



DOCUMENT FOR PUBLIC RELEASE

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

Decision

Matter of: Government Acquisitions, Inc.

File: B-408426; B-408426.2

Date: September 17, 2013

Janine S. Benton, Esq., Kathy C. Potter, Esq., John M. Murdock, Esq., and Roseanne E. Stafiej, Esq., Benton, Potter & Murdock, PC, for the protester. James Y. Boland, Esq., William L. Walsh, Jr., Esq., and Christina K. Kube, Esq., Venable LLP, for Valador, Inc.; David S. Cohen, Esq., John J. O'Brien, Esq., Gabriel E. Kennon, Esq., and Amy J. Spencer, Esq., Cohen Mohr LLP, for Red River Computer Co., Inc.; and Thomas K. David, Esq., and Kenneth D. Brody, Esq., David, Brody & Dondershine, LLP, for All Points Logistics LLC, the intervenors. Brandi L. James, Esq., Frank V. DiNicola, Esq., and Lea E. Duerinck, Esq., Department of Veterans Affairs, for the agency. Paula J. Haurilesko, Esq., and Guy R. Pietrovito, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. GAO will not grant request to dismiss a protest, from the agency and intervenor, based on the argument that our Bid Protest Regulations, at 4 C.F.R. § 21.0(f), require dismissal of a protest because the comments and supplemental protest issues were filed after 5:30 p.m. on the tenth day after receipt of the agency's report, where the record shows that the filing, made via e-mail, was received by GAO at 5:30 p.m. and 35 seconds; for GAO filings, the time of filing will be viewed as 5:30 p.m., until the clock reaches 5:31 p.m.
2. Protest that an awardee made a material misrepresentation in its responsibility certification is denied where the agency was aware of the awardee's settlement agreement with the government that did not acknowledge any corporate liability and the awardee did not intentionally misrepresent the conviction of a former principal.
3. The agency reasonably evaluated the awardees' past performance where the agency considered the past performance of the offeror and its major subcontractors in accordance with the solicitation.

DECISION

Government Acquisitions, Inc. (GAI), of Cincinnati, Ohio, protests the award of contracts to Valador, Inc., of Herndon, Virginia; Red River Computer Co., Inc., of Claremont, New Hampshire; and All Points Logistics LLC (APL), of Huntsville, Alabama, under request for proposals (RFP) No. VA118-12-R-0071, issued by the Department of Veterans Affairs (VA) for information technology (IT) hardware and incidental services. GAI challenges the VA's evaluation of proposals and selection decision.

We deny the protest.

BACKGROUND

The RFP, issued as a small business set-aside under North American Industry Classification System (NAICS) code 541519 (Other Computer Related Services), IT Value Added Reseller exception, footnote 18,¹ provided for the award of up to three indefinite-delivery/indefinite-quantity contracts for IT hardware and incidental services for a 5-year ordering period. RFP, § A.1, Executive Summary, at 2. The RFP reserved one of the three awards for a service-disabled, veteran-owned small business (SDVOSB). Offerors were informed that awards would be made on a best value basis, using a two-phased approach. First, proposals would be evaluated under the specification compliance factor on an acceptable/unacceptable basis. Acceptable proposals would then be evaluated under the following factors (in descending order): technical, price, past performance, and veterans involvement.² The technical factor included two subfactors: execution and support, and

¹ Footnote 18 defines an IT value added reseller to be an entity that “provides a total solution to information technology acquisitions by providing multi-vendor hardware and software along with significant services.” See U.S. Small Business Administration Table of Small Business Size Standards Matched to NAICS Codes, Footnote 18, at 44.

² Offerors were informed that proposals would be rated under the veterans involvement factor as either having full credit, signifying the offeror is a registered and verified SDVOSB concern; partial credit, signifying that the offeror is a registered and verified veteran-owned small business (VOSB) concern; some consideration, signifying that a small business offeror that is not a SDVOSB or VOSB concern is proposing to subcontract with a registered and verified SDVOSB or VOSB; or no credit, signifying that the small business offeror is not a SDVOSB or VOSB concern or proposing to subcontract with a registered and verified SDVOSB or VOSB. See RFP amend. 4, § M-2, Evaluation Approach, at 5; RFP, § L-4, VA Acquisition Regulation § 852.215-70, Service-Disabled Veteran-Owned and Veteran-Owned Small Business Evaluation Factors, at 92.

interoperability. The RFP informed offerors that the non-price factors, when combined, were significantly more important than price. RFP amend. 4, § M-1, Basis for Award, at 1.

