



Decision

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Matter of: Kratos Defense & Rocket Support Services, Inc.

File: B-422780

Date: October 11, 2024

Aron C. Beezley, Esq., and Patrick R. Quigley, Esq., Bradley Arant Boult Cummings LLP; J. Daniel Puckett, Esq., for the protester.

Rebecca E. Pearson, Esq., J. Scott Hommer, III, Esq., and Christopher G. Griesedieck, Jr., Esq., Venable LLP, for Peraton, Inc., the intervenor.

Andrea Maglasang-Miller, Esq., Julianne M. Surane, Esq., and Craig D. Haughtelin, Esq., Department of the Navy, for the agency.

Michael P. Grogan, Esq., and Evan D. Wesser, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Challenge to the agency's elimination of the protester's proposal from the competition is denied where the protester manifested an intent to submit proposal revisions but failed to timely submit portions of its revised proposal.

DECISION

Kratos Defense & Rocket Support Services, Inc., of San Diego, California, protests the issuance of a task order to Peraton, Inc., of Herndon, Virginia, under request for proposals (RFP) No. N6339421R3007, issued by the Department of the Navy, for developmental and long range sub-orbital vehicles.¹ The protester challenges the Navy's decision to eliminate Kratos's proposal from the competition.

We deny the protest.

BACKGROUND

¹ According to the solicitation, these vehicles are two and three stage rockets used to deliver payloads and test articles in support of various programs, such as ballistic missile defense programs. Agency Report (AR), exh. 2.6, RFP at 7.

The Navy issued the solicitation on July 16, 2021, under the Navy's multiple-award SeaPort Next-Generation indefinite-delivery, indefinite-quantity (IDIQ) contract, pursuant to the procedures of Federal Acquisition Regulation (FAR) subpart 16.5. AR, exh. 2.6, RFP at 1.² The solicitation contemplated the issuance of a single task order, with cost-plus-fixed-fee and cost-reimbursement contract line items, with a 1-year base period of performance and four, 1-year option periods. *Id.* at 57, 71. Through this procurement the Navy sought developmental and long range sub-orbital vehicles (LSOV) for various customers. *Id.* at 14. Specifically, the contractor would, among other things: (1) design, develop, manufacture, assemble, integrate and test all LSOV configurations and associated ground test hardware and special test equipment; (2) support government sponsored flight testing; (3) provide analysis for pre-flight integration and testing; (4) provide post-test analysis for vehicle performance to verify that test objectives have been met; and (5) develop, maintain and update technical packages to reflect the different LSOV configurations. *Id.*

The solicitation advised that award would be made on a best-value tradeoff basis, considering five factors: (1) technical understanding/capability/approach; (2) workforce; (3) management; (4) past performance; and (5) total evaluated cost.³ *Id.* at 94. The technical and workforce factors were of equal importance, and individually were more important than management. *Id.* The technical, workforce, and management factors, when combined were significantly more important than past performance. *Id.* The non-cost factors, when combined were significantly more important than cost. *Id.* The solicitation advised that the importance of cost as an evaluation factor would increase with "the degree of equality in overall technical merit of competing proposals." *Id.*

The RFP explained that proposals should be submitted in three volumes. Volume one (offer and task order information) concerned administrative submissions; volume two (technical proposal) concerned substantive proposal information, to include (as relevant here) an offeror's proposal for addressing the management evaluation factor; and volume three was the offeror's cost proposal. RFP at 73-91.

Both Kratos and Peraton submitted proposals by the initial due date of September 15, and the Navy determine both firms' proposals were within the competitive range. Contracting Officer's Statement (COS) at 2. The Navy issued amendment 0002 to the RFP on May 10, 2023, which, among other things, opened discussions and provided

² All citations to the agency's report are to the Adobe PDF document page numbers, and citations to the solicitation are to amendment 0007 of the RFP, unless otherwise noted.

³ The Navy would assign one of five adjectival technical ratings to the non-cost factors, other than past performance: outstanding, good, acceptable, marginal, and unacceptable. RFP at 93. For past performance, the agency would assign one of four relevancy ratings (very relevant, relevant, somewhat relevant, and not relevant) and one of five confidence ratings (substantial confidence, satisfactory confidence, limited confidence, no confidence, and unknown confidence). *Id.* at 94.

instructions for offerors who wished to submit initial proposal revisions. *Id.*; see also AR, exh. 2.1, RFP amend. 0002 at 2; AR, exh. 4.1, Kratos Discussion Letter, May 10, 2023. Following the conclusion of discussions, the protester submitted its initial proposal revisions by the established due date. COS at 2.

