agency also observed that MBC's proposal was technically inferior to BAH's proposal in three of the four non-cost factors. *Id.* at 3. Further, the FODA found that MBC's proposal did not show sufficient understanding of the requirements and its staffing plan was not as strong as BAH's because MBC's plan included 11 TBD employees. *Id.* at 2-3. The FODA concluded that MBC's lack of detail in its proposal about its capabilities evidenced risk to the schedule and performance of the requirement which could increase the cost. *Id.* The record reflects that the agency specifically identified the areas where BAH's proposal was superior to MBC's, explained the significance of BAH's strengths and MBC's weaknesses, recognized that BAH's superiority came at a cost premium, and concluded that the higher cost was warranted.

In sum, we find that the Navy reasonably evaluated MBC's proposal and concluded that BAH offered the best-value to the government because the benefits associated with its superior technical proposal warranted its cost premium.

The protest is denied.

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