With respect to past performance, the RFP provided that the agency would assess performance risk based upon the quality, relevancy, and recency of the offeror's past performance. In this regard, the RFP defined "offeror" to include the prime contractor and all proposed major subcontractors. Id., § M-2, Evaluation Approach, at 4. Offerors were instructed to submit no more than five examples of relevant past performance for the prime contractor, and three examples for each proposed major subcontractor, of government and commercial prime contracts, task or delivery orders, or major subcontracts performed at any time in the three years preceding the issuance of the solicitation. Id. § L-6, Proposal Submission Instructions, at 13. The RFP informed offerors that relevant contracts were those that were similar in size and scope to the requirements of the solicitation. Id., § M-2, Evaluation Approach, at 4. The RFP further stated that "[a]reas of relevance include prior performance as a Value Added Reseller (VAR) of IT commodities to the Federal Government and/or large commercial companies, and in providing associated IT commodity support services including installation, warranty repair and support, training, application management, incidental software license management and other post-deployment support services relative to IT hardware commodities." Id.

The RFP included standard FAR clause 52.209-7, "Information Regarding Responsibility Matters (Jan 2011)" that stated in pertinent part that

(c). . . the offeror represents, by submission of this offer, that the information it has entered in the Federal Awardee Performance and Integrity Information System (FAPIIS) is current, accurate, and complete as of the date of submission of this offer with regard to the following information:

(1) Whether the offeror, and/or any of its principals,³ has or has not, within the last five years, in connection with the award to or performance by the offeror of a Federal contract or grant, been the subject of a proceeding, at the Federal or State level that resulted in any of the following dispositions:

(i) In a criminal proceeding, a conviction.

³ Principals are defined under this FAR clause to be "an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions)." FAR clause 52.209-7(a)(2).

(ii) In a civil proceeding, a finding of fault and liability that results in the payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more.

(iii) In an administrative proceeding, a finding of fault and liability that results in—

(A) The payment of a monetary fine or penalty of \$5,000 or more; or

(B) The payment of a reimbursement, restitution, or damages in excess of \$100,000.

(iv) In a criminal, civil, or administrative proceeding, a disposition of the matter by consent or compromise with an acknowledgment of fault by the Contractor if the proceeding could have led to any of the outcomes specified in paragraphs (c)(1)(i), (c)(1)(ii), or (c)(1)(iii) of this provision.

RFP at 86.

The VA received 28 proposals, 21 of which, including GAL's, Red River's, Valador's, and APL's, were found to be acceptable under the specification compliance factor. Discussions were conducted with the acceptable offerors, and final proposal revisions were received, which were evaluated by the agency's source selection evaluation board (SSEB). Contracting Officer's (CO) Statement at 2-3.

The eight highest-rated offers were evaluated as follows (ranked by price):⁴

	Technical	Price	Past Performance	Veterans Involvement
Valador	Outstanding	\$1,599,807,396	Low Risk	Full Credit
Red River	Outstanding	\$1,702,601,573	Low Risk	Some Consideration
Offeror 3	Outstanding	\$1,802,417,715	Low Risk	Some Consideration
Offeror 18	Outstanding	\$1,943,066,040	Low Risk	No Credit
APL	Outstanding	\$1,943,094,455	Low Risk	Full Credit
Offeror 11	Outstanding	\$1,989,531,495	Low Risk	Some Consideration
Offeror 13	Outstanding	\$1,997,232,960	Low Risk	Full Credit
GAI	Outstanding	\$2,050,808,872	Low Risk	Some Consideration

Agency Report (AR), Tab 44a, First Source Selection Decision, at 3.

The source selection authority (SSA) and source selection advisory council were briefed by the SSEB, at which time the relative strengths and weaknesses of each acceptable offeror’s proposal were discussed. Id. at 3. The SSA determined that the proposals of Valador, Red River, and Offeror 3 should be selected for award. Id. at 5. The SSA documented her tradeoff analysis by grouping the proposals according to strengths and weaknesses. As relevant here, the SSA recognized that GAI offered some marginally better technical approaches and/or capabilities than those proposed by Valador, Red River, and Offeror 3. Id. at 6.

