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Decision

Matter of: Innovative Management & Technology Approaches, Inc.

File: B-413084; B-413084.2

Date: August 10, 2016

Judith B. Kassel, Esq., and Richard J. Webber, Esq., Arent Fox LLP, for the protester.

Peter A. Deliso, Esq., and Nelson Blitz, Esq., Executive Counsel, PLC, for DHA American Operations, LLC, the intervenor.

Megan E. Petersen, Esq., and Jerry S. Hiatt, Esq., Federal Bureau of Investigation, for the agency.

Elizabeth Witwer, Esq., and Jennifer D. Westfall-McGrail, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest is denied where the agency's evaluation of the protester's quotation under the non-price factors and the agency's evaluation of the awardee's price were not unreasonable.
 2. Protest is denied where the agency's evaluation errors did not result in competitive prejudice to the protester.
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DECISION

Innovative Management & Technology Approaches, Inc. (IMTAS), a small business, of Arlington, Virginia, protests the issuance of a task order to DHA American Operations, LLC (DHA), a small business, of Washington, D.C., under request for quotations (RFQ) STOR 98, issued by the Federal Bureau of Investigation (FBI) for microcomputer technical support service and assistance. The protester alleges that the agency's tradeoff analysis was unreasonable because it is based on a flawed evaluation of IMTAS's quotation under the non-price evaluation factors and because it fails to account for increased costs that the agency will incur in connection with DHA's price quotation.

We deny the protest.

BACKGROUND

The FBI issued the RFQ on November 25, 2015, as a small business set-aside, to awardees of the Information Technology Suppliers and Support Services (IT Triple-S) blanket purchase agreement (BPA).¹ Agency Report (AR), Tab 3, Agency Email Release of RFQ, Nov. 25, 2015; RFQ at 36.² The RFQ contemplates the issuance of a time-and-materials task order with a period of performance of one base year and two option years. RFQ at 23, 33. The task order requires the contractor to provide microcomputer technical support service and assistance to FBI personnel located in various locations. RFQ at 7.

The RFQ provided for award on a best-value basis consisting of five evaluation factors, in descending order of importance: (1) technical services, (2) program management, (3) key personnel, (4) transition plan, and (5) price. RFQ at 33. The non-price factors, when combined, were significantly more important than price; however, the RFQ provided that as the non-price factors became similar, the importance of price increased. Id.

In rating the non-price factors, the RFQ provided that the FBI would apply a color-coded rating scheme, assigning one of the following ratings: blue, green, yellow, or red. Relevant here are the definitions for blue and green ratings:

Blue: Is equivalent to a “Superior” adjectival rating. The proposed approach clearly exceeds requirements and clearly demonstrates the Quoter’s superior capability to deliver exceptional performance. The probability of success in attaining the goals and objectives is extremely high. No clarification is needed and there are no significant ambiguities.

Green: Is equivalent to an “Acceptable” adjectival rating. The Quoter’s proposed approach has a good probability of meeting the requirements. Some weaknesses or ambiguities exist in the approach, but they are outweighed by strengths and correctable with minimal Government oversight or direction.

RFQ at 35. With respect to price, the RFQ stated that the vendors’ total evaluated prices would be evaluated for completeness and reasonableness. RFQ at 34.

¹ The agency represents that the IT Triple-S BPA is a multiple-award BPA established under the General Services Administration’s IT Schedule 70 pursuant to Federal Acquisition Regulation (FAR) Subpart 8.4. Legal Memo. at 2 n.3; COS at 1.

² All citations to the RFQ are to the final, conformed copy at Tab 5 of the agency report.

