441 G St. N.W.
Washington, DC 20548

Comptroller General
of the United States

Decision

Matter of: Amentum Services, Inc.

File: B-424562; B-424562.2

Date: September 8, 2026

Luke W. Meier, Esq., Dominique Casimir, Esq., David Bodner, Esq., Samarth Barot, Esq., and Feven Negussie, Esq., Blank Rome LLP, for the protester.
Kate H. Kennedy, Esq., Davis Wright Tremaine LLP, for Olgoonik Logistics, LLC, the intervenor.
Robert Palmer, Esq., Cheryl Hodge, Esq., Kevin Phillips, Esq., and Kimberly Miller, Esq., Defense Logistics Agency, for the agency.
Michael Willems, Esq., and Evan D. Wesser, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest alleging that the awardee's proposal of a current government employee as a key person poses an impermissible appearance of a conflict of interest is denied where the employee had no access to non-public, competitively useful information, no involvement with the procurement, and was unknown to the source selection team.

2. Protest challenging the agency's evaluation of proposals is denied where the agency's evaluation was reasonable and consistent with applicable procurement law and regulations.

DECISION

Amentum Services, Inc., of Chantilly, Virginia, protests the award of a contract to Olgoonik Logistics, LLC, of Anchorage, Alaska, under request for proposals (RFP) No. SP3300-25-R-5001, issued by the Department of Defense (DOD), Defense Logistics Agency (DLA) for services to support DLA's distribution and disposition functions. The protester alleges that the agency erred in its evaluation and best-value tradeoff, and also that there is the appearance of a conflict of interest concerning the procurement because the awardee proposed a current government employee as a key person.

We deny the protest.

BACKGROUND

On April 23, 2025, the agency issued the Distribution Expeditionary Capabilities (DECAP) RFP seeking a contractor to provide global rapid deployment services to support distribution and disposition services, in support of urgent global contingency responses and global humanitarian and disaster relief responses for DLA, DOD, and other government customers. Memorandum of Law (MOL) at 5-6. The DECAP contract is intended to eventually replace an existing, but narrower in scope, Global Distribution Expeditionary Contract (GDEC) held by the intervenor, Olgoonik. *Id.* The RFP was amended twice, and contemplated a single award indefinite-delivery, indefinite-quantity (IDIQ) contract with a mix of cost-plus-fixed-fee, cost reimbursable, and fixed-price line items. *Id.* The RFP provided the resulting contract would have a 2-year base period, and four 2-year options. *Id.*

The RFP indicated that award would be based on a best-value tradeoff between cost/price and four non-price factors listed in descending order of importance: (1) past performance confidence; (2) program management office approach; (3) global readiness; and (4) small business participation. Agency Report (AR), exh. 1, RFP at 83. The solicitation provided that the non-price factors when combined were significantly more important than cost/price, but that the importance of cost/price would increase with the degree to which proposals were equal for non-price factors. *Id.* at 84. Relevant to the issues in this protest, the solicitation divided the program management office approach factor into two subfactors: (1) distribution staffing; and (2) disposition staffing. *Id.* at 83. Further, the program management office approach factor required offerors to propose named key personnel with letters of commitment for a variety of distribution-specific and disposition-specific roles. RFP at 68-69.

The agency received four offers in response to the solicitation on June 23, 2025, including from Amentum and Olgoonik. MOL at 15. Following an initial evaluation, the agency concluded that none of the received proposals was technically acceptable, and the agency opened discussions with all four offerors. *Id.* at 17-18. The agency conducted five rounds of discussions, at the conclusion of which the agency requested final proposal revisions. *Id.* at 24-25. Following submissions of final proposal revisions, Amentum and Olgoonik were rated as follows:

	Amentum	Olgoonik
Past Performance Confidence	Satisfactory	Satisfactory
Program Management Office Approach	Acceptable	Good
Distribution Staffing	Good	Outstanding
Disposition Staffing	Acceptable	Acceptable
Global Readiness Approach	Outstanding	Outstanding
Small Business Participation	Acceptable	Acceptable
Total Evaluated Price	$227,525,550	$220,716,709

AR, exh. 30, Source Selection Decision Document (SSDD) at 10.

The Source Selection Authority (SSA) concluded that all offerors were substantially equal with respect to past performance, global readiness, and small business participation, the evaluation record did not support distinguishing between the proposals on the basis of those factors, and no price premium would be warranted for differences present in those factors. SSDD at 12, 19-20. More specifically, the SSA found that the proposals either reflected an equivalent level of confidence in successful performance under those factors, or reached a level of excellence where the marginal value of any additional strengths became negligible, and the Government would not derive a tangible benefit from those minor differences that would justify the payment of a price premium. *Id.* However, the SSA noted that Olgoonik's proposal provided a clear advantage over other offerors under the program management approach factor, and also was the lowest-priced offeror. *Id.* at 20. Accordingly, the SSA made award to Olgoonik, and this protest followed.

