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Comptroller General
of the United States
United States Government Accountability Office
Washington, DC 20548

Decision

Matter of: Ikun, LLC

File: B-411776.3; B-411776.4; B-411776.5

Date: April 18, 2016

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James E. Hicks, Esq., Department of Justice, for the agency.
Charles W. Morrow, Esq., and David A. Ashen, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging evaluation of proposals and resulting source selection is denied where the record shows that the agency reasonably evaluated the differences between the awardee's and protester's proposals and reasonably determined that the awardee's higher-rated, slightly higher-priced, proposal represented the best value.

DECISION

Ikun, LLC, of Herndon, Virginia, protests the Department of Justice, Drug Enforcement Administration's (DEA) award of a task order to Arctic Slope Technical Services, Inc., of Beltsville, Maryland, under request for proposals (RFP) No. DJD-15-R-0006, for administrative and data research analysis services. Ikun challenges DEA's evaluation of proposals and the resulting best value determination.

We deny the protest.

BACKGROUND

The DEA issued the RFP on March 10, 2015, to vendors holding multiple-award indefinite-delivery, indefinite-quantity (ID/IQ) contracts under the General Services

Administration's One Acquisition Solution for Integrated Services (OASIS) program.[1] The competition was set-aside for OASIS vendors who were participants in the Small Business Administration's 8(a) program for small, disadvantaged firms. The competition was conducted under the provisions of Federal Acquisition Regulation subpart 16.5.[2]

The solicitation contemplated the issuance of a fixed-price task order for a base year and four 1-year options. See RFP at 4-7, 22.[3] The solicitation sought administrative and data research analysis services to support the agency's El Paso Intelligence Center's (EPIC) core operations, such as researching, analyzing and compiling subject matter material; maintaining financial records and reconciling accounts; preparing graphic displays; operating and troubleshooting audio/visual and other computer equipment; data entry; and other clerical work. Id. The solicitation also required support of the agency's asset forfeiture asset identification program, the [Deleted] program, the [Deleted] program [Deleted], and the information management services program (IMSP). RFP at 8. The [Deleted] programs were required to be supported on a 24 hours/7 days a week/365 days a year (24/7/365) basis. Id.

Award was to be made on a best value basis, considering the following non-price factors, listed in descending order of importance: (1) work plan; (2) staffing plan; (3) quality control plan; and (4) past performance. The work plan evaluation factor was significantly more important than the other factors, and the non-price factors combined were significantly more important than price. RFP at 35, 37.

With respect to the work plan factor, the RFP required an offeror's proposal to provide a work plan for the labor categories and eighty-two positions identified in the statement of work (SOW). As relevant here, the RFP stated as follows:

> The offeror shall demonstrate its understanding of the SOW by providing approaches and methods for accomplishing the included tasks. The offeror shall describe in detail its proposed organizational structure/resources and management approach for itself and any

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[1] OASIS is a multiple-award ID/IQ contract which provides flexible and innovative solutions for professional services. See www.gsa.gov/portal/category/104731 (last visited April 14, 2016).

[2] Since the task order here is valued at over $10 million, this procurement falls within our jurisdiction to hear protests related to the issuance of task orders under multiple-award indefinite-delivery, indefinite-quantity contracts valued in excess of $10 million. See 41 U.S.C. § 4106(f)(1)(B).

[3] The agency issued four amendments to the RFP. All references herein are to the RFP, as amended.

> subcontractor, if proposed. The offeror shall describe in sufficient detail its ability to organize, operate, and strategize in order to perform required services described in the SOW. The offeror shall identify potential or actual problems anticipated in carrying out the requirements of the order and propose corrective action(s) to be taken in such instances. This narrative work plan is critical and shall provide for a comprehensive understanding of how the offeror expects to perform under this order.

Id. at 35.

With respect to the staffing plan evaluation factor, the RFP required an offeror to provide a staffing plan that demonstrated the ability to recruit, retain, and train sufficient numbers of qualified personnel to perform the services; to demonstrate the ability to provide meaningful training of new and existing personnel and how training would enhance performance; and included a detailed description of continuing programs and procedures for retaining personnel through incentive programs. Id. The transition plan was to explain how transition would be performed to ensure continuity of services, and was to include a strategy for capture of incumbent personnel. Id.