In comparing GAI’s proposal to Valador’s proposal, the SSA noted, under the execution and support subfactor, that GAI was marginally better in the areas of processes and resources to fulfill recurring, large capacity product orders and in delivering hardware quantities per month. The SSA also noted, however, that Valador’s proposal was marginally better than GAI, under this subfactor, with respect to providing site survey support, installation support, and training support. The SSA recognized that, although both offerors received low risk past performance ratings, Valador received full credit under the veterans involvement factor, while GAI received a lower rating of “some consideration.” In selecting Valador’s proposal as a better value than GAI’s, the SSA determined that the evaluated technical

⁴ All eight offerors received outstanding ratings under the two technical subfactors.

differences of GAI's proposal were not worth the protester's \$451 million price premium. Id. at 9.

Likewise, in comparing GAI's proposal to Red River's proposal, the SSA noted that GAI offered some marginal advantages under the execution and support subfactor with respect to delivering hardware quantities per month and under the interoperability subfactor with respect to transitioning the VA environment to a networking infrastructure based on open standards and non-proprietary protocols. However, the SSA also noted that Red River's proposal offered a marginal advantage under the execution and support subfactor for providing site survey and installation support. The SSA recognized that both offerors received low risk past performance ratings and equal "some consideration" ratings under the veterans involvement factor. In selecting Red River's proposal as a better value than GAI's, the SSA determined that the evaluated technical differences of GAI's proposal were not worth the protester's \$348.2 million price premium. Id. at 8.

In comparing GAI's proposal to Offeror 3's proposal, the SSA noted that GAI was marginally better in the execution and support subfactor areas of providing warranty support, and received a significant strength for its delivery of hardware quantities per month, an area in which Offeror 3 received a weakness. Under the interoperability subfactor, the SSA noted that Offeror 3 was marginally better in the area of minimizing its impacts while maximizing network performance, while GAI was marginally better in the area of training necessary for VA personnel to operate and maintain the proposed networking appliances. The SSA recognized that both offerors received low risk past performance ratings and equal "some consideration" ratings under the veterans involvement factor, but concluded that the evaluated technical differences of GAI's proposal were not worth the protester's \$248.4 million price premium. Id.

The contracting officer determined that Valador, Red River, and Offeror 3 were responsible. In this regard, the contracting officer reviewed Dun & Bradstreet reports, databases such as the Excluded Parties List System and the FAPIIS database, and past performance evaluation results. CO's Statement at 4. As relevant here, the Dun & Bradstreet report for Red River stated:

According to a published report dated Aug. 18, 2011, Red River Computer Co. Inc. of Claremont, NH, has agreed to pay \$2.3 million to resolve allegations that it violated the False Claims Act when doing business with various federal agencies. An investigation by the United States identified concerns with respect to dozens of contracts that Red River had with the government.

AR, Tab 30, Red River Dun & Bradstreet Report, at 3. Red River certified under FAR clause 52.209-7 that neither it nor its principals had reportable convictions or fines within the past five years. AR, Tab 34, FAPIIS Report for Red River, at 2.

Following award to Valador, Red River, and Offeror 3, Offeror 3 notified the contracting officer that the firm had discovered significant mistakes in its proposal. The VA rescinded the award to Offeror 3, and the SSA performed another tradeoff analysis to select a third awardee. CO's Statement at 4. The SSA selected APL to receive the third award. In this regard, the SSA determined that APL's proposal offered marginally better technical approaches, advantages, and/or capabilities than those proposed by GAI and other offerors. The SSA recognized that APL received full credit under the veterans involvement factor, and concluded that GAI's slightly inferior technical approach came at a significant price premium (\$107.7 million). AR, Tab 44b, Selection Decision Addendum, at 3.

After a debriefing, GAI protested to our Office.

DISCUSSION

GAI raises numerous challenges to the VA's selection of Valador's, Red River's, and APL's proposals for award. Among other things, GAI argues that Red River made a material misrepresentation in its proposal that should have resulted in a negative determination of Red River's responsibility. GAI also challenges the VA's evaluation of Valador's and Red River's past performance, arguing that neither firm was entitled to a low risk past performance assessment. GAI also generally challenges the reasonableness of the agency's selection decision, and contends that the SSA's selection decisions do not support the selection of APL's proposal for award. We have considered all of GAI's arguments, although we only address the more significant arguments, and find that none provide a basis upon which to sustain GAI's protest.

Timeliness

As an initial matter, the VA and intervenors argue that GAI's initial and supplemental protests should be dismissed because GAI untimely filed its comments and supplemental protest after 5:30 p.m. on the tenth day after receiving the agency's report. We denied the request for dismissal.