Five vendors, including IMTAS and DHA, submitted quotations in response to the RFQ. AR, Tab 10, Quotation Evaluation Board (QEB) Report, Apr. 6, 2016, at 1.³ After the QEB evaluated all five quotations and provided a summary report to the SSA, the SSA determined that IMTAS and DHA submitted the two highest-rated quotations. Id. at 56. The SSA concurred with the QEB’s ratings of the two quotations, id. at 55, which were as follows:

Factors	DHA	IMTAS
Technical Services	Green	Green
Program Management	Green	Green
Key Personnel	Green	Green
Transition Plan	Blue	Green
Price (as adjusted) ⁴	\$32,661,951	\$34,276,118

AR, Tab 12, Explanation of Award, Apr. 27, 2016, at 3. After independently reviewing “all information and analyzing all Quotes based on the evaluation criteria stated in the Quote Evaluation Plan (QEP) and solicitation,” the SSA determined that DHA represented the best overall value to the government. AR, Tab 10, QEB Report, at 55, 56.

In reaching this conclusion, the SSA concluded that the quotations of the two vendors provided essentially equal value to the agency with respect to the first three non-price evaluation factors, *i.e.*, technical services, program management, and key personnel. Id. at 58. The only difference between the two quotations with respect to the non-price factors was the quality of the vendors’ transition plans, the least important non-price factor. Id. Recognizing that “[a]s the evaluations of the

³ Tab 10 of the agency report is a single document containing the QEB’s evaluation of quotations, AR, Tab 10, QEB Report, at 1-52; the QEB’s summary of quotations, id. at 53-53; and the source selection authority’s (SSA) best-value determination, id. at 54-58.

⁴ The QEB evaluated price quotations for completeness. AR, Tab 10, QEB Report, at 26. In order to be considered complete, a vendor “had to provide all prices necessary to support the offer.” Id. The QEB determined that DHA was the only vendor that submitted a complete price quotation. AR, Tab 10, QEB Report, at 52; Legal Memo., June 3, 2016, at 2. Although DHA submitted a complete price quotation, its price was upwardly adjusted due to a multiplication error. AR, Tab 10, QEB Report at 27, 31. IMTAS did not submit a complete price quotation. Nevertheless, the QEB was able to upwardly adjust IMTAS’s price based on information in its quotation and certain assumptions applied by the QEB. Id. at 44, 47, 52. IMTAS does not challenge the price adjustments made to either vendor’s quotation.

non-price factors become similar, the importance of price increases[,]" id. (quoting RFQ at 33), the SSA concluded that, because DHA provides a superior solution at a lower overall price, DHA's quotation represented the best overall value to the government. Id.

On April 27, 2016, the FBI notified unsuccessful vendors of DHA's selection for award. AR, Tab 11, Notification to Unsuccessful Vendors. Pursuant to FAR § 8.405-2(d), all unsuccessful vendors received a brief explanation of the basis for the award. COS at 1; AR, Tab 12, Explanation of Award. IMTAS filed a protest with our Office on May 4.

DECISION

IMTAS argues that the FBI's tradeoff analysis is unreasonable because it is based on a flawed evaluation of IMTAS's quotation under the non-price factors. In this respect, IMTAS alleges that the FBI should have assigned IMTAS's quotation a rating of blue under all four non-price factors. IMTAS also argues that the FBI's evaluation of DHA's price was unreasonable because the agency failed to account for increased costs that the agency would incur in connection with processing security clearances for non-incumbent personnel.⁵ IMTAS also argues that DHA's quotation contains several assumptions that result in doubt as to the firmness and enforceability of DHA's price. Although our decision does not address all of IMTAS's arguments, we have fully considered each of them and find that none provides a basis to sustain the protest.

The evaluation of quotations is a matter within the discretion of the procuring agency. Ernst & Young LLP, B-411728, B-411728.2, Oct. 14, 2015, 2015 CPD ¶ 318 at 3. Our Office does not independently evaluate quotations; rather, we review the agency's evaluation to ensure that it is consistent with the terms of the solicitation and applicable statutes and regulations. Id. at 3-4. A protester's disagreement with the agency's judgment, by itself, is not sufficient to establish that an agency acted unreasonably. Id. at 4.