Five offerors, including Arctic Slope[4] and Ikun,[5] responded to the RFP by the closing date of April 8, 2015. A technical proposal evaluation panel (TPEP) evaluated proposals utilizing an adjectival/risk rating scale for the technical factors and a confidence rating scale for past performance. For purposes of evaluation, the TPEP identified strengths and weaknesses under each factor which led to the adjectival and confidence ratings. A business evaluation committee (BEC) evaluated prices for reasonableness. Four offerors were included in the competitive range, including Arctic Slope and Ikun. Following discussions and the receipt of final proposals, the source selection authority (SSA), selected Ikun for the award on July 1. Arctic Slope filed a protest in our Office challenging the award on July 1.

Arctic Slope contended that DEA's award was improper because the agency selected Ikun's proposal for award without performing a price/technical tradeoff between Ikun's and Arctic Slope's proposals, by concluding that offerors' proposals were essentially technically equal. Our Office sustained the protest on October 20.

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[4] Arctic Slope's proposal was based on teaming with Primus Solutions, Inc., which is the incumbent contractor performing these services for DEA. Agency Report (AR), Tab 11, Arctic Slope Proposal, at 1.

[5] Ikun's proposal was based on [Deleted]. AR, Tab 2, Ikun Proposal, at 1.

See Arctic Slope Tech., Servs., Inc., B-411776, B-411776.2, Oct. 20, 2015, 2015 CPD ¶ __. We concluded that the selection of Ikun was unreasonable because the record did not show that the contracting officer's (CO) best value decision considered the underlying differences between Ikun's proposal and Arctic Slope's proposal (which was rated higher under the most significant evaluation factor and was assigned more strengths). Id. at 9. We recommended that DEA make a new source selection decision that adequately documented the comparative merits of the offerors' proposals and the agency's rationale for award, and make award to the offeror selected on that basis, if other than Ikun.

As part of DEA's corrective action,the agency appointed a new source selection committee and SSA. See Agency Memorandum of Law at 2; AR, Tab 4, Corrective Action Plan, at 1-2. The TPEP then reevaluated the proposals in the competitive range, including Ikun's and Arctic Slope's proposals, and performed a factor-by-factor review of the strengths noted for each offeror to confirm that the ratings were consistent with the technical evaluation factors. In addition, the contracting officer independently reviewed each offeror's proposal, determined which proposal reflected the best value, and recommended an offeror for award. See AR, Tab 4, Corrective Action Plan, at 2. Finally, the SSA made the source selection decision. Id. at 2-4.

The evaluation results pertinent here were as follows:

	Arctic Slope	Ikun
Work Plan		
Significant Strengths	1	0
Major Strengths	4	2
Minor Strengths	0	5
Rating	Outstanding/Low Risk	Good/Low Risk
Staffing Plan		
Significant Strengths	1	1
Major Strengths	5	3
Minor Strengths	0	1
Rating	Outstanding/Low Risk	Outstanding/Low Risk
Quality Control Plan		
Significant Strengths	1	1
Major Strengths	4	2
Minor Strengths	1	0
Rating	Outstanding/Low Risk	Outstanding/Low Risk
Past Performance		
Rating	Substantial Confidence/ Very Relevant	Substantial Confidence/ Very Relevant
Overall Rating	**Outstanding/Low Risk**	**Good/Low Risk**
Price	$24,441,478	$22,072,995

AR, Tab 7, Final Ratings and Price Chart, at 1.

In recommending Arctic Slope for award, the contracting officer concluded that Arctic Slope's highly-rated technical proposal offered "significant technical advantages" relative to Ikun's. AR, Tab 8, CO Best Value Determination & Recommendation for Award, at 6. Specifically, the contracting officer found that Arctic Slope's proposal, which proposed teaming with the incumbent contractor, ASRC Primus, demonstrated an exceptional approach that offered a seamless transition by ensuring continuity of service on day one of the contract, 100 percent capture of incumbent employees, and a detailed, comprehensive work plan that included a problem management approach that captured the potential scheduling risks associated with the required 24/7/365 operation of the [Deleted] units. The contracting officer, noting that the non-price factors combined were significantly more important than price, RFP at 35, 37, concluded that these advantages offset the price advantage of Ikun's proposal. Id. at 6-7.

The SSA agreed with the contracting officer that Arctic Slope's proposal represented the best value. In this regard, the SSA considered the technical factors and price considerations, the terms of the solicitation, the TPEP plan, the TPEP report, and the contracting officer's recommendation. See AR, Tab 9, SSA Award Decision Memorandum, at 2. In concurring with the contracting officer's recommendation, the SSA likewise concluded that there were significant technical differences between Arctic Slope's and Ikun's proposals, which were not offset by the latter's lower price. See id. at 5. Upon learning of the resulting award to Arctic Slope, and after a debriefing, Ikun filed this protest.