DISCUSSION

The protester advances three principal arguments concerning the agency's conduct of the procurement and resulting award decision.[1] First, the protester contends that the awardee's proposal of a current agency employee as a key person creates the appearance of an impermissible conflict of interest. Comments and Supp. Protest at 2-6. Second, the protester argues that agency's cost realism evaluation of the awardee's proposal was both inconsistent with the awardee's technical approach and

[1] The protester also initially argued both that the agency's conduct of discussions was unequal and that one of the awardee's proposed key personnel was unavailable. *See* Protest at 11-21. However, the protester subsequently withdrew those protest grounds, so we do not address them further. Comments and Supp. Protest at 9 n.1

failed to consider the implications of the awardee's unique technical approach. *Id.* at 6-9. Finally, the protester argues that the agency erred in the evaluation and best-value tradeoff concerning the past performance and global readiness factors. Protest at 25-32, 33-35. We address these arguments in turn and, as explained herein, find no basis on which to sustain the protest.[2]

Appearance of Conflict of Interest

During the course of the protest, it became clear that one of the key personnel proposed by Olgoonik as a disposition trainer, Mr. X, is a current DLA employee, working as a hazardous materials packing team leader for DLA's distribution command in Corpus Christi, Texas. Comments and Supp. Protest at 2-6. The protester alleges that this creates the appearance of an unmitigable conflict of interest in violation of Federal Acquisition Regulation (FAR) 3.101-1. FAR 3.101-1 (explaining that "[t]he general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships.") The protester explains that it is not arguing that Olgoonik had unequal access to competitive information or that another FAR part 9 type of organizational conflict of interest exists in this case. Comments and Supp. Protest at 2-6. Rather the protester maintains that Olgoonik, by proposing a current

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[2] The protester advances certain additional collateral arguments not addressed in this decision. We have considered all of these arguments and conclude that none of them provide a basis on which to sustain the protest. For example, the protester argues that the agency applied an unstated evaluation criterion in favoring agency-specific experience when evaluating the program management approach factor. Protest at 21-25. We disagree. In general, while an agency is required to identify the significant evaluation factors and subfactors, it is not required to identify the various aspects of each factor which might be taken into account as long as those aspects are intrinsically related to the solicitation's stated criteria. *Advanced Data Concepts, Inc.*, B-280967.8, B-280967.9, June 14, 1999, at 4. While the protester is correct that the agency evaluated the awardee's distribution function key personnel more favorably because they had prior experience working with or for DLA, this does not represent the application of an unstated evaluation criterion. For example, the agency noted that the experience of those personnel with specific DLA information systems would be an advantage because use of those systems would be required for successful performance and were described in the solicitation. *See* AR, exh. 31, Comparative Analysis Memorandum at 15-16. Our decisions have long concluded that the consideration of agency-specific experience is generally reasonably encompassed in a solicitation requirement to propose personnel with appropriate experience, especially where, as here, the specific aspects the agency recognized as advantageous directly relate to aspects of performance enumerated in the solicitation. *See, e.g., Delany, Siegel, Zorn & Assocs.*, B-224578.2, Feb. 10, 1987 (concluding that agency-specific experience was reasonably encompassed in a personnel qualifications criterion where the specific knowledge was relevant to performance). Accordingly, we see no basis to conclude that this represented the impermissible application of an unstated evaluation criterion.

DLA employee as a key person and agreeing to hire that DLA employee if Olgoonik receives this contract, has created inappropriate incentives for both the source selection team, who are effectively deciding whether one of their colleagues will receive employment in the private sector, and for the DLA employee in question, who continues to perform his job for DLA with a "split financial allegiance." First. Supp. Comments at 2-3; Comments and Supp. Protest at 2-6. The protester argues that this creates, at minimum, an incurable appearance of a conflict of interest in this procurement because a reasonable observer would conclude that this appears to be inappropriate. *Id.*