Evaluation of IMTAS's Non-Price Factors

IMTAS challenges the FBI's assignment of a green rating to all four non-price factors in IMTAS's quotation. AR, Tab 10, QEB Report at 17. With respect to the first three non-price factors -- technical services, program management, and key personnel -- IMTAS argues, based solely upon the RFQ's definitions of green and blue ratings, that its quotation merited a blue rating for these factors. Protest at 11-12. Specifically, IMTAS alleges that, because it received some strengths and

⁵ IMTAS is the incumbent contractor. RFQ at 22.

no weaknesses, it should have received the highest possible rating. See e.g., id. at 11 (“The record cannot reasonably support a rating of ‘Green’ where, as here, the Agency found only strengths and no weaknesses or ambiguities in IMTAS[®] proposal.”); Comments at 7. In other words, IMTAS argues “that a Green rating requires identification of ‘some weaknesses or ambiguities in the approach.’” Comments at 9.

In response, the FBI contends that a quotation’s lack of any weaknesses or ambiguities does not entitle the quotation to a blue rating. Legal Memo. at 3 (citing Loyal Sources Gov’t Servs., LLC, B-407791.5, Apr. 9, 2014, 2014 CPD ¶ 127 at 7). Rather, the agency argues that, pursuant to the RFQ, to receive a rating of blue, a quotation had to be “equivalent to a ‘Superior’ adjectival rating.” Id. (quoting RFQ at 35). Additionally, the proposed approach had to “clearly exceed[] requirements and clearly demonstrate[] the Quoter’s superior capability to deliver exceptional performance.” Id. (quoting RFQ at 35). Finally, the probability of success in attaining the goals and objectives had to be “extremely high.” Id. (quoting RFQ at 35). The agency argues that, although the QEB and the SSA did not identify any weaknesses in IMTAS’s approach for these three non-price factors, the FBI’s evaluators also did not find IMTAS’s proposed approach to clearly exceed the requirements or clearly demonstrate a superior ability to deliver exceptional performance. Id. (citing AR, Tab 10, QEB Report). In short, the FBI did not assign IMTAS’s quotation a blue rating because it did not find the quotation to be “superior.” Rather, the FBI determined that IMTAS’s proposed approach had a good probability of meeting the agency’s requirements. Id. at 3, 4-5; COS at 2, 3, 4.

It is well-established that the evaluation of offers and the assignment of adjectival ratings generally should not be based upon a simple count of strengths and weaknesses, but on a qualitative assessment of the proposals consistent with the evaluation scheme. J.E. McAmis, Inc., B-412321, B-412321.2, Jan. 14, 2016, 2016 CPD ¶ 40 at 7 n.11; Envtl. Restoration, LLC, B-406917, Sept. 28, 2012, 2012 CPD ¶ 266 at 5. In this regard, ratings--be they numerical, adjectival, or color--are merely guides for intelligent decision making in the procurement process. AlphaSix Corp., B-412456, Feb. 19, 2016, 2016 CPD ¶ 76 at 3-4; Southwind Construction Services, LLC, B-410333.2, Jan. 21, 2015, 2015 CPD ¶ 64 at 6; Envtl. Restoration, LLC, supra. Importantly, there is no legal requirement that an agency must award the highest possible rating, or the maximum point score, under an evaluation factor simply because the proposal contains strengths and is not evaluated as having any weaknesses. J.E. McAmis, Inc., supra; Envtl. Restoration, LLC, supra; Applied Tech. Sys., Inc., B-404267, B-404267.2, Jan. 25, 2011, 2011 CPD ¶ 36 at 9.