Our Bid Protest Regulations provide that a document is filed on a particular day when it is received at GAO by 5:30 p.m. (eastern time) on that day. 4 C.F.R. § 21.0(f) (2013). Here, GAI's comments and supplemental protest filing were transmitted to our Office via e-mail, and were received at 5:30:35 p.m. on the tenth day after GAI's receipt of the agency's report. Our Regulations do not address whether the time for filing a document expires at 5:30:00 p.m. or after 5:30:59 p.m. We think the number of seconds after the time becomes 5:30 p.m. need not be

considered in our analysis of timeliness. For GAO filings, the time of filing will be viewed as 5:30 p.m., until the clock reaches 5:31 p.m.

Red River's Responsibility

GAI argues that Red River made a material misrepresentation with respect to FAR clause 52.209-7, which GAI contends should have resulted in Red River being found to be nonresponsible.⁵ Protest at 15-19. Specifically, GAI contends that Red River falsely certified that neither the firm nor any of its principals had been the subject of a criminal proceeding resulting in a conviction or other acknowledgement of fault within the past 5 years. GAI alleges that in August 2011, Red River's president pled guilty to wire fraud and conversion of U.S. funds, and that Red River itself entered into a civil settlement agreement with the U.S. government pursuant to charges that it violated the False Claims Act.⁶ Protest at 15-16.

An offeror's intentional misrepresentation that materially influences an agency's consideration of its proposal generally provides a basis for the rejection of the proposal or termination of a contract award. See Universal Technologies Inc.; Spacecraft, Inc., B-248808.2 et al., Sept. 28, 1992, 92-2 CPD ¶ 212 at 13. A misrepresentation is material where an agency has relied upon the misrepresentation and that misrepresentation likely had a significant impact upon the evaluation. ManTech Advanced Sys. Int'l, Inc., B-255719.2, May 11, 1994, 94-1 CPD ¶ 326 at 5.

The VA states that the contracting officer was aware of the agreement between the government and Red River, but as the information in the Dun & Bradstreet report did not mention a conviction or admission of liability and there was no mention of any formal complaint filed against Red River, he concluded that it would not negatively affect Red River's responsibility determination in light of the "wealth of positive information" otherwise available. CO's Statement at 4 n.4. In this regard, Red River further explains that the settlement agreement between the U.S. government and Red River specifically stated that it was not an admission of liability on the part of Red River, and that the government's investigation did not result in a criminal conviction of the company, or a finding of fault in a civil, criminal, or

⁵ GAI also argues that the VA should not have found Red River's past performance to be low risk, given Red River's material misrepresentation.

⁶ GAI also characterizes the requirement to honestly complete the certification as a definitive responsibility criterion. GAI Comments at 14. A definitive responsibility criterion is a specific and objective standard, qualitative or quantitative, that is established by a contracting agency in a solicitation to measure an offeror's ability to perform a contract. T. F. Boyle Transp., Inc., B-310708, B-310708.2, Jan. 29, 2008, 2008 CPD ¶ 52 at 5. The certification does not meet this definition.

administrative proceeding. Red River Comments at 9-10. Therefore, the settlement agreement did not meet the requirements of FAR clause 52.209-7.

With regard to GAI's allegation concerning the president of Red River, the VA and Red River state that the individual in question is no longer associated with the company and was not associated with Red River when he was convicted in 2011. AR at 24; Red River Comments at 4. Red River explains that this individual resigned from the company and sold his ownership rights in August 2008, more than three years before the company submitted its proposal. Red River Comments at 4. In this regard, the VA states that the definition of principals in the FAR clause refers to current officials and does not require disclosure of the criminal convictions of former company officials. Supp. AR at 8.

The record before us does not demonstrate that Red River misrepresented its status.⁷ The settlement agreement specifically stated that it was not an admission of fault, and there is no evidence of a criminal, civil, or administrative proceeding such that an affirmative response would be required. See Red River Comments, exhib. 1, Settlement Agreement, at 2. With regard to the conviction of the former president of Red River, that individual was no longer involved with the company at the time the proposal was submitted and is not currently involved with the company. While the protester argues that Red River should have provided an affirmative response because of the former president's conviction for actions taken while he was president of Red River, we cannot say that the VA and Red River unreasonably interpreted the FAR clause 52.209-7(c) certification with respect to principals as applying only to current principals, not former ones. In sum, GAI has not shown that the Red River's certification is false. See, e.g., Gov't of Harford County, Md., B-283259, B-283259.3, Oct. 28, 1999, 99-2 CPD ¶ 81 at 11.

