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Decision

Matter of: NARCORPS Specialties, LLC

File: B-422886.2; B-422886.3

Date: March 28, 2025

Jacob W. Scott, Esq., Allison G. Geewax, Esq., and Sarah K. Carpenter, Esq., Smith Currie Oles LLP, for the protester.
Christian B. Nagel, Esq., Megan Mocho, Esq., and Roza S. Sheffield, Esq., Holland & Knight LLP, for the intervenor, Vertical Jobs, Inc.
Michael Kiffney, Esq., and William J. Washington, Esq., Department of Homeland Security, for the agency.
Jacob M. Talcott, Esq., and Jennifer D. Westfall-McGrail, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging the agency's failure to perform a price realism analysis is dismissed where the solicitation neither contained an express price realism provision nor informed vendors that the agency would review prices to determine whether they reflected a lack of technical understanding.
 2. Protest challenging the agency's evaluation of the awardee's past performance is denied where the evaluation was reasonable and in accordance with the terms of the solicitation.
 3. Protest challenging the agency's evaluation of the awardee's technical approach is denied where the evaluation was reasonable and in accordance with the terms of the solicitation.
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DECISION

NARCORPS Specialties, LLC, a small business of Orange Park, Florida, protests the issuance of a task order to Vertical Jobs, Inc., a small business of Leesburg, Virginia, under request for quotations (RFQ) No. 70T01024Q7670N009, issued by the Department of Homeland Security (DHS), Transportation Security Administration (TSA), for role player support services for training administered to TSA and other components of DHS. The protester contends that the agency failed to evaluate quotations in accordance with the terms of the solicitation.

We dismiss the protest in part and deny it in part.

BACKGROUND

On April 5, 2024, the agency issued the subject solicitation to General Services Administration schedule contract holders in accordance with Federal Acquisition Regulation (FAR) section 8.405-2 as a set-aside for small businesses. Contracting Officer's Statement (COS) at 1; Agency Report (AR), Tab 6, RFQ at 15, 168.¹ The agency sought a vendor to provide role player support services as part of training exercises for the TSA, Federal Air Marshal Service, Federal Flight Deck Officer recurrent training programs, and the TSA Canine Training Center. RFQ at 78. The solicitation anticipated the issuance of a hybrid task order with time-and-materials and fixed-price contract line item numbers for a base period of one year and four, 1-year option periods. *Id.* at 21, 88. The due date for quotations, as amended, was May 13, 2024. COS at 2.

The solicitation anticipated issuance of the order to the vendor submitting the lowest-priced, technically acceptable (LPTA) quotation based on the following factors: technical approach, past performance, and price. RFQ at 168. Under the technical approach factor, vendors were to provide a service plan and a transition-in plan that the agency would evaluate to determine whether the vendor quoted an executable approach or a non-executable approach to the requirement. *Id.* at 170. Under the past performance factor, vendors were to complete a past performance questionnaire that the agency would evaluate to determine whether the vendor demonstrated "a history of developing and delivering satisfactory services/products in the areas described in the solicitation (or areas similar in size, scope and complexity to the solicitation and the [statement of work (SOW)])". *Id.* at 168-170. The agency would assign quotations a rating of acceptable or unacceptable under the technical approach and past performance factors. *Id.* at 170. The agency would evaluate price by adding the total price for all options to the total price for the basic requirement. *Id.* at 171.

The agency received two quotations, from NARCORPS and Vertical Jobs respectively, by the due date on May 13. COS at 2. The agency issued the task order to Vertical Jobs on August 22, 2024. *Id.* NARCORPS filed a protest with our Office on August 30, challenging the agency's evaluation of Vertical Jobs' quotation. *Id.* In response, the agency informed our Office that it intended to take corrective action. *Id.* Specifically, the agency stated that it would cancel the task order, amend the RFQ, request and evaluate revised quotations, and make a new source selection decision. *Id.* Based on the agency's proposed corrective action, our Office dismissed the protest as academic on September 16. *NARCORPS Specialties, LLC, B-422886, Sept. 16, 2024* (unpublished decision).

Following the agency's corrective action, the new due date for quotations was October 2, 2024. COS at 3. Both NARCORPS and Vertical Jobs submitted quotations.

¹ All citations reference the Adobe PDF page number.

Id. Vertical Jobs quoted a price of \$36,097,680; NARCORPS quoted a price of \$37,841,280. AR, Tab 16, Unsuccessful Vendor Notification at 2.² Once the agency determined that Vertical Jobs submitted the lowest price, it evaluated Vertical Jobs' technical proposal and concluded that it was technically acceptable. AR, Tab 14, SSD at 1-3. On December 26, the agency selected Vertical Jobs' quotation for receipt of the task order. *Id.* at 3. This protest followed.