Here, in arguing that its quotation should have received a blue rating for these three non-price factors, IMTAS misconstrues and oversimplifies the RFQ’s definitions of green and blue ratings. Contrary to IMTAS’s contentions, the difference between a green (acceptable) quotation and a blue (superior) quotation is not simply the existence (or lack) of any weaknesses. See RFQ at 35. In this regard, the RFQ

does not require the FBI to assign a blue rating when the agency determines that a quotation contains only strengths and/or significant strengths under a particular factor. See RFQ at 35. Conversely, to assign a green rating, the RFQ does not require the FBI to identify a weakness or ambiguity. Id. Rather, the definitions contemplate a nuanced assessment of the quality of a quotation. As evidenced by the plain language, the definitions require the consideration of several criteria, including a qualitative assessment of a quotation's probability of "meeting" or "clearly exceed[ing]" the agency's requirements. Id. Although IMTAS's arguments are based primarily on the lack of weaknesses in its quotation, see Protest at 11-12; Comments at 6-9, our review of the FBI's qualitative assessments of these three non-price factors in IMTAS's quotation does not cause us to conclude that the FBI's assignment of a green rating was improper. The record shows that the QEB and SSA assigned IMTAS's quotation a rating of green for these factors because the agency determined that IMTAS's proposed approach met all the requirements, but did not clearly exceed the requirements.⁶ AR, Tab 10, QEB Report, at 17-20, 54, 57-58.

Next, we consider the agency's rating of IMTAS's quotation under the fourth non-price factor, the transition plan. With respect to this factor, the RFQ provided:

The bidding Contractor shall submit a Transition Plan with their Quote submission detailing activities and schedule for transition of incumbent work and knowledge if awarded this Task Order. The incumbent

⁶ IMTAS identifies one instance in which the QEB stated that "[IMTAS] Key Personnel exceed the RFQ requirements[.]" AR, Tab 10, QEB Report, at 54. IMTAS contends, therefore, that, "[e]ven under the Agency's interpretation of the ratings, the QEB's determination supports a rating of Blue for this factor." Comments at 9. We disagree. This lone statement in the QEB's report does not indicate that the agency believed that this factor "clearly" exceeded the agency's requirements or merited a blue rating. In fact, when viewed in light of the totality of the QEB's evaluation of this factor, it would appear that the QEB did not intend for this statement to reflect a conclusion that IMTAS's quotation was superior. See AR, Tab 10, QEB Report, at 17, 20, 57. Even assuming for the sake of argument, however, that the QEB determined that IMTAS's key personnel "clearly" exceeded the agency's requirements, this assessment would satisfy only one of the multiple criteria necessary to justify a blue rating. This one statement, without more, does not demonstrate that the FBI concluded that IMTAS's key personnel were "superior" or "clearly demonstrate[d] the Quoter's superior capability to deliver exceptional performance." RFQ at 35. Nor does it demonstrate that the FBI believed that IMTAS's "probability of success in attaining the goals and objectives" related to this factor was "extremely high." Id. In alleging that it was inappropriate for the agency to assign a green rating to this factor, IMTAS again improperly limits the RFQ's definition of a blue rating.

contractor will submit an exit Transition Plan that summarizes a successful transition to the new contractor if needed.

RFQ at 22. The agency contends that, as a bidding contractor and incumbent contractor, IMTAS was required to submit a plan covering both scenarios.⁷ Supp. Legal Memo., June 22, 2016, at 6. The RFQ required vendors to address certain aspects of the transition in their plans, such as the method for managing the transition process; the resources needed to implement the transition process; and a documentation tree presenting the documents necessary for the transition process. RFQ at 22.

