



Decision

Matter of: Subsidium, Inc.

File: B-423708

Date: September 11, 2025

Chris Clark, for the protester.

John W. Cox, Esq., Department of State, for the agency.

Heather Self, Esq., and Peter H. Tran, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that agency failed to provide a brief explanation of award is dismissed because the allegation does not provide a basis for protest.
 2. Protest contending the agency failed to document a tradeoff rationale to justify payment of the awardee's price premium is denied where the record shows the agency documented the basis for its tradeoff decision.
-

DECISION

Subsidium, Inc., a small business of Manassas, Virginia, protests the establishment of a federal supply schedule (FSS) blanket purchase agreement (BPA) with Concordant LLC, a small business of Laramie, Wyoming, under request for quotations (RFQ) No. 19FS1A25Q0002, issued by the Department of State's Foreign Service Institute (FSI) for human resources and acquisition professional support services. The protester alleges the agency failed to provide a timely requested brief explanation of award, and contends the agency failed to document a tradeoff rationale.

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

BACKGROUND

On January 10, 2025, the agency issued the solicitation to FSS contract holders seeking quotations for the provision of senior contract specialists, human resources classification specialists, and human resources employee relations specialists. Req. for Dismissal attach. 1, Award Decision at 3.¹ The solicitation contemplated establishment

¹ Subsidium elected to proceed without counsel in this protest. Accordingly, our Office did not issue a protective order, and the agency provided redacted versions of various
(continued...)

of a single BPA with a 1-year base period and four 1-year option periods. *Id.* at 5; Req. for Dismissal, attach. 3, RFQ Instructions and Evaluation for Award (RFQ) at 16. Award would be made on a best-value tradeoff basis using a phased evaluation process. RFQ at 16.

In phase I, the agency would assess the following four items on a pass/fail basis: (1) small business participation document; (2) active representations and certifications from the System for Award Management (SAM.gov); (3) proof of required facility clearance; and (4) a completed Department of Defense Form 254 ("Contract Security Classification Specification"). RFQ at 17. For phase II, the agency would evaluate vendors' technical approach and assign a rating of high confidence, some confidence, or low confidence. *Id.* at 17, 22. Similarly, for phase III, the agency would assign confidence ratings after evaluating vendors' past performance. *Id.* at 21. Finally, in phase IV the agency would evaluate vendors' prices. *Id.* at 22.

With respect to order of importance of the evaluation phases, the solicitation established phase I was more important than phase II, which, in turn, was more important than phase III, and that the three non-price phases (I, II, and III) combined were significantly more important than phase IV, price. RFQ at 17. Additionally, section 12.3 of the solicitation provided that:

At any time prior to selection, including upon receipt of quotation, the Government may exclude a quotation from further consideration for any material failure to follow instructions, including the omission of required information, *or when the Quoter is no longer considered to be among the most highly rated quoters being considered for award.*

Id. at 16 (emphasis added).

The agency received five quotations, including those submitted by the protester and awardee. Req. for Dismissal attach. 1, Award Decision at 4. The agency evaluated the protester's and awardee's quotations as follows:

	Subsidium	Concordant
Phase I -- Small Business/Clearance	Pass	Pass
Phase II -- Technical	Low Confidence	High Confidence
Phase III -- Past Performance	Low Confidence	High Confidence
Phase IV -- Price	\$5,222,941.52	\$8,856,029.52

(...continued)

documents in the record upon which Subsidium commented. Our citations are to the redacted versions of documents and use the Adobe PDF page numbers.

Comments encl. 2, Brief Explanation of Award at 1.

The source selection authority (SSA) noted that three of the five quotations received were lower-rated than the two highest-rated quotations for at least one of the non-price factors, and that, in Subsidiary's case, the quotation received lower ratings under both the technical and past performance factors. Req. for Dismissal attach. 1, Award Decision at 20. In accordance with solicitation section 12.3, the SSA concluded it was not necessary to conduct a price analysis for the three lower-rated quotations as the low "ratings would require substantial government oversight and increase the likelihood of poor performance." *Id.* The SSA then conducted a tradeoff between the two highest rated quotations, of which Concordant's was the higher-priced. *Id.* at 20-21. Based on the tradeoff analysis, the SSA determined that Concordant's quotation was the "most advantageous to the Government as they offer higher relative value and low performance risk." *Id.* at 20.

Specifically, the SSA noted "Concordant's quotation offers significant advantages that align with the government's priorities for quality, efficiency, and cost-effectiveness." *Id.* For example, the SSA found Concordant's quotation included a "strong recruiting strategy," a "robust management structure" to ensure "effective oversight," and a quality control plan that was "the most complete and well-aligned with solicitation requirements" of those submitted "demonstrating a clear understanding of government needs and reducing the need for clarifications." *Id.* at 20-21. The SSA determined that these and other features of Concordant's quotation outweighed the second vendor's lower-priced, but also lower-rated, quotation. *Id.* at 21.