Past Performance Evaluations

GAI also challenges the VA's evaluation of Valador's and Red River's past performance as low risk.

The evaluation of an offeror's past performance, including the agency's determination of the relevance and scope of an offeror's performance history, is a matter of agency discretion, which we will not find improper unless it is inconsistent

⁷ To the extent that GAI argues that the conviction of Red River's former principal should have resulted in a negative determination of responsibility, we generally do not consider affirmative determinations of responsibility. See 4 C.F.R. § 21.5(c). Moreover, it should be noted that under the Small Business Act, 15 U.S.C. § 637(b)(7), the Small Business Administration has conclusive authority to determine the responsibility of small business concerns, such as Red River. TMG Constr. Corp., B-407190, Nov. 19, 2012, 2012 CPD ¶ 343 at 5 n.4.

with the solicitation's evaluation criteria. Burke Consortium, Inc., B-407273.3, B-407273.5, Feb. 7, 2013, 2013 CPD ¶ 74 at 10. Since the agency is responsible for defining its needs and the best method for accommodating them, we will not substitute our judgment for reasonably based past performance ratings. See MFM Lamey Group, LLC, B-402377, Mar. 25, 2010, 2010 CPD ¶ 81 at 10.

GAI first complains that Valador should not have received a low risk past performance assessment, because the firm has no record of past performance under the relevant NAICS code as a value added reseller (VAR). In this regard, GAI contends that none of the transactions listed for Valador in the Federal Procurement Data System are associated with this NAICS code. Protest at 13.

The VA responds that the RFP does not provide that only contracts under NAICS code 541519 could be considered relevant for evaluating past performance. AR at 15. The VA also states that the RFP informed offerors that the agency's evaluation of past performance would encompass the past performance of the prime contractor and major subcontractors. AR at 12. In this regard, the evaluators identified weaknesses relating to the past performance of one of Valador's subcontractors, to which Valador responded. See, e.g., AR, Tab 25, Valador Item For Negotiation Response. The evaluators concluded that the past performance information on Valador and its major subcontractors demonstrated the offeror's probability of successful performance of the requirement, and thus Valador's proposal was rated as having low performance risk. AR, Tab 42, Valador Final Past Performance Evaluation Report, at 16-17.

We agree with the agency. Although the RFP stated that areas of relevance include prior performance as a VAR, it did not limit consideration of prior performance to the prime contractor's performance of contracts associated with the VAR NAICS code. In addition to performance as a VAR, the RFP included in the consideration of relevance the provision of IT commodity support services such as installation, warranty repair and support, training, application management, incidental software license management and other post-deployment support services relative to IT hardware commodities. Moreover, the RFP allowed for consideration of contracts, task or delivery orders, and major subcontracts with large commercial companies as well as the federal government, and requested three instances of past performance for each proposed major subcontractor. See RFP amend. 2, § M-2, Evaluation Approach, at 4. Thus, offerors were not limited to demonstrating relevant past performance through contracts that the prime contractor performed as a VAR, nor was the prime contractor's past performance the only basis upon which an offeror's past performance was to be evaluated.

GAI also argues that the VA relaxed the solicitation's definition of relevant contracts in evaluating Valador's and Red River's past performance. Supp. Protest at 3-8. In this regard, GAI contends that the evaluation record does not address whether Valador or Red River had prior performance history as a VAR and that use of the

phrase “IT hardware distribution and IT maintenance” in the evaluation documents does not reflect the relevancy requirements in the solicitation. Supp. Protest at 4; GAI’s Supp. Comments at 7. We find no merit to these arguments.

As indicated above, the RFP did not limit consideration of past performance to an offeror’s experience as a VAR, but rather included consideration of IT support services such as installation, warranty repair and support, training, application management, and incidental software license management. See RFP amend. 2, § M-2, Evaluation Approach, at 4. Thus, the failure of the evaluators to mention VAR in the past performance evaluation documents does not show that Valador and Red River lacked relevant past performance.⁸

Although GAI suggests that the use of general terms, such as the phrase “IT hardware distribution and IT maintenance” to denote the relevance of Valador’s and GAI’s own past performance, indicate that the VA relaxed its definition of relevance, the protester has not identified any submissions that the VA improperly accepted as relevant. Moreover, the record supports the reasonableness of the VA’s judgment concerning the relevance of the firms’ past performance. As an example in this regard, one of Valador’s past performance submissions was a delivery order to support the Defense Threat Reduction Agency’s network operations and security center. Valador’s proposal stated that it had, among other things (1) provided, installed, and supported services, mass storage, and computer hardware; (2) provided incidental software; (3) provided warranty support including hardware warranty repair, software licensing management, network management, and technical support; (4) developed and provided training sessions pertaining to hardware and software use; and (5) provided incidental software license management, network management, and technical support. AR, Tab 14, Valador’s Past Performance Volume, at 18-19. As noted above, the RFP specifically stated that such services would be considered relevant with respect to past performance.