In its quotation, IMTAS provided two plans: (1) an exit plan, based on the assumption that it would not be issued the order; and (2) a “transition in” plan based on the assumption that it would be issued the order. AR, Tab 6, IMTAS Technical Quotation, Attach. B, Transition Plan. After consideration of the merits of both vendors’ plans, the SSA concluded the following in her tradeoff analysis:

The main difference between the two Quoters in this area was that DHA’s Transition Plan was very effective and they received numerous awards for achieving an Excellent Rating in Transition on previous tasks. DHA’s plan provides an overview of expected transition activities, as well as a documentation tree which shows all documents needed for the transition process. DHA’s Transition Plan exceeded every requirement in the RFQ. The FBI will benefit from DHA’s Transition Plan as they will reduce the amount of time and effort needed to bring personnel to full productivity immediately as shown in previous transitions. DHA’s transition plan also [eliminates] the majority, if not all[,] the risk that comes with a transition by providing excellent company oversight and a documented activity tree that has a proven track record of success. IMTAS['] Transition Plan met all requirements of the RFQ. IMTAS supplied a Transition Out Plan even though they were not required to.^[8] They stated they would work with a new vendor if needed and will make sure all of the

⁷ The FBI argued that, even if IMTAS were to retain the work, “any new contract award has the potential for transition activities.” Supp. Legal Memo. at 6. The FBI explains, for instance, that, in its quotation, IMTAS is proposing a new subcontractor, which “requires significant transition activities[.]” Id.

⁸ The agency concedes that this statement by the SSA is inaccurate. Supp. Legal Memo. at 6 n.2 (“The FBI acknowledges that, as written, this was a misstatement by the [SSA].”). The RFQ expressly required IMTAS to submit an “exit Transition Plan.” RFQ at 22.

actions for a smooth and successful transition would occur. Neither Quoter had any weaknesses in this area.

AR, Tab 10, QEB Report, at 57.

In its protest, IMTAS argues that the agency's assignment of a green rating to IMTAS's plan and a blue rating to DHA's plan "makes no sense" because "[e]ffectively, there would be no transition if the award had been [made] to IMTAS®." Protest at 13. See Comments at 5. IMTAS explains that, should it be re-awarded the order, it proposed to retain 100 percent of its employees, many of its subcontractor's employees, and had a "list of qualified people who can step in and backfill the remaining positions," resulting in a bid of "110 % of capacity, available on day one of the contract, to eliminate all transition risk." Protest at 13; AR, Tab 6, IMTAS Technical Quotation, Attach. B, Transition Plan, at B-2. Thus, IMTAS claims that "it is inexplicable that IMTAS® would receive a lower rating than DHA for the Transition Plan factor."⁹ Protest at 13. IMTAS's challenge to the agency's evaluation of the vendors' transition plans can be summed up in the following contention: "The reality is that, as good as DHA's description of its transition plan was deemed to be, DHA's transition cannot be any less costly, any faster, and any less risky than the simple continuation of IMTAS' incumbent employees." Comments at 5.

In reviewing IMTAS's challenge to the agency's comparison of the vendors' transition plans, we find the record lacking in meaningful analysis to support the SSA's conclusion that DHA's plan offered a superior approach when compared to IMTAS's "transition in" plan. We agree with IMTAS that, without further explanation, it appears illogical that DHA's plan could be more efficient than the retention of incumbent personnel.

⁹ IMTAS also alleges that its plan proposed less risk than DHA's plan. Protest at 13-14. IMTAS states that it currently employs 63 FBI-cleared incumbent personnel, whereas "DHA must provide equivalent personnel with Top Secret clearances." Id. at 13. Thus, IMTAS alleges that there is more risk associated with an award to DHA versus an award to IMTAS. Id. at 13, 14. We previously dismissed this ground for failure to allege sufficient detail to meet the pleading standards in our Bid Protest Regulations. See 4 C.F.R. §§ 21.1(c)(4), (f), 21.5(f). We held that, although IMTAS may be correct in this respect, IMTAS's protest did not allege that DHA's quotation failed to propose personnel with the appropriate clearances or otherwise mitigate the alleged risk. Instead, IMTAS's protest simply concludes that "the risks associated with a transition to DHA were clearly much higher than the risks associated with an award to IMTAS[.]" such that "there is no apparent justification for DHA's Blue rating." Protest at 13-14.