In its initial response to this protest ground, the agency explained that the evaluators did not contemporaneously consider whether Mr. X remained a DLA employee at the time of evaluation, but, rather, evaluated him solely based on his professional experience and its relevance to the solicitation's requirements. First Supp. MOL at 2. In responding to the protester's allegations, the agency conducted an expedited investigation into the potential conflict, and concluded that there was neither a conflict of interest nor the appearance of one. *Id.* at 2-4, 7-10. Specifically, the agency noted that DLA employs thousands of people, and none of the source selection officials were acquainted with Mr. X, nor did they have any personal, professional, or other contact with him. *Id.* The agency also explained that, while Mr. X performs hazardous material packing for DLA's distribution function, Olgoonik proposed him as a disposition trainer, which is a different function from the function he currently performs for the agency. *Id.* Moreover, the agency argued that Mr. X was a wage-grade employee at a DLA facility more than a thousand miles away from the contracting office and would therefore not have access to any source-selection information. *Id.* Finally, the agency noted that Mr. X was not in a position that was required to file financial disclosures, which the agency argued meant that he lacked any procurement responsibilities. *Id.*

Following the receipt of comments, the GAO attorney assigned to this protest conducted a teleconference with the parties where he identified concerns that the agency's initial investigation appeared to be inadequate because it omitted significant information or otherwise was not thorough. Specifically, the agency's investigation did not involve interviewing either Mr. X or a representative from Olgoonik, and made no inquiry concerning Mr. X's compliance with his ethical obligations. As a result, the agency could not confirm whether Mr. X actually possessed or had access to competitively useful information, whether he may have shared such information with Olgoonik, what ethical obligations applied to Mr. X as a current federal employee accepting a contingent offer of employment from a firm that does business with his agency, whether Mr. X complied with those ethical obligations by, for example, disclosing his acceptance of a contingent offer of employment to the agency as appropriate, or, indeed, whether Mr. X even remained a DLA employee at the time of award. Based on the inadequate record before our Office, the attorney suggested that the agency take corrective action to conduct a more fulsome investigation and consider the propriety of the facts giving rise to this protest ground, or, in the alternative, investigate further and address these points in subsequent briefing.[3]

The agency elected to investigate further and filed a supplemental brief and supporting investigation materials. The agency's second investigation involved interviewing Mr. X as well as a representative from Olgoonik, validating the scope of Mr. X's access to agency information systems, and included sworn statements. *See* Second Supp. Contracting Officer's Statement at 2-6. The evidence and parties interviewed confirmed that Mr. X lacked access to any competitively useful information, and did not transmit or attempt to transmit any such information to Olgoonik. *Id.* Moreover, this investigation confirmed that Mr. X lacked any connections to the procurement or the source selection team. *See, e.g.*, *id.* at 1 (representing that the contracting officer obtained sworn declarations from the source selection team members stating that "they do not have, and have never had, any personal, professional, or financial relationships with Mr. [X], and the fact that Mr. [X] is a DLA employee in no way influenced their evaluation of Olgoonik's proposal"); *id.* at 2 (representing that Mr. X "has never been involved" with: drafting or reviewing the DECAP statement of work, performance work statement, or technical requirements; developing the DECAP acquisition plan, evaluation criteria, independent government estimate; or serving as a member of, or advisor to, the DECAP evaluation or source selection teams or boards). However, neither the agency's investigation nor its pleadings take any position concerning what ethical obligations applied to Mr. X or what steps, if any, Mr. X took to comply with any such obligations. Instead, the agency concludes that no conflict or appearance of conflict can exist in this case because Mr. X lacked any ability to influence the procurement or access to any competitively useful non-public information. Second Supp. MOL at 6-8.

The protester responds by highlighting the omissions in the agency's response, arguing that Mr. X was obliged to, among other things, not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities. Second Supp. Comments at 3-8 (*citing* 5 C.F.R. parts 2635 and 2641). The protester urges us to draw an adverse inference concerning these issues from the agency's refusal to address them and conclude that Mr. X failed to meet his ethical obligations in this case, and that this represents, at minimum, an unacceptable appearance of impropriety. *Id.* As addressed herein, while we acknowledge the protester's concerns with the agency's failure to adequately address material questions with respect to Mr. X's ethical obligations and his compliance with such obligations, such questions ultimately raise matters that extend beyond our limited bid protest jurisdiction. On the record before us, there are no hard facts or other compelling evidence that Olgoonik's proposal of Mr. X had any improper

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[3] In the analogous context of an organizational conflict of interest, our Office has recognized that an agency may provide information and analysis regarding the existence of a conflict of interest at any time during the course of a protest, and we will consider such information in determining whether the agency's conclusions are reasonable. *Federal Info. Sys., Inc.*, B-421567, B-421567.2, July 5, 2023, at 6 n.7.

impact on the agency's evaluation of proposals and resulting award decision, and, therefore, we find no basis on which to sustain the protest.