In short, the record shows, contrary to GAI’s arguments, that the VA evaluated Valador’s and Red River’s past performance in accordance with the RFP’s evaluation criteria.

Tradeoff Decision

GAI argues generally that the VA’s selection decision is not adequately supported and specifically that the SSA’s addendum decision to select APL for award reflected

⁸ GAI also asserts that the VA’s evaluation of past performance did not place sufficient emphasis on an offeror’s past performance as a VAR. GAI’s Supp. Comments at 8. However, the RFP did not inform offerors that greater weight would be given to contracts performed as a VAR relative to other stated aspects of relevant past performance. See RFP amend. 2, § M-2, Evaluation Approach, at 4.

an unexplained change in the SSA's view of the merits of GAI's proposal. Supp. Protest at 9, 10. In this regard, GAI contends that although the SSA stated in her first selection decision that GAI's and APL's technical proposals were marginally superior to Valador's, Red River's, and Offeror 3's proposals, the SSA stated in her addendum decision that GAI's proposal was technically inferior to APL's proposal. Id. at 10.

In reviewing an agency's evaluation of proposals and source selection decision, we examine the supporting record to determine whether the decision was reasonable, consistent with the stated evaluation criteria, and adequately documented. Johnson Controls World Servs., Inc., B-289942, B-289942.2, May 24, 2002, 2002 CPD ¶ 88 at 6. Where, as here, a solicitation provides for award on a best value basis, the decision as to the relative technical merit of the offers must be based upon a comparative consideration of the technical differences of the proposals. See Systems Research & Applications Corp.; Booz Allen Hamilton, Inc., B-299818 et al., Sept. 6, 2007, 2008 CPD ¶ 28 at 24. A protester's mere disagreement with the agency's determination as to the relative merits of competing proposals, or disagreement with its judgment as to which proposal offers the best value to the agency does not establish that the source selection decision was unreasonable. King Farm Associates, LLC; One Largo Metro LLC; Metroview Development Holdings, LLC, B-404896.10 et al., Dec. 5, 2011, 2012 CPD ¶ 6 at 17.

The record here supports the reasonableness of the VA's selection decision. In her first selection decision, the SSA identified superior qualities of both GAI's and APL's proposals and compared the merits of GAI's and APL's proposals to those of Valador's, Red River's, and Offeror 3's proposals. For example, the SSA acknowledged that GAI's proposal was marginally better than Valador's proposal in the execution and support subfactor areas of processes and resources to fulfill recurring, large capacity product orders; and in delivering hardware quantities per month. The SSA also found that GAI's and Valador's proposals were relatively equal under the interoperability subfactor. AR, Tab 44a, First Source Selection Decision, at 9. APL's proposal likewise was found to be marginally technically superior to Valador's proposal in the execution and support subfactor area of processes and resources to fill recurring, large capacity product orders. Additionally, APL's proposal was found to be better than Valador's under the execution and support subfactor areas of qualifications and/or certifications of proposed technicians; providing applications support; and providing hardware deliveries as a large volume VAR. The SSA also found that APL's and Valador's proposals each contained marginally superior features under the interoperability subfactor. Id. at 7. In assessing the merits of the firms' proposals in the original selection decision, the SSA concluded that the proposals of GAI and APL were not worth the firms' respective price premiums.

After the VA rescinded Offeror 3's award, the SSA used the final evaluation results upon which her first selection decision was based to select APL's proposal for

award. The SSA concluded that APL's proposal offered marginally better technical approaches, advantages, and/or capabilities than those offered by GAI and other offerors. The SSA also recognized that APL received full credit under the veterans involvement factor, while GAI received only some consideration. She concluded that GAI's slightly inferior proposal and significant price premium (\$107.7 million) did not reflect the best value to the agency. AR, Tab 44b, Selection Decision Addendum, at 3. Although GAI apparently disagrees with this judgment, it has not shown that the selection decision was unreasonable.

The protest is denied.

Susan A. Poling
General Counsel