DISCUSSION

NARCORPS raises several challenges to the agency's evaluation of quotations. The protester first contends that agency should have eliminated Vertical Jobs' quotation from the competition because its price was unrealistically low and demonstrated a lack of understanding of the requirements. Protest at 9-13. The protester next argues that the agency should have assigned Vertical Jobs' quotation a technical rating of unacceptable because, according to the protester, Vertical Jobs lacks adequate past performance. *Id.* at 13-17. In its supplemental protest, NARCORPS contends that the agency failed to properly document its evaluation under the technical approach factor. Comments and Supp. Protest at 32. For reasons discussed below, we dismiss the protest in part and deny it in part.³

Challenge to the Absence of a Price Realism Analysis

NARCORPS first argues that the agency should have eliminated Vertical Jobs' quotation from the competition because its quoted price was unrealistically low and reflected a misunderstanding of the requirements. Protest at 9-10. In other words, the protester argues that the agency should have, but failed to, conduct a price realism analysis. The intervenor requests dismissal of this argument, contending that the solicitation did not require the agency to conduct a price realism analysis. Intervenor's Req. for Dismissal at 1-3.

Price realism is an assessment of whether prices are too low, such that there may be a risk of poor performance. *Maxim Healthcare Servs., Inc.*, B-412967.9, B-412967.11, June 25, 2018, 2018 CPD ¶ 230 at 8. While an agency may conduct a price realism analysis in awarding a fixed-price or time-and-materials task order for the limited purpose of assessing whether a vendor's low price reflects a lack of technical understanding or risk, the solicitation must advise vendors that it will conduct such an analysis. *Advanced C4 Solutions, Inc.*, B-416250.2 *et al.*, Oct. 2, 2018, 2018 CPD ¶ 344 at 5. If the solicitation does not contain an express price realism provision, we will

² The evaluated prices of the two quotations, as adjusted for FAR clause 52.217-8 (Option to Extend Services), were \$39,707,448 and \$41,642,226 respectively. AR, Tab 13, Price Evaluation Team Report at 2; AR, Tab 14, Source Selection Decision (SSD) at 1.

³ Although we do not address every argument raised by the protester, we have considered them and find none to be meritorious.

conclude that a solicitation contemplates a price realism evaluation only where the solicitation provides that: (1) the agency will review prices to determine whether they are so low that they reflect a lack of technical understanding and (2) a quotation can be rejected or assessed technical risk for offering low prices. *Id.* at 6. Absent such solicitation language, agencies are neither required nor permitted to evaluate price realism in awarding a fixed-price contract. *Facility Servs. Mgmt., Inc.*, B-420102.3, Mar. 29, 2022, 2022 CPD ¶ 93 at 7.

In support of its argument that the solicitation required a price realism analysis, the protester argues that the solicitation provided that the agency “may reject any quote that is evaluated to be non-compliant with the solicitation requirements or reflects a failure to comprehend the complexity and risks of the work to be performed.” Protest at 7; see RFQ at 172. This language, however, does not contain an express provision for a price realism analysis. Nor does it state that the agency would review prices to determine whether they reflect a lack of technical understanding, or that the agency may reject or assess technical risk to quotations for low prices. As such, we conclude the solicitation does not authorize the agency to conduct a price realism analysis. We therefore dismiss this protest ground because it fails to provide a valid basis of protest. See *PricewaterhouseCoopers Pub. Sector LLP*, B-415129.3, July 31, 2018, 2018 CPD ¶ 272 at 1 (dismissing challenge to agency’s failure to conduct a price realism analysis where the solicitation did not obligate the agency to perform a price realism evaluation).

Challenge to Past Performance Evaluation

The protester next argues that the agency should have assigned Vertical Jobs’ quotation a technical rating of unacceptable because, according to the protester, Vertical Jobs lacks “adequate past performance” as it has “absolutely no experience performing role-playing services under contracts of the magnitude described in the [s]olicitation. . . over the past three years[.]” Protest at 13-15. The protester also contends, based on its independent research, that the dollar value for Vertical Jobs’ prior contracts is significantly below the value of the current requirement. *Id.* at 15-16.

The evaluation of a vendor’s past performance is within the discretion of the contracting agency, and we will not substitute our judgment for reasonably based past performance ratings. See *Patricio Enters., Inc.*, B-412740 *et al.*, May 26, 2016, 2016 CPD ¶ 152 at 7. Where a protester challenges an agency’s past performance evaluation and source selection, we will review the evaluation and award decision to determine if they were 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. See *id.*