The FAR requires contracting agencies to avoid even the appearance of a conflict of interest in government procurements. FAR § 3.101-1. Where a firm may have gained an unfair competitive advantage through its hiring of a government official, the firm can be disqualified from a competition based on the appearance of impropriety that results. This is true even if no actual impropriety can be shown, so long as the determination of an unfair competitive advantage is based on facts and not mere innuendo or suspicion. *Health Net Fed. Servs., LLC*, B-401652.3, B-401652.5, Nov. 4, 2009 at 28. Thus, a person's familiarity with the type of work required, resulting from the person's prior position in the government, is not, by itself, evidence of an unfair competitive advantage. Rather, there must be "hard facts" establishing the person's access to non-public information, which could provide a firm with an unfair competitive advantage. *Id.* at 29; *see also SRM Grp., Inc.*, B-410571, B-410571.2, Jan. 5, 2015, at 9; *Harkcon, Inc. v. United States*, 133 Fed. Cl. 441, 463-64 (Fed. Cl. 2017) (applying the "hard facts" standard to an appearance of impropriety claim).

To resolve an allegation of an unfair competitive advantage under these circumstances, we typically consider all relevant information, including whether the government employee had access to competitively useful inside information, as well as whether the government employee's activities with the firm were likely to have resulted in a disclosure of such information. *Physician Corp. of Am.*, B-270698 *et al.*, Apr. 10, 1996, at 4-5. Whether the appearance of a conflict of interest exists depends on the circumstances in each case; there is no appearance of a conflict when "[a] disinterested observer knowing all the facts and the applicable law would see nothing improper." *R & W Flammann GmbH v. United States*, 339 F.3d 1320, 1324 (Fed. Cir. 2003). The responsibility for determining whether to continue to allow an offeror to compete in the face of such an alleged impropriety is a matter for the contracting agency, which will not be disturbed unless there is clear evidence that the agency's conclusion is unreasonable. *See Superlative Techs., Inc.; Atlantic Sys. Grp., Inc.*, B-415405 *et al.*, Jan. 5, 2018 at 5; *VSE Corp.*, B-404833.4, Nov. 21, 2011, at 8.

While contractors routinely propose former agency employees as key personnel, the proposal of a current agency employee as a key person is highly irregular. Indeed, the matter of whether a firm's decision to propose a current government employee as a key person creates the appearance of a conflict of interest appears to be a matter of first impression in our forum.[4] A single previous decision addressed a similar, but not

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[4] For example, while our recent decision in *South Dade Air Conditioning and Refrigeration* addressed a potential personal conflict involving a current government employee, the facts at issue in that decision were meaningfully distinct from the ones in this case. *South Dade Air Conditioning and Refrigeration*, B-424292, June 5, 2026. In *South Dade* an agency employee working as a building manager for the General Services Administration was also simultaneously employed by a contractor, in which
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identical, fact pattern, in which a firm proposed a then-current agency employee as a key person, but the individual in question ceased to be an agency employee prior to the time the agency made its award decision. *Booz Allen Hamilton, Inc.*, B-418125 *et. al.*, Jan. 15, 2020, at 9-12. In that decision, we denied the protest because the agency reasonably concluded there was no appearance of a conflict of interest where the agency's investigation revealed that the individual in question did not possess any competitively useful information, was not involved in developing the requirements, was not otherwise involved in the procurement process, and was generally unknown to the source selection team. *Id.*

Although the facts in this case are more unusual than the facts in that case, the logic of our prior decision compels us to deny this protest. While this case presents the issue more acutely than our prior decision in *Booz Allen*, in that Mr. X remained an agency employee at the time of award, the record clearly establishes that Mr. X did not have access to competitively useful information, was not involved in developing the requirements or in the procurement process, and had no relationships of any kind with any of the source selection staff. *Booz Allen Hamilton, Inc., supra*.

That said, we stress that there is not sufficient evidence in the record to establish whether Mr. X met his personal ethical obligations (or indeed what specific obligations apply to someone in his position), despite the protester squarely raising those issues in its supplemental protest and an emphatic request from our Office to the agency to address those points. Where an agency fails to produce an agency report that reasonably respond to protest allegations, we may draw an adverse inference from an agency's failure to respond. *See, e.g., Walker Development & Trading Group, Inc.*, B-413924, Jan. 12, 2017, at 6. On these facts, we have no option but to draw an adverse inference and conclude that Mr. X may have, in some way, failed to satisfy his ethical obligations, and that the agency may be, in effect, ratifying such non-compliance by ensuring his post-government employment with Olgoonik. This creates an appearance of impropriety that is, at minimum, problematic.

