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**Comptroller General  
of the United States**

**Washington, D.C. 20548**

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# **Decision**

**Matter of:** United Housing Services, Inc.

**File:** B-281352.14

**Date:** May 7, 1999

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Glenn B. Stearns for the protester.

Bruce M. Kasson, Esq., Department of Housing and Urban Development, for the agency.

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## **DIGEST**

Agency reasonably determined not to include a proposal in the competitive range where the proposal reasonably received an unacceptable rating with a significantly lower evaluation score than the proposals in the competitive range.

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## **DECISION**

United Housing Services, Inc. protests the elimination of its proposal from the competitive range under request for proposals (RFP) No. R-OPC-21230, issued by the Department of Housing and Urban Development (HUD) for management and marketing services for single family properties.

We deny the protest.

The RFP, issued on August 17, 1998, contemplated the award of up to 16 fixed-price, indefinite-quantity contracts, covering 16 geographic areas, for 1 year with 4 option years. RFP Cover Letter at 1, §§ B, M.VI. Offerors could submit proposals for one or more geographic areas. RFP § M.IV(a), at 205. Each geographic area falls under one of four regional Home Ownership Centers (HOC) based in Philadelphia, Atlanta, Denver and Santa Ana, California. RFP § B.II, at 2-4. The Santa Ana HOC is divided into six areas; Area 1, the subject of United's protest, consists of 11 counties in southern California. Id. at 4.

The RFP stated that the technical factors were more significant than price. RFP §§ M.III, M.V.A, at 205-06. The technical proposal was to be limited to a maximum of 100 one-sided pages. RFP § L.IX.D, at 196. The RFP set out the following technical factors and their weight on a 150-point scale: Prior Experience - 50 points; Past

Performance - 40 points; Management Capability and Quality Control - 30 points; Subcontract Management - 20 points; and Small Business Subcontracting - 10 points (this factor would be evaluated only for otherwise technically acceptable proposals). RFP §§ M.VII, M.VIII, at 206-08.

Price was to be determined primarily by applying the offeror's proposed fixed-price factor to the sale or rental price of each property. RFP §§ B.III, B.IV, at 4-6. Evaluated price was calculated by applying proposed price factors for each contract line item to a formula stated in the RFP. RFP § M.IX, at 208.

Initial proposals were due by October 20. RFP amend. 0001, at 1. The agency evaluated proposals, and assigned numerical ratings and adjectival risk ratings. Agency Report, exh. 20B, Contracting Officer's Statement, at 3. The agency established a competitive range for Area 1 of the Santa Ana HOC that included all of the technically acceptable proposals. Agency Report, exh. 8, Competitive Range Determination, at 2, 5<sup>th</sup> attach., at 1. These three proposals received risk ratings ranging from low to moderate, and total numerical scores ranging from 82 to 105 (92 to 111.9 including the scores for the small business subcontracting factor). Id.

United's proposal was considered to be deficient and to require an extensive rewrite to allow it to be considered acceptable, essentially because it failed to provide sufficient information, most particularly information that would have demonstrated an understanding of the RFP requirements under the management capability and quality control factor. Agency Report, exhs. 6A, 7, Initial Evaluation Report and Addendum. United's proposal received a high risk rating and a total numerical score of 62, and its price fell within the range of the evaluated prices of the competitive range proposals. Agency Report, exh. 6A, Initial Evaluation Report, at 7<sup>th</sup> unnumbered page.

By letter of November 13, HUD notified United that its proposal had been eliminated from further consideration and that the agency would not conduct debriefings until after award. Agency Report, exh. 9. Following discussions with the competitive range offerors, HUD awarded a contract for this area to Golden Feather Realty Services on February 1, 1999. Contracting Officer's Statement at 3. On February 4, HUD provided a written debriefing to United, which presented in detail the evaluators' findings with regard to United's proposal. Id. at 4; Agency Report, exh. 19, Letter from Contracting Officer to United (Feb. 4, 1999). This protest followed.

United challenges numerous findings in HUD's evaluation of its technical proposal, essentially alleging that United's proposal provided sufficient information to be considered technically acceptable, given the 100-page limitation on technical proposals, and should have been included in the competitive range and that United should have been given the opportunity to provide additional information. Protest at 3-4.

Based on the ratings of each proposal against all evaluation criteria, the contracting officer is to establish a competitive range comprised of all of the most highly rated proposals, unless the range is further reduced for purposes of efficiency. Federal Acquisition Regulation (FAR) § 15.306(c)(1). In reviewing protests of competitive range determinations, our Office will not reevaluate proposals; rather, we will examine the record to determine whether the evaluation was reasonable and consistent with the stated evaluation criteria. Ervin & Assocs., Inc., B-280993, Dec. 17, 1998, 98-2 CPD ¶ 151 at 3; SDS Petroleum Prods., Inc., B-280430, Sept. 1, 1998, 98-2 CPD ¶ 59 at 4. The technical evaluation of a proposal is based on information submitted in it, and an offeror runs the risk of having its proposal downgraded and rejected if the proposal submitted is inadequately written. HSQ Tech., B-279707, July 9, 1998, 98-2 CPD ¶ 13 at 5.