The Navy opened a second round of discussions on March 19, 2024. COS at 2-3; see AR, exh. 4.2 Kratos Discussion Letter, March 19, 2024. On March 20, the Navy issued amendment 0004 to the solicitation, which closed discussions and provided instructions for the submission of final proposal revisions (FPRs). AR, exh. 2.3, RFP amend. 0004 at 2. As relevant here, the solicitation amendment explained:

If an offeror chooses to revise any document based on the letter received, the offeror shall revise the document version submitted under solicitation amendment [0003] and shall provide an updated document matrix and copies of all updated documents with both initial proposal revisions and final proposal revisions changes clearly differentiated.

Id.

Kratos submitted materials for its FPR by the established due date of April 12. See generally, AR, exh. 8.1-8.17, Kratos FPR submission. Part of Kratos's submission was a transmittal letter.⁴ AR, exh. 8.1, Kratos FPR Transmittal Letter at 1. This letter contained administrative information as required by the RFP, such as a disclaimer of any known organizational conflicts of interests, a statement taking no exception to the terms, conditions, and provisions of the RFP, and a listing of intended subcontractors. *Id.* Kratos's transmittal letter also included the updated document matrix, as was described within RFP amendment 0004. This matrix identified changes Kratos made from its initial proposal revisions in its FPR. *Id.* at 2. Kratos also included a list of the “[e]nclosures transmitted as part of Kratos's proposal.” *Id.* at 2. The list included 22 numbered entries, each seemingly referencing portions of Kratos's FPR. Among the identified enclosures were two entries relevant here: “10.Kratos N6339421R30070007 FPR_Vol_2_Tech_Management Accepted Changes”; and “10.Kratos N6339421R30070007 FPR_Vol_2_Tech_Management Tracked Changes”.⁵ *Id.* at 3.

The agency reviewed Kratos's submission. COS at 3. Despite the transmittal letter's reference to two enclosed documents reflecting changes to the management section of

⁴ Per the RFP, each offeror was to submit a transmittal letter as part of an offeror's proposal volume 1, which was to include various administrative information and, as pertinent here, was required to “[i]dentify all enclosures being transmitted as part of its proposal.” RFP at 78.

⁵ It appears these two entries, along with the other 20, include an alphanumeric entry (corresponding to the solicitation identifier and the seventh amendment to the RFP), the proposal volume for which changes were made, and the specific aspect of that volume where changes were incorporated. AR, exh. 8.1, Kratos FPR Transmittal Letter at 1.

Kratos's technical volume (proposal volume 2), the Navy confirmed that Kratos did not upload with its FPR any materials related to the management portion of the firm's proposal. AR, exh. 3, Kratos Upload Verification at 1.

On July 17, the Navy notified Kratos that it was not selected for award. AR, exh. 6, Unsuccessful Offeror Notification at 1. The agency explained that Kratos "did not upload a complete final proposal revision . . . prior to the due date and time specified in the solicitation; therefore, your final proposal revision was considered to be ineligible for award and was not evaluated further." *Id.* Following a debriefing, this protest followed.⁶

DISCUSSION

Kratos's sole allegation concerns the propriety of the Navy's decision to eliminate the firm's proposal from the competition. In this regard, the protester contends the agency's decision was unreasonable and contrary to the terms of the solicitation. Moreover, Kratos argues the agency should have sought clarification from the firm regarding its intent to submit changed proposal documents. In the alternative, the protester argues the solicitation was latently ambiguous as to what was required to be submitted with FPRs. For the reasons that follow, we find no basis to sustain the protest.⁷

In reviewing protests challenging the rejection of a proposal based on the agency's evaluation, it is not our role to reevaluate proposals; rather our Office examines the record to determine whether the agency's judgment was reasonable and in accordance with the solicitation criteria and applicable procurement statutes and regulations.

Wolverine Servs. LLC, B-409906.3, B-409906.5, Oct. 14, 2014, 2014 CPD ¶ 325 at 3; *Orion Tech., Inc.*, B-405077, Aug. 12, 2011, 2011 CPD ¶ 159 at 4. It is an offeror's responsibility to submit a well-written proposal, with adequately detailed information that clearly demonstrates compliance with the solicitation requirements and allows a meaningful review by the procuring agency. *ESAC, Inc.*, B-413104.34, Apr. 17, 2019, 2019 CPD ¶ 162 at 4. Where a proposal omits required information, the offeror runs the risk that its proposal will be rejected. *Global Dimensions, LLC*, B-419672, May 12, 2021, 2021 CPD ¶ 203 at 3.

The resolution of this protest turns on the reasonableness of the agency's determination that Kratos's FPR submission expressed an intention to modify the management portion of its technical proposal yet failed to provide those changes in its FPR. The agency

⁶ Because the awarded value of the issued task order is \$248,717,804, this procurement is within our jurisdiction to hear protests related to the issuance of orders in excess of \$25 million under multiple-award IDIQ contracts awarded under the authority granted in title 10 of the United States Code. 10 U.S.C. § 3406(f)(1)(B).