DISCUSSION

Ikun challenges the evaluation of its proposal, as well as the evaluation of the proposals of Arctic Slope and the other offerors. Ikun asserts that because the agency unreasonably evaluated proposals, the agency's best value analysis and source selection decision were flawed.

In reviewing a protest against an agency's evaluation of proposals, our Office will not reevaluate proposals but instead will examine the record to determine whether the agency's judgment was reasonable and consistent with the stated evaluation criteria and applicable procurement statutes and regulations. IPlus, Inc., B-298020, B-298020.2, June 5, 2006, 2006 CPD ¶ 90 at 7, 13; Shumaker Trucking & Excavating Contractors, Inc., B-290732, Sept. 25, 2002, 2002 CPD ¶ 169 at 3. A protester's disagreement with an agency's judgment in evaluating proposals is insufficient to establish that the agency acted unreasonably. VT Griffin Servs., Inc., B-299869.2, Nov. 10, 2008, 2008 CPD ¶ 219 at 4.

Here, based on our review of the record, and all of Ikun's arguments, we find that none of the protester's contentions warrant sustaining the protest. Rather than evidencing an unreasonable evaluation, the record reflects that, consistent with the RFP's stated evaluation criteria, the agency reasonably considered the underlying qualitative distinctions between the competing proposals and reasonably concluded that Arctic Slope's proposal offered the best value. We discuss several of Ikun's arguments below.

Ikun contends that DEA unreasonably evaluated Ikun's and Arctic Slope's proposals under the work plan factor. Specifically, the protester argues that DEA unequally evaluated proposals by crediting more favorable strengths to Arctic Slope's proposal than Ikun's for certain features of the work plan that were present in both proposals. The protester also argues that the agency applied unstated evaluation criteria in evaluating its proposal under the work plan factor by downgrading Ikun's proposal for failing to detail scheduling procedures for the [Deleted] units despite the absence of an RFP requirement to provide such detail in its proposal.

As discussed, under the work plan factor an offeror was required to describe in detail its proposed organizational structure/resources and management approach for itself and any subcontractors; describe its ability to organize, operate, and strategize in order to perform the required services; and identify potential or actual problems anticipated in carrying out the requirements of the order and propose corrective action(s) to be taken in such instances. Also, the RFP cautioned that the work plan was critical and therefore the plan should provide a comprehensive understanding of how the offeror planned to perform the requirements. RFP at 35.

Here, the record reflects that the TPEP credited Arctic Slope's proposal under the work plan factor with one significant strength, four major strengths, and no weaknesses, resulting in a rating for the factor of outstanding/low risk. See AR, Tab 7, Final Ratings and Price Chart, at 1. In this respect, the record indicates that the TPEP credited Arctic Slope's proposal with a significant strength because it was teaming with the incumbent contractor, Primus, utilizing the current program manager and lead data analyst (LDA), and offered a seamless transition based on 100 percent retention of the incumbent's employees. AR, Tab 6A, TPEP Report, at 21. The TPEP also credited Arctic Slope's proposal with a major strength because the proposed organizational structure leveraged the incumbent's experience and understanding of the agency's operations supporting EPIC. Id. The remaining three major strengths that the TPEP assigned to Arctic Slope's proposal under the work plan factor included that: (1) Arctic Slope has "developed an extensive reporting and task management approach led by the PM [program manager] and supported by a robust HQ team"; (2) Arctic Slope proposed "regular reporting, periodic inspections, tests, and frequent customer communications," and to take action to eliminate the cause of problems; and (3) because Arctic has 150 employees while Primus has over 2000 employees. Id.

By contrast, the TPEP credited Ikun's proposal under the work plan factor with no significant strengths, and only two major strengths and five minor strengths (and no weaknesses), resulting in a rating for the factor of good/low risk. AR, Tab 6A, TPEP Report, at 13. The TPEP credited Ikun's proposal with one major strength because Ikun proposed monthly executive meetings, quarterly deep dives, and an annual review of accomplishments. The other major strength was assigned because Ikun proposed an approach and methods process that highlighted its commitment to quality personnel through [Deleted]. The five minor strengths were assigned because: (1) Ikun proposed an organizational chart that shows the PM reporting [Deleted]; (2) Ikun proposed a shared services organization/dedicated support staff so as to easily produce level-of effort and funds expenditure reports for the [Deleted] personnel on the contract; (3) the offeror accumulated over [Deleted] of joint operations and intelligence center experience; (4) Ikun proposed to conduct [Deleted] to create a pipeline of replacement personnel; and (5) Ikun was familiar with EPIC's databases and described each position in detail. Id.