For instance, the SSA concludes that DHA's proposed approach will benefit the FBI by "reduc[ing] the amount of time and effort needed to bring personnel to full productivity[.]" AR, Tab 10, QEB Report, at 57. The SSA fails to explain, however, how this approach is superior to IMTAS's plan, which, as the QEB recognized, proposed to have 110 percent of the necessary personnel in place at the start of performance. See id. at 18, 57. Thus, it would appear that IMTAS's plan requires little-to-no time and effort to bring personnel to full productivity. Likewise, the SSA concludes that DHA's approach eliminates the risks typically associated with transition by offering excellent oversight and a documented activity tree. Id. at 57. Once again, however, the SSA fails to explain how DHA's plan is superior to IMTAS's plan, which requires virtually no transition, and thus, relatively little risk. Id. In sum, the SSA fails to explain how DHA's approach was superior to IMTAS's approach, which, in essence, required no transition.¹⁰

Despite our conclusion that the record lacks a rationale for assigning IMTAS a lower rating than DHA for the transition plan, we find that IMTAS has failed to demonstrate prejudice resulting from this error. Competitive prejudice is an essential element of a viable protest; where the protester fails to demonstrate that, but for the agency's actions, it would have had a substantial chance of receiving the award, there is no basis for finding prejudice, and our Office will not sustain the protest, even if deficiencies in the procurement are found. HP Enter. Servs., LLC, B-411205, B-411205.2, June 16, 2015, 2015 CPD ¶ 202 at 6; Booz Allen Hamilton Eng'g Servs., LLC, B-411065, May 1, 2015, 2015 CPD ¶ 138 at 10 n.16.

Here, IMTAS's challenge to the agency's evaluation of its transition plan would result, at most, in the higher rating of blue for IMTAS's plan. Based on the record, however, even if the FBI had assessed a blue rating for IMTAS's plan, there is no evidence that the higher rating would have changed the agency's tradeoff analysis and award decision. At best, IMTAS would be technically equal to DHA and, as we explain below, its quotation would remain higher priced. From the record, we see no reasonable possibility that the SSA would have selected IMTAS's higher-priced quotation instead of DHA's equally-rated, lower-priced proposal. See G4S Gov. Servs., B-401694, B-401694.2, Nov. 4, 2009, 2009 CPD ¶ 236 at 11. For this reason, we cannot conclude that, but for the agency's failure to assign IMTAS's quotation a rating of blue for the transition plan factor, IMTAS would have had a

¹⁰ To the extent the SSA determined DHA's approach to be superior to IMTAS's approach based on an alleged lack of detail in IMTAS's exit plan, as the agency suggests in its report, see COS at 6-7; Legal Memo. at 6-7, we find no support for this contention in the record. In fact, the SSA stated, erroneously, that IMTAS was not required to submit an exit plan. AR, Tab 10, QEB Report, at 57. Accordingly, we find it unlikely that the SSA based her decision on a plan that she did not believe IMTAS was required to submit.

substantial chance of receiving the award. GBTI Solutions, Inc., B-409114.3, B-409114.5, Jan. 29, 2014, 2014 CPD ¶ 45 at 7.

Evaluation of DHA's Price

IMTAS raises two challenges to the FBI's evaluation of DHA's price. First, IMTAS argues that the agency failed to consider the increased costs associated with DHA's quotation. Second, IMTAS argues that DHA's quotation is non-compliant because its price is conditioned on improper assumptions. We deny both challenges.

First, IMTAS argues that the agency "fail[ed] to account for increased costs that the Agency will incur in connection with processing security clearances for the DHA's personnel." Protest at 14. In this respect, IMTAS alleges that the RFQ mandated that all contractor personnel possess a top secret security clearance at the sensitive compartmented information (SCI) level, which requires the FBI to administer a polygraph examination. Id. IMTAS further alleges that its personnel will possess the requisite clearance from the start of contract performance, whereas the FBI will need to administer polygraph examinations to the employees of any new contractor -- a process that IMTAS contends "is very costly to the Agency[.]" Id. IMTAS argues that "[t]here is no indication that the Agency considered the additional costs to obtain SCI cleared personnel in its best value/technical trade analysis." Id.