⁷ Kratos raises a number of collateral and ancillary arguments in support of its principal assertions. Although our decision does not specifically address every argument raised by Kratos, we have considered each argument and find that none provides a basis on which to sustain the protest.

explains that Kratos's transmittal letter included a list of attachments included with its FPR. See AR, exh. 8.1, Kratos FPR Transmittal Letter at 3. Two of these entries concerned changes to Kratos's management proposal--a tracked changes version, and a version with the changes accepted. *Id.* However, the Navy determined that Kratos did not, in fact, submit any proposal revisions related to its management proposal before the FPR deadline. COS at 3-4; AR, exh. 3, Kratos Upload Verification at 1 (confirming the protester failed to upload the changes to its management approach in the Navy's proposal submission system). On this basis, the Navy determined Kratos's failure to timely submit its management proposal revisions rendered the firm's proposal ineligible for award. AR, Tab 7, Kratos's Debriefing at 1.

The protester presents several arguments in retort. Kratos contends that its intent--that it did not intend to submit revisions to its management proposal--was clear on the face of its FPR submission. In this regard, Kratos argues that despite the list of enclosures (which references changes to the management proposal), the firm's document change matrix, also included in the transmittal letter, did not reflect any changes to the firm's management proposal. Comments at 5-12; see also AR, exh. 8.1, Kratos FPR Transmittal Letter at 2. Moreover, the protester provides an unsworn declaration from a senior Kratos employee that provides the firm did not intend to submit changes to its management proposal, and that the references to changes to Kratos's management proposal in the list of enclosed documents were in error. *Id.*, exh. 1, Kratos Declaration at 18-21.

Contrary to the protester's arguments, it is not at all clear whether Kratos intended to make changes to the management section of its technical proposal; the firm's FPR submission reasonably presents two different intentions. On the one hand, the transmittal letter's document matrix does not include any changes to the management section of the firm's technical proposal, indicating a desire not to make changes. On the other hand, the transmittal letter's list of enclosures (which included tracked and accepted changes versions of its management proposal) clearly reflects the protester intended to make changes to aspects of its management proposal.

With this as a backdrop, we find no basis to object to the agency's determination that Kratos intended to make changes to its management proposal but failed to timely provide them with its FPR submission. As noted above, it is an offeror's responsibility to submit a clear, error-free, and well-written proposal. See *ESAC, Inc., supra* at 4. Moreover, an agency is not required to piece together disparate parts of a protester's proposal to determine the protester's intent. See *James Construction., B-402429*, Apr. 21, 2010, 2010 CPD ¶ 98 at 5. As applied, we do not agree with the protester that the Navy was required to divine Kratos's true intent when presented with conflicting information. Indeed, agencies are not required to infer information from an inadequately detailed proposal, or to supply information that the protester elected not to provide. *Optimization Consulting, Inc., B-407377, B-407377.2, Dec. 28, 2012, 2013 CPD ¶ 16* at 9 n.17. Given the lack of clarity in Kratos's FPR submission, we find reasonable the

agency's determination that the protester intended, but failed to submit, management proposal revisions.⁸

Kratos presents other arguments, none of which we find persuasive. For instance, the protester contends that the RFP and its amendments did not require Kratos to resubmit unchanged portions of its proposal as part of its FPR submission; instead, an offeror who wished to make changes to its initial proposal revisions (following the first round of discussions) was only required to submit *changed* documents. Protest at 19-22; Comments at 2-4. Alternatively, the protester argues the RFP was latently ambiguous as to whether an offeror was required to resubmit unchanged documents as part of its FPR, or whether firms were only to submit those portions of its proposal it sought to revise. Protest at 28-30; Comments at 13-15.

However, these arguments are not germane to the resolution of this protest. That is, even if, for the sake of argument, we were to agree with the protester that Kratos was not required to resubmit unchanged documents, or the solicitation was ambiguous to this point, the record demonstrates (as addressed above) the agency reasonably interpreted Kratos's FPR submission as seeking to change its management proposal. As such, a potential requirement concerning the submission of unchanged documents is irrelevant where the Navy understood Kratos to be submitting changed documents. Here, where the protester indicated it was submitting a modification to its management proposal as part of its FPR and failed to timely do so, we cannot conclude the Navy's decision to deem Kratos's proposal incomplete and ineligible was improper.

The protest is denied.

Edda Emmanuelli Perez
General Counsel

⁸ The protester argues the Navy should have engaged in clarifications on this point. Protest at 26-28; Comments at 12-13. However, agencies have broad discretion as to whether to seek clarifications from offerors, and offerors have no automatic right to clarifications regarding proposals. *Valkyrie Enterprises, LLC*, B-414516, June 30, 2017, 2017 CPD ¶ 212 at 7. Here, given the Navy's wide discretion, we have no basis to find that the agency acted improperly by rejecting Kratos's proposal without seeking to resolve the matter through clarifications.