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capacity the building manager did maintenance work at an entirely separate facility from the one that he managed as a government employee. *Id.* at 3-6. In *South Dade* we considered, and denied, allegations of a conflict arising from the fact that the building manager's private sector employer had been awarded a maintenance contract at the government building managed by the allegedly conflicted individual. *Id.* However, in that case, the contractor did not propose for the agency employee to perform on the challenged contract (whether as a key person, or otherwise). *Id.* Instead, the alleged conflict arose from the fact that the individual maintained dual employment, and his role as building manager for the government could potentially create impaired objectivity or unequal access to information-type conflicts because his private sector employee would now be working at the building he managed. *Id.* By contrast, the alleged conflict in this case stems from the awardee's proposal of a current agency employee as a key person rather than from any specific aspects of Mr. X's role as an agency employee.

However, we note that the FAR section on which the protester relies does not require agency officials to avoid any appearance of impropriety. Rather the FAR provision relied on by the protester only requires that agency officials avoid "strictly any *conflict of interest* or even the appearance of a *conflict of interest*." FAR 3.101-1 (emphasis added). Similarly, while the protester cites to the restriction on negotiating employment in 5 C.F.R. § 2635, which is incorporated by reference in the FAR, that restriction only applies where those negotiations "*conflict* with their official government duties and responsibilities." 5 C.F.R. § 2635 (emphasis added). In sum, the FAR does not forbid any appearance of general impropriety, but rather only the appearance of personal or organizational conflicts of interest of the type contemplated by the FAR.

In this regard, we note that the nature of our jurisdiction is limited to violations of procurement law or regulation concerning a particular procurement action. We also note that our Office has consistently explained that our jurisdiction does not extend to violations of law or regulation other than procurement law or regulation affecting the particular procurement action protested. *See, e.g.*, *Pitney Bowes, Inc.*, B-416220, B-416220.2, July 11, 2018, at 3 (concluding that alleged violations of fiscal law or internal agency guidance are not questions for our forum). Accordingly, we can only consider the extent to which the facts in this case create the appearance of a personal or organizational conflict of interest of the type contemplated by the FAR concerning this procurement, not whether they create any appearance of general impropriety.[5]

Here, there is no evidence that Mr. X possessed competitively useful information or could have reasonably accessed any such information. Likewise, the record confirms that Mr. X has no discernible connection to the procurement nor could he have influenced the requirements or evaluation. There is also no credible contention that Mr. X had any professional or personal relationship with any members of the source selection team. Accordingly, even drawing a negative inference and assuming that Mr. X failed to meet his personal ethical obligations in some way, it is unclear how that could meaningfully create a conflict of interest or appearance of a conflict of interest of the type contemplated by the FAR concerning this procurement.

The only possible concrete conflict that the protester has identified is a contention that the source selection team may have been more inclined to make award to Olgoonik because Olgoonik proposed to hire a DLA colleague, but we are unpersuaded by that argument in this case for two reasons. First, the record establishes that the source selection officials did not know or have any personal or professional contact with Mr. X, and have collectively sworn that their award decision was not in any way motivated by his status as a current DLA employee. Second Supp. COS at 3-5. Additionally, these

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[5] While we deny this protest ground for the reasons discussed herein, our decision takes no position with respect to whether Mr. X's negotiation of a conditional offer of employment with a firm actively pursuing contract opportunities with his agency is consistent with other federal non-procurement laws, regulations, or policies.

representations are credible given the size of the agency; the distance between the procurement office and Mr. X's duty location; and the contemporaneous evaluation record.[6] For that reason, these specific facts reduce the possibility that there is any actual or apparent conflict of interest of the kind identified by the protester.

Second, our decisions have expounded on the circumstances in which a contractor may or may not properly negotiate to hire a government employee or propose former government employees as key personnel. For example, in *Northrop Grumman Systems Corporation--Mission Systems*, B-419560.3, *et al.*, Aug. 18, 2021, we sustained a protest where an individual who developed specifications for the solicitation was simultaneously engaged in employment negotiations with an offeror because it created an improper appearance of a personal conflict of interest. By contrast, in *Booz Allen* (discussed above) we concluded that a contractor may properly propose a then-current agency employee as a key person where that individual departed the agency after the time of proposal submission because that individual was not involved in the procurement in any way and had no access to competitively useful information. *Booz Allen Hamilton, Inc., supra*. While this case differs from *Booz Allen* in that it involves a current agency employee, it is otherwise directly similar. It is unclear how the hypothetical incentive to favor an offeror who proposes a colleague would be materially different for a current colleague than for a colleague who departed federal service shortly before the award decision, and it is unclear why it would compel us to reach a different conclusion in this case.