In response, the FBI argues that the RFQ did not require the agency to consider the costs associated with administering polygraph examinations to non-incumbent contractor personnel. Legal Memo. at 8. Moreover, because the RFQ did not require this type of analysis, the FBI argues that IMTAS's challenge constitutes an untimely challenge to the FBI's stated methodology for evaluating price.¹¹ Id. IMTAS's comments on the report did not address the agency's response. We, therefore, consider IMTAS to have abandoned this allegation, and we will not further consider it. 22nd Century Techs., Inc., B-412547 et al., Mar. 18, 2016, 2016 CPD ¶ 93 at 10.

¹¹ The agency also argues that, contrary to IMTAS's contentions, the RFQ did not require all contractor personnel to possess top secret clearances at the SCI level. COS at 8 (quoting RFQ at 24). Rather, the RFQ required contractor personnel to possess active top secret security clearances. RFQ at 24. The RFQ further stated that "[i]n addition to Top Secret security clearance[s], all personnel assigned to this task order must have the ability to acquire clearance at the Sensitive Compartmented Information (SCI) level." Id. It is only in "the FBI's discretion" that "contract personnel may be requested to undergo a polygraph and/or drug test." Id.

In its second challenge to the FBI's evaluation of DHA's price, IMTAS alleges that there are three assumptions in DHA's price quotation that result in doubt as to the firmness and enforceability of DHA's price. Supp. Protest & Comments, June 13, 2016, at 2. IMTAS contends that DHA's price is contingent on: (1) an incorrect contract award date, (2) a stipulation that DHA must agree to any post-award delay of 30 days or less, and (3) a reduced period of performance. Id.

The requirement to propose fixed prices is a material term or condition of a solicitation requiring such pricing. Dev Tech. Grp., B-412163, B-412163.5, Jan. 4, 2016, 2016 CPD ¶ 10 at 5; Advanced Techs. & Labs. Int'l, Inc., B-411658 et al., Sept. 21, 2015, 2015 CPD ¶ 301 at 10. Where a solicitation requests offers on a fixed-price basis, an offer that is conditional and not firm cannot be considered for award. Dev Tech. Grp., supra. Here, although the RFQ requested quotations on a time-and-materials basis, RFQ at 36, the RFQ provided the number of positions by title (e.g., program manager) and type (i.e., surge or non-surge) and the estimated labor hours for every position. Id. at 4-6. Accordingly, vendors needed only to propose fixed hourly rates for the positions.¹² Id. See also, AR, Tab 6, IMTAS Price Quotation, at 6-8; Tab 7, DHA Price Quotation, at 3-8.

First, IMTAS claims that DHA's price is based on a period of performance that will begin on February 14, 2015, which IMTAS alleges is "obviously an incorrect date" since "[c]ontract award was April 27, 2016." Supp. Protest & Comments at 3. The language in DHA's quotation, upon which IMTAS relies, mirrors the RFQ's language. Compare AR, Tab 7, DHA Price Quotation, at 2, with RFQ at 23. The RFQ listed the period of performance as follows:

7.0 PERIOD OF PERFORMANCE

From: 2/14/2015	To: <i>Acceptance Date of Last Deliverable</i>
From: 2/14/2015	To: <i>Last day of performance period as specified within the base period or last exercised option[] period</i>

RFQ at 23. Thus, it appears that DHA simply copied this information, including the table, into its quotation and agreed to begin performance on the date specified by the RFQ if awarded the task order.¹³ AR, Tab 7, DHA Price Quotation, at 2.

¹² A time-and-materials contract contemplates acquiring supplies or services on the basis of (1) direct labor hours at specified fixed hourly rates and (2) actual cost for materials. FAR §§ 16.601(b)(1), (c)(2); Sys. Research & Applications Corp., B-225574.2, May 26, 1987, 87-1 CPD ¶ 540 at 1 n.1.