Ikun argues that its proposal contained similar features to Arctic Slope's proposal, but that instead of crediting its proposal with a significant or a major strength, DEA improperly credited its proposal with only minor strengths or none at all. We find no merit to Ikun's contentions that the agency unequally evaluated proposals. The record reflects that DEA credited Arctic Slope's work plan with more favorable strengths than Ikun's work plan because Arctic Slope's proposal included more detailed information about its approach and because its technical approach was based on teaming with the incumbent contractor. AR, Tab 6A, TPEP Report, at 21; Tab 8, CO Best Value Determination & Recommendation for Award at 6, 7.

For example, Ikun notes that the agency credited a major strength to Arctic Slope's proposal for its extensive reporting and task management approach, and asserts that it also detailed its report capabilities and agreement to provide reports in accordance with the RFP's requirement. See Comments at 4-5; AR, Tab 2, Ikun Proposal, at 10-11. Arctic Slope's proposal, however, contained more detailed information than Ikun's regarding the reports it would furnish in response to the solicitation's requirement for reports, RFP 3.11, at 21, including describing in detail what information would be included in each report, such that the agency reasonably credited Arctic Slope's proposal (but not Ikun's) with a major strength for its extensive and detailed reporting and task management approach. See AR, Tab 11, Arctic Slope Proposal, at 6; AR, Tab 2, Ikun Proposal, at 11.

Likewise, we find no reason to question the agency's assignment of a significant strength and a major strength to Arctic Slope's proposal for teaming with the incumbent contractor, utilizing the current PM and LDA, and leveraging the incumbent's experience supporting EPIC. The contracting officer concluded that this was a meaningful discriminator between the two offerors' work plans because teaming with the incumbent allowed for a guaranteed continuity of operations on day one. AR, Tab 8, CO Best Value Determination & Recommendation for Award, at 6.

The protester contends that crediting Arctic Slope's proposal with these strengths in the evaluation of its work plan based on the incumbent status of its teammate Primus was unreasonable because the RFP did not permit extra credit for incumbency. We find no merit to this contention. While the solicitation did not provide for assigning a strength simply on the basis of an offeror's status as the incumbent, it did require the offeror to "describe in detail its proposed organizational structure/resources and management approach for itself and any subcontractor, if proposed," and "describe in sufficient detail its ability to organize, operate, and strategize in order to perform required services described in the SOW." RFP at 35. The agency credited Arctic Slope's work plan based on the offeror's teaming with the incumbent, resulting in a seamless transition with 100-percent retention of incumbent staff personnel, leveraging the incumbent's experience, and utilizing the current PM, LDA, and staff. See AR, Tab 6A, TPEP Report, at 21. Thus, Arctic Slope received a significant strength and a major strength as a result of the resources it would apply, and its ability and approach to performing the contract, including the transition. We see nothing in the evaluation in this regard that was inconsistent with the evaluation approach set forth in the solicitation.

The record also reflects that the agency reasonably viewed Arctic Slope's approach to meeting the solicitation requirement for 24/7/365 support of the [Deleted] programs to be superior to Ikun's. In finding that Arctic Slope's proposal represented the best value over Ikun's proposal, the contracting officer noted under the work plan factor not only that Arctic Slope's approach allowed for guaranteed continuity of operations on day one, but also that its problem management approach represented a significant technical advantage. See AR, Tab 8, CO Best Value Determination & Recommendation for Award, at 6.

With respect to Arctic Slope's problem management approach, the contracting officer found that Arctic Slope proposed such beneficial elements as: (a) scheduling [Deleted] where all assigned contractor employees who have been [Deleted] with, the less than desirable second and third shifts (4 p.m. to 12 a.m. and 12 a.m. to 8 a.m.) at the 24/7/365 operation at the [Deleted] units; (b) scheduling the "shift work" with [Deleted] to resolve any contractor staff availability conflicts in a timely manner to ensure coverage without interruption; (c) ensuring that all contractor personnel assigned to 24/7/365 operations are aware of the [Deleted] and the importance of "complete coverage"; (d) if a replacement is required, the LDA identifies the replacement via [Deleted], and if immediate rescheduling is unavailable, both the PM and LDA [Deleted] until regular scheduling is resumed; and (e) proposing a rate increase for shift-work data analysts assigned to the [Deleted] units. AR, Tab 8, CO Best Value Determination & Recommendation for Award, at 6.