In short, we cannot conclude that the source selection officials in this case had a *per se* appearance of a conflict of interest because the awardee's proposal included a current agency employee who was personally unknown to the source selection team, had no access to competitively useful information, and had no connection to the conduct of the procurement. *Booz Allen Hamilton, Inc., supra*. While the agency's investigation failed to address Mr. X's ethical obligations and the steps he may have taken to fulfill them, the agency's investigation convincingly established that there was not a reasonable possibility that Mr. X could have meaningfully affected the ground rules, evaluation, or outcome of this procurement or otherwise provided an unfair competitive advantage to Olgoonik. Accordingly, we cannot conclude that there is an impermissible appearance of a conflict of interest affecting this procurement.

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[6] We note that while the agency evaluators assigned a strength to Olgoonik's proposal for proposing key personnel with DLA-specific experience, that strength related to Olgoonik's key personnel proposed for the distribution function. *See* SSDD at 17-18. However, Mr. X was proposed as a key person for the disposition function, not the distribution function, and the agency contemporaneously assigned no strengths to Olgoonik's disposition function key personnel. *Id.* For that reason, this aspect of the record does not contradict the agency's representation that the evaluators did not provide Olgoonik with additional credit for proposing Mr. X.

Cost Realism Evaluation

The protester argues that the agency's cost realism evaluation was unreasonable because the agency failed to consider whether Olgoonik's proposed costs were appropriate for its unique technical approach. Comments and Supp. Protest at 6-9. Specifically, the protester alleges that Olgoonik proposed to recruit staff in a highly competitive market, but the agency's analysis considered only the minimum wages payable under the Service Contract Act (SCA)[7] rather than the market wages necessary to hire personnel in a competitive market. *Id.* In this regard, the protester notes that Olgoonik acknowledged that it would be competing with other companies who pay more than the SCA minimum rates for these positions.[8] *Id.*

In response, the agency argues, first, that it did not merely compare Olgoonik's proposed wages to the SCA minimums, but rather independently evaluated each offeror's proposed cost elements by verifying proposed labor and indirect rates via the Defense Contract Audit Agency, payroll records, and other methods where appropriate. Supp. MOL at 4-6, 10-15. Moreover, the agency notes that it received four competitive, highly rated proposals and the comparison of direct labor costs across the received proposals provided an additional data point. *Id.* In this regard, the agency notes that, while Olgoonik's proposal had a lower total evaluated price than Amentum's proposal, Olgoonik's proposed direct labor rates were higher than the direct labor rates proposed by Amentum for [DELETED] of 33 labor categories, suggesting that, in general,

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[7] The Service Contract Act refers to the "Service Contract Labor Standards" statute codified at 41 U.S.C. chapter 67, also known as the McNamara-O'Hara Service Contract Act of 1965. The statute applies to federal contracts exceeding $2,500 or having the principal purpose of using service employees to provide services to the government. *See* 41 U.S.C. § 6702(a).

[8] Additionally, the protester argues that the agency assigned Olgoonik a technical strength for proposing incentive pay for all workers on a particular effort, but that Olgoonik's cost proposal only proposed incentive pay for some of those workers. First Supp. Comments at 12-17. In response, the agency notes that the Olgoonik proposed two incentives: one priced incentive for certain staff that was included in its cost proposal; and a second incentive that was explicitly proposed as a "not separately priced" incentive, which the contemporaneous record acknowledges. First Supp. MOL at 12-13. Accordingly, the agency contends there is no inconsistency between the technical and cost proposals: the incentive that Olgoonik proposed to seek reimbursement for was included in the cost proposal; and the incentive provided at no separate price was appropriately not included as a separate line item in the cost proposal. *Id.* We concur with the agency. The record does not support the protester's suggestion that the agency's evaluation of Olgoonik's technical and cost proposals, or the proposals themselves, were in some way inconsistent in this regard.

Olgoonik's rates would be more capable of attracting and retaining talent than Amentum's rates. *Id.*

When an agency evaluates a proposal for the award of a cost-reimbursement contract, an offeror's proposed costs are not considered controlling because, regardless of the costs proposed, the government is bound to pay all actual, allowable costs. FAR 15.404-1(d)(1); *Rollout Sys., LLC*, B-414145, Feb. 24, 2017, at 5. Consequently, an agency must perform a cost realism analysis to evaluate the extent to which an offeror's proposed costs are realistic for the work to be performed. FAR 15.404-1(d)(2); *Acquisition Servs. Corp.*, B-409570.2, June 18, 2014, at 13. However, an agency is not required to conduct an in-depth cost analysis, or to verify each and every item in assessing cost realism; rather, the evaluation requires the exercise of informed judgment by the contracting agency. *Id.* An agency's cost realism analysis need not achieve scientific certainty; rather, the methodology employed must be reasonably adequate and provide some measure of confidence that the rates proposed are reasonable and realistic in view of other cost information available to the agency as of the time of its evaluation. *DynCorp Int'l LLC*, B-411465, B-411465.2, Aug. 4, 2015, at 8.