On July 2, the agency notified the protester of the award decision. Protest at 1. As "[t]he post-award notification did not provide a justification or explanation for selecting a significantly higher-priced offeror," Subsidiary "submitted a timely request for a brief explanation" of award. *Id.* at 1-2. When the protester did not receive the requested brief explanation, Subsidiary filed this protest with our Office. *Id.* at 2.

DISCUSSION

The protester maintains the agency's failure to provide a timely requested brief explanation of award "raises significant transparency concerns and undermines the integrity of the procurement process." Protest at 2. The protester also contends "[t]he agency failed to provide any rationale or tradeoff analysis to justify" the awardee's approximate 41 percent price premium, "violating the requirements of [the Federal Acquisition Regulation]." *Id.* Further, the protester argues that "large pricing differentials must be supported by clearly articulated, documented tradeoff decisions," but that "[i]n this case, no such justification was provided." *Id.* For the reasons explained below, we find no basis to sustain the protest.

Failure to Provide Brief Explanation of Award

The protester represents that after receiving notice of the agency's award decision, Subsidium "submitted a timely request for a brief explanation" of award, but that as of the date this protest was filed, "no explanation has been received." Protest at 2 (emphasis omitted). For its part, FSI acknowledges that the agency did not provide Subsidium with a brief explanation of award prior to the time the protest was filed.² Req. for Dismissal at 2. The agency explains that FSI "subsequently provided Subsidium with its brief explanation on July 9," after the protest was filed. *Id.*; see also Req. for Dismissal attach. 2, Brief Explanation of Award at 1; Comments encl. 2, Brief Explanation of Award at 1.

The protester argues the post-protest brief explanation of award provided by the agency is not "valid." Comments at 2. Specifically, the protester characterizes the agency's response as "a generic letter disclosing only the number of offers received, the awardee's name and address, and the award price" that "fails to mention" anything about the technical evaluation, comparative strengths or differentiators, or the basis for the best-value tradeoff determining that payment of the awardee's price premium was warranted. *Id.* The protester contends the agency's explanation "falls well short of the minimum requirements outlined" in the FAR. *Id.*

At the time the solicitation was issued, the procedures for establishing BPAs against a FSS vendor's contract were set forth in FAR subpart 8.405-3.³ Relevant here, the FAR required that if an unsuccessful vendor requested "information on an award that was based on factors other than price alone, a brief explanation of the basis for the award decision shall be provided." FAR 8.405-3(b)(3). The agency admits that it failed to provide Subsidium with a brief explanation of award prior to the filing of this protest. Neither the agency's initial failure nor the protester's objection to the content of the brief explanation of award provided by the agency after the filing of this protest, however, provide a basis to sustain the protest.

In similar cases involving statutorily required debriefings for procurements conducted on the basis of competitive proposals, we repeatedly have found that whether an agency provides a debriefing--and the adequacy of the debriefing--are not issues our Office will consider, because the scheduling and conduct of a debriefing are procedural matters that do not involve the validity of an award. See e.g., *CAMRIS Int'l, Inc.*, B-416561, Aug. 14, 2018, 2018 CPD ¶ 285 at 5; *Software Eng'g Servs. Corp.*, B-411739, Oct. 8,

² Because Subsidium submitted its protest after 5:30 p.m. Eastern Time on July 8, the protest is considered filed on July 9, consistent with our Bid Protest Regulations.

⁴ C.F.R. § 21.0(g).

³ On August 14, 2025, the FAR Council issued a revised FAR part 8 as part of an ongoing project to rewrite the FAR pursuant to Executive Order No. 14275. www.acquisition.gov/far-overhaul/far-part-deviation-guide (last visited Aug. 21, 2025).

2015, 2015 CPD ¶ 315 at 6. As explained by our decisions, the adequacy of a debriefing--or, in this instance, a brief explanation of award--concerns an agency's post-award conduct when providing information to competitors, which generally has no bearing on the propriety of the agency's contemporaneous evaluation and source selection decision. Here, we find no basis to depart from our established line of decisions declining to review the timeliness or adequacy of the brief explanation provided pursuant to the requirements of FAR subpart 8.4. Accordingly, we dismiss Subsidium's complaints challenging the agency's brief explanation of award. See *Energy Eng'g & Consulting Servs., LLC*, B-407352, Dec. 21, 2012, 2012 CPD ¶ 353 at 2 n.1 (declining to consider the adequacy of a brief explanation provided pursuant to FAR 8.405-2(d)).