Our review confirms that the agency reasonably concluded that United's proposal lacked sufficient detail and was unacceptable. For example, under the first two factors, experience and past performance, where United's proposal received half of the points available under each factor, although the proposal provided information which the evaluators identified as relevant and for which United received credit in the evaluation, the information included lacked detail, such as specific job functions and responsibilities, and some contracting information presented for past performance was not current (*i.e.*, within the last 3 years as required by the RFP §§ L.IX.F.2, at 197, M.VII, at 207). Thus, the agency reasonably concluded that United's proposal did not provide sufficient information to warrant higher scores. See Agency Report, exhs. 6A, 7, 19. Our review of higher-rated proposals reveals that they included much greater detail and that they related the experience and past performance of the offeror to the RFP requirements.<sup>1</sup>

The lack of information in United's proposal was even more pronounced under the other technical factors. For example, under management capability and quality control, the RFP instructed offerors to provide evidence of the offeror's ability to execute the contract, to demonstrate a clear understanding of the magnitude of the contract requirements and of its ability to manage the work required, and to include a detailed work flow plan and quality control plan that specifically addresses key duties/functions. RFP § L.IX.F.3, at 197. The RFP stated that unsubstantiated statements of compliance would be technically unacceptable. RFP § L.IX.E, at 196. The technical evaluation report on United's proposal (and the written debriefing

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<sup>1</sup> United was not represented by counsel and thus could not obtain access to proprietary or source selection sensitive information under a protective order issued by our Office. However, the agency did provide such information for in camera review by our Office.

provided to United) concluded that United's proposal essentially restated the statement of work, did not detail how the offeror plans to perform primary services required by the RFP, and did not demonstrate a complete understanding of the contract requirements. Agency Report, exh. 7, United Addendum, at 3<sup>rd</sup> unnumbered page, exh. 19, Letter from the Contracting Officer to United enclosure, at 4<sup>th</sup> unnumbered page (Feb. 4, 1999).

Our review confirms, and United does not deny, that its proposal essentially restated large portions of the RFP. For example, the work flow plan (United's Proposal at 59-82), though lengthy, provided very little information that was not taken directly from, or was not a restatement of, the RFP. As such, this portion of the proposal does not rise above a general statement that United will comply with the stated requirements, and is not an adequate substitute for detailed information necessary to establish how an offeror proposes to meet the agency's needs. See Ervin & Assocs., Inc., supra, at 6. Here too, our review of the competitive range proposals reveals that they did not merely restate the RFP.

Other weaknesses or deficiencies which the evaluators identified in United's proposal include a failure to address how United intended to manage the performance of its subcontractors and, in some cases where the proposal did not restate the RFP, the proposal contradicted stated RFP requirements. Agency Report, exhs. 6A, 7, 19.

The protester contends that the concern about subcontract management is unreasonable because its proposal states that its "Project Manager shall administer the subcontracting program"<sup>2</sup> and that "United shall utilize the services of a qualified external audit team to ensure quality of project services." Comments at 5. United also contends that its ability to manage subcontractors can be inferred from its experience on large contracts covering large geographic areas. Protest at 2. Furthermore, United claims that the contradictions in its proposal are minor and/or attributable to requirements in prior versions of the RFP. Comments at 5.

We fail to see how the above-quoted general statements in United's proposal can be said to demonstrate its proposed plan for managing subcontracts, particularly since United proposes to subcontract for the property management services, which is a significant and primary function of this RFP. Nor can we dismiss as immaterial the contradictions between the proposal and the stated requirements, given that the

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<sup>2</sup> We note that this information appears on page 98 of United's proposal, which is the section of its proposal addressing its small business subcontracting program. The RFP states that this section of the proposal would be evaluated only for proposals which were otherwise technically acceptable. RFP § M.VIII, at 207.

proposal's wholesale restatement of the RFP provides little else for the agency to evaluate under the management capability and quality control factor.

It is an offeror's responsibility to affirmatively demonstrate the merits of its proposal within the established page limits, and the offeror must accept the risk of rejection if it fails to do so. Ervin & Assocs., Inc., supra, at 4; Clean Serv. Co., Inc., B-281141.3, Feb. 16, 1999, 99-1 CPD ¶ \_\_ at 3. The agency reasonably concluded that United's proposal lacked the detail needed to demonstrate the merits of its proposal. Since we find reasonable the agency's determination that United's proposal was not among the most highly rated proposals, we have no basis to disturb HUD's determination to exclude United's proposal from the competitive range. See Ervin & Assocs., Inc., supra, at 3-6; SDS Petroleum Prods., Inc., supra, at 5.

The protest is denied.

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of the United States