Here the agency's evaluation was reasonable, and the protester's objections rely on a misreading of a record. First, the record reflects that Olgoonik did not propose to pay the SCA floor wages, nor did the agency evaluate Olgoonik solely on that basis. For example, the agency specifically raised this point in discussions with Olgoonik, noting that Olgoonik, at that time, was proposing to pay [DELETED] percent above the SCA minimums, but that the evaluators were concerned that this would not be sufficient to attract and retain the necessary staff. AR, exh. 23, Final Cost Report at 28-30. In response to several rounds of discussions, Olgoonik revised its proposal to pay a [DELETED] percent incentive over the SCA minimum for most employees, and also improved its proposed benefits. *Id.* This clearly reflects that the agency did not mechanically rely on the SCA minimums, nor did Olgoonik actually propose to pay those rates. *Id.* Rather the agency used its business judgment and other cost information available to it to address the realism of Olgoonik's proposed approach. This is unobjectionable.

Similarly, even if the agency's analysis were in error, which is not clear, Amentum cannot show a reasonable possibility of competitive prejudice on these facts. Competitive prejudice is an essential element of every viable protest, and we will not sustain a protest unless the protester demonstrates a reasonable possibility that it was prejudiced by the agency's actions; that is, unless the protester demonstrates that, but for the agency's actions, it would have had a substantial chance of receiving the award. *See, e.g.*, *CSI Aviation, Inc.*, B-415631 *et al.*, Feb. 7, 2018, at 7; *Armorworks Enters., LLC*, B-400394.3, Mar. 31, 2009, at 3.

While Amentum argues that the comparison of Olgoonik's generally higher proposed direct labor rates to its own lower proposed rates is inappropriate because Amentum proposed to fill the positions with existing staff rather than through open market hiring, this is a misleading characterization of both offerors' proposals. *See* First Supp.

Comments at 13. Contrary to the protester's suggestion, while Amentum's proposal identified internal hiring as "Step 1" of its approach to fill positions for this requirement, a subsequent step acknowledged that Amentum would also do open market hiring as necessary. *See* AR, exh. 25a, Amentum's Technical Proposal at 66. Similarly, while Olgoonik proposed filling positions through open market hiring, Olgoonik also explained that it had a significant quantity of suitable staff in-house, many of whom were working on the predecessor GDEC effort. See AR, exh. 31, Comparative Analysis Memorandum at 29. This in-house capability was the source of a significant strength assigned to Olgoonik's proposal, because the agency concluded that Olgoonik and its partners have "the capability to potentially exceed the [g]overnment's deployment [and] staffing requirements" by using their existing "bench" of employees. *Id.*

In short, contrary to the protester's suggestion, both offerors proposed to fill positions internally to a large extent, and both offerors proposed to do open market hiring, at least in part. Put another way, the proposed staffing approaches are not as different as the protester contends. The fact that Amentum's proposed direct labor rates are generally lower than Olgoonik's direct labor rates is directly relevant to the question of competitive prejudice because, if, as the protester argues, Olgoonik's rates are too low to attract and retain talent, then Amentum would have even greater difficulty in filling positions than Olgoonik. Accordingly, if the agency had upwardly adjusted Olgoonik's costs on this basis as the protester suggests, the agency would have also had to upwardly adjust Amentum's costs to the same or an even greater extent. For this reason, even if we agreed with the protester that the agency used the wrong basis for cost comparison--which we do not--the protester has not demonstrated a reasonable possibility of competitive prejudice on these facts. *See, e.g.*, *CSI Aviation, Inc.*, *supra.*

Technical Ratings and Best-Value Tradeoff

Finally, the protester argues that its proposal either merited a higher technical rating under the past performance and global readiness factors, or, in the alternative, that the agency failed to look behind the ratings assigned in the best-value tradeoff. Protest at 25-32, 33-35. The crux of the protester's argument on these points is that, despite the fact that it had a more favorable evaluation under these factors, the protester received the same rating as the awardee and was improperly treated as technically equal in the best-value tradeoff. *Id.* Specifically, under the past performance factor, the protester notes that the agency found three of its past performance references to be very relevant, while the agency only found two of Olgoonik's references to be very relevant. *Id.* Similarly, under the global readiness factor, the protester notes that it received four significant strengths while Olgoonik received only two, and the solicitation defines a significant strength as a proposal feature that is of considerable advantage to the government. *Id.* The protester contends that, given the closeness of the competition, either or both of these errors could have altered the outcome of the competition. *Id.*