Failure to Document Best-Value Tradeoff

Next, the protester complains that the notification of award Subsidium received "did not provide a justification or explanation for selecting a significantly higher-priced offeror." Protest at 1. The protester notes that the awardee's price is higher than Subsidium's quoted price "by over \$3.6 million, representing a premium of approximately 41 [percent]," and maintains "[t]he agency failed to provide any rationale or tradeoff analysis to justify this premium," in violation of the FAR. *Id.* at 2 (emphasis omitted). The protester argues that agencies' decisions to pay "large pricing differentials must be supported by clearly articulated, documented tradeoff decisions," but that "[i]n this case, no such justification was provided." *Id.*

In response to the protest, FSI submitted a request for dismissal in which it asserts the agency "did, in fact, conduct and document a price/technical trade-off as part of its award decision." Req. for Dismissal at 1. As support, the agency provided the award decision memorandum with the dismissal request. Req. for Dismissal attach. 1, Award Decision. The memorandum includes a section labeled "Price Technical Tradeoff," where the SSA eliminated from further consideration for award the three lowest-rated of the five quotations received, including the quotation submitted by the protester. *Id.* at 20-21. According to the SSA, the selection of any of these vendors "would require substantial government oversight and increase the likelihood of poor performance." *Id.* at 20. The SSA then conducted a tradeoff between the two most highly rated quotations--Concordant's highest-rated, highest-priced quotation and a lower-priced, lower-rated quotation from another vendor. *Id.* at 21. In the tradeoff, the SSA noted various factors in Concordant's quotation that outweighed the lower-priced, lower-rated vendor's price advantage, and selected Concordant's quotation for award. *Id.*

When, as here, an agency issues an RFQ for competitive establishment of a BPA against the successful vendor's FSS contract, the procedures of FAR subpart 8.4 provide for a streamlined procurement process with minimal documentation requirements. FAR 8.405-3(a)(7); *Sapient Gov't Servs., Inc.*, B-410636, Jan. 20, 2015, 2015 CPD ¶ 47 at 3 n.2. In such competitions, we review the agency's actions to ensure the evaluation and award were conducted reasonably and in accordance with the solicitation and applicable procurement statutes and regulations. *Citizant, Inc.*;

Steampunk, Inc., B-420660 *et al.*, July 13, 2022, 2022 CPD ¶ 181 at 5. When a price/technical tradeoff is made in an FSS procurement, the source selection decision must be documented, and the documentation must include the rationale for any tradeoffs made. *Id.* at 19. A protester's disagreement with the agency's judgment, without more, does not establish that the best-value tradeoff was unreasonable. *Id.*; *Sigmattech, Inc.*, B-415028.3, B-415028.4, Sept. 11, 2018, 2018 CPD ¶ 336 at 11.

Here, the protester's assertion that the agency failed to conduct or document a tradeoff analysis is not supported by the record. Rather, the contemporaneous record demonstrates the agency did conduct a tradeoff analysis, and the award decision memorandum sufficiently documents the rationale to support the agency's best-value tradeoff decision. Accordingly, we deny the protester's allegation that the agency failed to document a tradeoff rationale to justify payment of the awardee's price premium. See e.g., *Citizant, Inc.*, *supra* at 19-20 (denying allegation that tradeoff was insufficiently documented where record demonstrated otherwise).

Finally, other than contending the agency failed to conduct or document a tradeoff, the protester does not take issue with any specific aspect of the agency's best-value tradeoff or underlying evaluations. Rather, the protester generally challenges the agency's decision to select for award "a significantly higher-priced offeror." Protest at 1. The protester maintains:

Despite the fact that Concordant's quote was over 41 [percent] higher than Subsidium's, the agency has provided no documentation of any tradeoff decision or justification for selecting the higher-priced offer. This is particularly concerning in a labor-hour procurement involving only six full-time support positions. In such cases, value differences are generally more incremental and must be explicitly justified.

Without a record showing that the agency weighed the technical merits of Concordant's proposal against the substantial cost premium, any claim that Concordant represented the best value to the government is unsupported and arbitrary.

Comments at 3.

The protester's argument ignores the award decision memorandum produced by the agency as part of the record. This contemporaneously drafted pre-award⁴ memorandum: (1) summarizes the findings of the technical evaluation panel; (2) reflects the SSA's determination that the three lowest-rated of the five quotations received, including Subsidium's quotation, were too poor in quality to include in the tradeoff analysis; (3) documents a tradeoff between the two highest-rated quotations;

⁴ The memorandum was digitally signed by the SSA on June 30, 2025. Req. for Dismissal attach. 1, Award Decision at 23.

and (4) explains the various aspects of the awardee's quotation that the SSA considered technically superior enough to warrant payment of the associated price premium. Req. for Dismissal attach. 1, Award Decision at 1, 14-15, 20-21. On this record, we have no basis to question the propriety of the selection decision and deny the protester's general challenge to the agency's selection of a higher-priced quotation for award. See e.g., *Sapient Gov't Servs., Inc.*, *supra* at 6 (denying challenge to agency's decision to select a higher-rated, higher-priced quotation where solicitation established that technical factors were significantly more important than price and SSA found awardee's technical superiority warranted payment of price premium).

The protest is dismissed in part and denied in part.

Edda Emmanuelli Perez
General Counsel