In contrast, the agency found that Ikun did not include an approach in its work plan that adequately addressed the scheduling of the [Deleted] units. See AR, Tab 8, CO Best Value Determination & Recommendation for Award, at 6. Specifically, the contracting officer noted the lack of detail in Ikun's work plan regarding its overall management approach to supporting the 24/7/365 operation of the [Deleted] units. AR, Tab 8, CO Best Value Determination & Recommendation for Award, at 7. In addition, the contracting officer concluded that the "fact that Ikun proposed a [Deleted] for the shift work employee in comparison to the non-shift Data Analyst without providing a comprehensive rationale . . . appears to illustrate the offeror's lack of fully understanding EPIC's requirement in regards to the 24/7/365 operations." Id. at 6.

Ikun argues that DEA applied an unstated evaluation factor by crediting a technical advantage to Arctic Slope's proposal for providing an approach to scheduling the [Deleted] programs, and a disadvantage to Ikun's work plan for not addressing scheduling the [Deleted] programs. In addition, the protester contends that in considering this issue the agency conducted a price-realism analysis, which was not contemplated by the RFP evaluation scheme.

Again, we find no merit to the protester's contentions. The RFP here required offerors to describe in detail their ability to organize, operate, and strategize to perform the requirements of the SOW, which includes the required operation of the [Deleted] units. See RFP at 8, 35. In addition, the RFP specifically advised offerors to identify potential or actual problems anticipated in carrying out the requirements and propose corrective actions to be taken in such instances. RFP at 35. Thus, the

RFP specifically put offerors on notice that their work plan was required to address in detail the offeror's proposed approach performing the requirements of the SOW, which included the requirement to operate the [Deleted] units.

As noted above, the contracting officer found that Ikun's proposal did not explain the proposed [Deleted] for its shift work staff performing the less than desirable shifts, and that this appeared to illustrate the offeror's failure to fully understand EPIC's requirement for 24/7/365 operations. Although the protester argues that this was improper because the evaluation criteria did not provide for a price-realism analysis, the record shows that the agency did not perform an analysis of Ikun's rates to assess whether Ikun's rates were too low. Rather, the record indicates that the agency instead only considered the significance and potential impact on ensuring continuity of operation of the [Deleted] units of proposing [Deleted] for the "shift" data analysts, that is, for staff responsible for what the agency considered to be less than desirable shifts (4 p.m. to 12 a.m., and 12 a.m. to 8 a.m.), than for non-shift employees, without any discussion of this discrepancy in Ikun's technical proposal. See AR, CO Best Value Determination & Recommendation for Award, at 6-7. We find that the agency's analysis in this regard was not unreasonable where, as here, the RFP specifically advised offerors that the offeror shall demonstrate its understanding of the SOW and shall provide a comprehensive understanding of how the offeror expects to perform the order. RFP at 35.

Ikun also argues that crediting Arctic Slope's proposal under both the work plan and staffing factors for teaming with the incumbent improperly resulted in multiple, duplicative strengths for the same element of the proposal, and gave undue weight to staffing. In this regard, DEA credited a significant strength to Arctic Slope's work plan for teaming with the incumbent and a major strength because its structure would leverage the experience and understanding of the incumbent. Further, the record indicates that under the staffing factor DEA assigned a significant strength to Arctic Slope's proposal because Arctic Slope guaranteed a seamless transition of all current staff on day one of the contract. See AR, Tab 6A, TPEP Report, at 21.

We find nothing objectionable in the agency recognizing under both the work plan and staffing factors the advantages associated with Arctic Slope's proposed approach of teaming with the incumbent contractor. In this regard, an agency properly may consider an element of a proposal under more than one evaluation criterion, so long as the element is reasonably related to all criteria under which it is considered. RAMCOR Servs. Group, Inc., B-276633.2 et al., Mar. 23, 1998, 98-1 CPD ¶ 121 at 9. Here, we find that the agency reasonably considered that Arctic Slope's proposal to team with the incumbent, leveraging its experience, and utilizing the current PM, LDAs, and staff, reasonably related to, and offered significant and major strengths under, both the work plan and staffing factors.

In sum, Ikun's protest furnishes no basis for concluding that the agency failed to reasonably consider the differences between the competing proposals, or for questioning the agency's determination that Arctic Slope's proposal offered the best value.

The protest is denied.

Susan A. Poling
General Counsel