¹³ The FBI explains that the correct anticipated award date should have been February 14, 2016, not 2015. Supp. Legal. Memo. at 3. The RFQ, like DHA's quotation, contained this typographical error.

IMTAS fails to identify any language in DHA's quotation that would suggest that its price was contingent upon the contract being awarded on the exact date specified in the RFQ. Accordingly, we do not perceive how this language results in any doubt as to the firmness and enforceability of DHA's price.

Second, IMTAS points to the following language in DHA's price quotation to argue that DHA's price is less than firm:

The start date may be delayed up to 30 days after task [order] award at the mutual agreement between [the FBI] and DHA, in accordance with contract terms and conditions.

Supp. Protest & Comments at 2 (quoting AR, Tab 7, DHA Price Quotation, at 2. IMTAS alleges that this language "suggests that any such delay may negate DHA's price or provide DHA leverage to increase that price." Id. at 3. Here, too, we see no correlation between the language in DHA's quotation regarding a delay in the start date and DHA's proposed price. DHA will be bound by the terms and conditions of the task order award, which will include the fixed hourly rates agreed to by the parties.

Finally, IMTAS argues that DHA's price is lower than it otherwise would be because it is proposing an impermissible reduction in the period of performance. Supp. Protest & Comments at 3. The statement in DHA's quotation, upon which IMTAS relies, states that "DHA's solution reduces the period of performance in the Option Period to deliver the finished product earlier, and pass on substantial cost savings to the FBI." AR, Tab 7, DHA Price Quotation, at 2. IMTAS argues that the RFQ does not permit the contractor to end performance early and, therefore, DHA's "true price," based on a 12-month period of performance for the option years, is uncertain. Supp. Protest & Comments at 3.

The agency responds that, when viewed in the context of DHA's quotation, as a whole, it is clear that DHA's price was based upon the full 12-month period of performance for each option year, as required by the RFQ.¹⁴ Supp. Legal Memo. at 3-4. The FBI states that it relied upon tables in DHA's quotation, detailing the correct period of performance, to reach this conclusion and found DHA's statement regarding the reduced period of performance to be "irrelevant." Id. at 4.

¹⁴ In its comments, DHA explains that the "reference is simply a 'cut and paste' error" because "[t]here is no 'finished product' contemplated by or required under the proposal or Solicitation." DHA Supp. Comments, June 29, 2016, at 2. DHA contends that the "Agency was perfectly justified in giving no weight to an obvious typographical error that, given the overall context, had no meaning." Id.

In DHA's quotation, under the heading "Period of Performance," DHA represents that its price quotation is submitted "based on the following periods of performance." AR, Tab 7, DHA Price Quotation, at 2. The two tables are set forth below:

From	To
2/14/2015	Acceptance Date of Last Deliverable
2/14/2015	Last Day of performance period as specified within the base period or last exercised optional period

POP	Months
Base Period	12
Option Year I	12
Option Period II	12

Id. On the same page, under the heading "Assumptions," DHA also states generally that it "has made no assumptions and requires no deviations from the information provided by the FBI" in the RFQ. Id.

When viewed in light of the more specific language in DHA's quotation committing to a 12-month base period and two 12-month option periods, we find that the agency reasonably determined that DHA's price was not predicated on achieving a shorter, and consequently less expensive, period of performance. Instead, the agency reasonably ignored a statement that was, most likely, included in error, and, relied upon the more specific statement in DHA's quotation indicating that its price was based upon the period of performance specified in the RFQ.¹⁵

The protest is denied.

Susan A. Poling
General Counsel

¹⁵ To be clear, our decision here does not stand for the proposition that the agency was required to ignore the conflicting information in DHA's quotation. We simply conclude that the agency's reliance on the more specific assertions in DHA's quotation is neither irrational nor unfounded.