In response, the agency contends the protester, in effect, merely disagrees with the agency's technical judgment. The agency notes, concerning the past performance evaluation, that the agency considered not merely the adjectival relevancy rating assigned for each reference but the substantive underlying circumstances of each reference and prepared a detailed comparative analysis memorandum supporting its conclusion that the offerors both merited substantial confidence and that there was no meaningful basis to distinguish between them with respect to past performance. AR, exh. 31, Comparative Analysis Memorandum at 10-12. Similarly, the agency explains, concerning the global readiness evaluation, that while Amentum received four significant strengths and Olgoonik received only two, both offerors also received 8 additional strengths. MOL at 42-45. Further, the agency argues again that it prepared a detailed comparative analysis memorandum specifically addressing the disparity in the number of significant strengths, and contemporaneously concluded that they did not provide a basis to favor one offeror over another. *See* AR, exh. 31, Comparative Analysis Memorandum at 18-31.

The evaluation of technical proposals is a matter within the discretion of the contracting agency, since the agency is responsible for defining its needs and the best method for accommodating them. *Cherokee Nation Tech. Solutions, LLC*, B-411140, May 22, 2015, at 5. In reviewing an agency's evaluation, we will not reevaluate technical proposals, but instead will examine the agency's evaluation to ensure that it was reasonable and consistent with the solicitation's stated evaluation criteria and with procurement statutes and regulations. *Id.* at 5-6. A protester's disagreement with an agency's judgment is not sufficient to establish that an agency acted unreasonably. *Id.* at 6.

Here the record supports the agency’s position that it reasonably considered these proposal differences. Concerning past performance, the protester is correct that its own proposal included three very relevant and two relevant past performance references, while Olgoonik’s proposal included two very relevant and three relevant past performance references. However, we note that one of Olgoonik’s very relevant references was its performance on GDEC, the predecessor contract for this requirement. AR, exh. 31, Comparative Analysis Memorandum at 11-12. Moreover, the agency’s comparative analysis concluded that both offerors demonstrated a consistently high quality of performance and low-risk of poor performance, concluding that there was a sufficiently high expectation of successful performance from each offeror, and, thus, that there was no basis to conclude that either offeror represented a lower risk to the government. *Id.* Given that the underlying evaluation difference identified by the protester amounts to a single very relevant reference, we see no basis to object to this contemporaneous and well-documented conclusion that the agency has effectively equal confidence in both offerors’ ability to perform.

Similarly, the agency’s comparative evaluation of the global readiness factor specifically addressed the issues identified by the protester. The agency’s analysis explained that “some offerors’ proposals contained additional significant strengths and strengths that went even further beyond the solicitation’s requirements[,]” and discussed some of these additional strengths, before concluding that “these extra features, while commendable, did not provide a tangible benefit that would meaningfully enhance performance beyond the already outstanding level demonstrated by all offerors." AR, exh. 31, Comparative Analysis Memorandum at 31. The analysis ultimately concluded that, because these additional strengths "do not translate to a discernable advantage or a higher probability of success that would justify treating them as superior[,]" the proposals were effectively technically equal with respect to this factor. *Id.* Again, on these facts, we cannot conclude that the agency was unreasonable in concluding that a proposal assigned 8 strengths and 2 significant strengths was effectively equal in merit to one assigned 8 strengths and 4 significant strengths where the agency clearly and contemporaneously outlined its rationale for that conclusion.

Additionally, the SSA reasonably adopted these conclusions in the source selection document. For example, the SSA found, with respect to past performance confidence, that the performance records for both Amentum and Olgoonik showed experience in performing similar or identical services with a high quality of performance, and that they reflected an "equivalent level of confidence" of successful performance. SSDD at 12. Similarly, the SSA found concerning global readiness that the offerors "not only met but significantly exceeded the Government's requirements for global readiness," and that the additional significant strengths proposed by certain offerors "were not assessed as providing a discernible increase in mission capability or a further decrease in performance risk when compared to the other offerors[,]" and that "all proposals reached a level of excellence where the marginal value of additional strengths became negligible." *Id.* at 19.

In short, we find the agency's contemporaneously documented findings of technical equality to be reasonable in light of the general closeness of the technical evaluation, and see no basis on which to sustain the protest.

The protest is denied.

Edda Emmanuelli Perez
General Counsel