Based on the record, we have no basis to object to the agency’s evaluation. Contrary to the protester’s argument that Vertical Jobs lacks adequate past performance in role-playing services that are comparable in size to the subject procurement, Vertical Jobs’ quotation included a reference to a blanket purchase agreement (BPA) for role-playing services for the Department of Justice with a 5-year period of performance

and a total value of \$5,000,000, a BPA for role-playing services for DHS with a 1-year period of performance and a total value of \$2,149,840, and a BPA for role-playing services for the Department of State with a 5-year period of performance and a total value of \$7,000,000. AR, Tab 10, Vertical Jobs' Past Performance Quotation at 1-5. In evaluating these references, the technical evaluation team (TET) report documented that Vertical Jobs' quotation "demonstrated multiple Role Player task orders, with several different Government agencies, running concurrently, each with valuations in the several millions and combined values at tens of millions." AR, Tab 12, TET Report at 5. The TET report further noted that the agency spoke with representatives from two of Vertical Jobs' submitted references and concluded that, in both instances, their performance received positive feedback and the references closely aligned with the agency's current training needs. *Id.* The agency's independent review of the Contractor Performance Assessment Reporting System also supported these findings. See *id.* at 5-6. Therefore, the protester's contention that Vertical Jobs has no comparable experience is unsupported by the evaluation record. This protest ground is denied.⁴

Challenge to Technical Approach Evaluation

In its supplemental protest, the protester challenges the agency's evaluation of the Vertical Jobs' quotation under the technical approach factor, arguing there "is not sufficient documentation or detail to enable the GAO to review TSA's actions, much less to determine if they were reasonable." Comments and Supp. Protest at 37. According to the protester, the agency's evaluation of Vertical Jobs' quotation "consists largely of a regurgitation of the terms of the [s]olicitation and SOW" and a "parroting" of language from Vertical Jobs' quotation. *Id.* at 33-34. The agency contends that the evaluation was both reasonable and well-documented, but the protester "cherry-picks" portions of the TET report to support its argument. Supp. MOL at 1.

⁴ The protester raises a substantively identical challenge to the agency's evaluation of corporate experience, arguing that "[a] similar analysis" can be applied to both its challenge of the agency's past performance evaluation and the corporate experience evaluation. See Protest at 13-17. As the agency points out that, however, the evaluation of a vendor's corporate experience was "simply not a part of the RFQ." Memorandum of Law (MOL) at 4. Although the protester cites the SOW as the basis for its argument that the solicitation required an evaluation of corporate experience, it is clear from the terms of the solicitation that corporate experience was not an evaluation factor. RFQ at 168. Instead, the solicitation provided only for the evaluation of a vendor's technical approach, past performance, and price. *Id.* We therefore dismiss this protest ground for failure to state a valid basis of protest as the solicitation here did not contemplate an evaluation of corporate experience. See *Brackett Aircraft Radio Co.*, B-246282, Jan. 8, 1992, 92-1 CPD ¶ 43 at 2 (dismissing allegation as failing to state valid basis when the allegation did not, on its face, demonstrate improper agency action).

Based on our review of the record, we find the agency's evaluation reasonable. While the protester cites *Bio-Rad Labs., Inc.*, B-297553, Feb. 15, 2006, 2007 CPD ¶ 58 for the proposition that an agency cannot simply "parrot back" definitional language from the solicitation in conducting its evaluation, that decision makes clear that our Office took issue with the fact that the evaluation record, in a FAR part 15 procurement, was "devoid of any meaningful documentation." *Id.* at 11. The current facts are markedly different. Here, the subject solicitation provided for the evaluation of quotations on an LPTA basis, meaning that the agency needed to determine only whether the vendor's approach met the requirements of the solicitation. RFQ at 170. The record reflects that the agency satisfied that standard.

For instance, the solicitation provided that vendors "must be experienced in providing role player support services[.]" RFQ at 78. In evaluating Vertical Jobs' service plan, the agency noted that Vertical Jobs' quotation demonstrated twenty-two years of law enforcement/canine role-playing experience. AR, Tab 12, TET Report at 3. Similarly, for the transition-in plan, the solicitation required vendors to "develop and implement the detailed transition strategies and processes needed to enable an efficient transfer of services[.]" RFQ at 87. In evaluating Vertical Jobs' quotation, the agency noted that Vertical Jobs would "commence a 60-day transition period in order to ensure that mission and operational requirement are fully positioned to maintain continuous coverage without any interruption[.]" AR, Tab 12, TET Report at 4. The protester's argument that the agency quoted portions of Vertical Jobs' quotation and the solicitation in conducting the evaluation does not, in itself, prove that the evaluation was unreasonable or lacked adequate documentation. Instead, the record reflects that the agency considered whether aspects of Vertical Jobs' quotation met the requirements, as required by the solicitation. Accordingly, this protest ground is denied.⁵

The protest is dismissed in part and denied in part.

Edda Emmanuelli Perez
General Counsel

⁵ The protester also argues that the agency failed to properly document its evaluation of Vertical Jobs' past performance. Comments and Supp. Protest at 37-41. We have addressed the adequacy of the agency's past performance evaluation above, concluding that the agency's evaluation was unobjectionable. Accordingly, we do not further address the protester's argument that the evaluation record lacked adequate documentation in this area.