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**Comptroller General  
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**United States Government Accountability Office  
Washington, DC 20548**

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## Decision

**Matter of:** Rollout Systems, LLC

**File:** B-414145

**Date:** February 24, 2017

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Gunjan R. Talati, Esq., and Christian F. Henel, Esq., Kilpatrick Townsend & Stockton LLP, for the protester.

Edward J. Tolchin, Esq., Offit Kurman, for Resource Management Concepts, Inc., the intervenor.

Stephanie J. Quade, Esq., and Michael Genchi, Esq., Department of the Navy, for the agency.

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

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### DIGEST

1. Protest that the agency's evaluation of the realism of the awardee's proposed cost was unreasonable is denied where the agency's evaluation was reasonable and supported by the record.
  2. Protest that the agency conducted an improper evaluation of the awardee's past performance is denied where the record reflects that the agency reasonably assessed the relevance of the past performance as required by the solicitation.
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### DECISION

Rollout Systems, LLC, a small business located in California, Maryland, protests the award of a contract to Resource Management Concepts, Inc. (RMC), of Lexington Park, Maryland, under request for proposals (RFP) No. N00421-15-R-0003, issued by the Department of the Navy, Naval Air Warfare Center Aircraft Division (NAWCAD), for technical management and support services. Rollout challenges the Navy's evaluation of RMC's technical proposal, cost proposal, and past performance, and argues that the best-value tradeoff and source selection decision was unreasonable.

We deny the protest.

## BACKGROUND

On February 23, 2016, the Navy issued the solicitation as a small business set-aside for technical and management support services for the Research, Development, Test and Evaluation Infrastructure Division of NAWCAD. The solicitation anticipated a cost-plus-fixed-fee,<sup>1</sup> level-of-effort, single-award, indefinite-delivery, indefinite-quantity (IDIQ) contract, for a 5-year period of performance. RFP at 2.

The solicitation provided for award on a best-value basis considering the following factors, in descending order of importance: technical, past performance and cost/price. Id. at 96-97. The technical and past performance factors, when combined, were significantly more important than cost/price. In addition, the solicitation explained that “[c]ost/price is not the most important evaluation factor, but its degree of importance will increase commensurably with the degree of equality among different offerors’ non-cost factors.” Id.

The RFP also identified three subfactors under the technical factor: understanding and approach; staffing and personnel; and management and transition plan. The solicitation explained that “[f]or all technical factors/subfactors, a combined technical rating/technical risk rating will be assigned” to reflect “the degree to which the proposed approach meets or does not meet the minimum performance or capability requirements.” Id.

With regard to past performance, the solicitation provided that past performance would be evaluated “to determine how relevant prior efforts accomplished by the offeror are to the solicitation requirements,” and then a “Performance Confidence Assessment Rating” would be assigned based on the agency’s “level of confidence in the offeror’s ability to perform the required effort successfully based on the offeror’s . . . relevant past performance and systemic improvement.” Id.

With regard to cost/price proposals, Section L-2 of the RFP specified the labor categories and hours to be proposed by offerors.<sup>2</sup> For purposes of evaluation, the solicitation explained that the government would verify whether an offeror “proposed in precise accordance with the labor categories and hours detailed in Section L-2,” and that “[a]ny deviation between the hours listed in Section L-2 and the hours proposed would render the proposal unawardable.” RFP at 99.

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<sup>1</sup> The solicitation also included cost-reimbursable line items for other direct costs. RFP at 2.

<sup>2</sup> The solicitation provided that the total estimated level of effort was 542,400 hours (108,480 labor hours per year for 5 years). RFP at 93.

In addition, in evaluating the cost of each offer, the RFP provided that the agency would evaluate the realism of the offeror's estimated cost "to determine what the Government should realistically expect to pay for the proposed effort, the offeror's understanding of the work and the offeror's ability to perform the work." RFP at 95. The solicitation provided that, in determining an offeror's most probable cost to the government, the agency would consider pertinent cost information, including but not limited to, payroll verification, contingent offer letters, and Defense Contract Audit Agency recommended indirect rates. Id. In addition, the solicitation provided that the agency might review the offerors' proposed labor categories and compare the proposed rates to the rates proposed by other offerors, average rates in industry, or other rates, as deemed appropriate, and that "[u]nrealistically low costs or inconsistencies between the technical and cost proposals [might] be assessed as proposal risk and could be considered weaknesses under the technical factor." Id. at 99. The RFP also advised that the offeror's professional employee compensation plan would be evaluated against the criteria outlined in Federal Acquisition Regulation (FAR) provision 52.222-46. Id.

The Navy received proposals from seven offerors, including Rollout and RMC, by the April 20, 2016, closing. Contracting Officer (CO) Statement at 2. Rollout is the incumbent contractor for the requirement. Id. at 94. The agency's evaluation of Rollout's and RMC's proposals was as follows:

	<b>Rollout</b>	<b>RMC</b>
<b>Technical</b>	<b>Outstanding</b>	<b>Outstanding</b>
Understanding & Approach	Outstanding	Outstanding
Staffing & Personnel	Outstanding	Outstanding
Management & Transition Plan	Outstanding	Outstanding
<b>Past Performance</b>	<b>Substantial Confidence</b>	<b>Substantial Confidence</b>
Total Proposed Cost	\$39,737,611	\$32,343,097
<b>Total Probable Cost</b>	<b>\$40,212,328</b>	<b>\$32,414,488</b>

AR, Tab 16, Source Selection Authority (SSA) Decision Memorandum (SSADM), at 3.

Based on the evaluation, the SSA determined that RMC's proposal presented the best value to the government. Id. at 5-6. Specifically, the SSA found that Rollout had an advantage over RMC under the technical factor based on strengths assessed to Rollout's proposal under that factor. Id. at 4-5. The SSA concluded that RMC had a slight advantage over Rollout under the past performance factor

“given that RMC’s performance record indicates Very Good to Exceptional performance on more relevant contracts than those provided by Rollout.” Id. at 5. Overall, the SSA stated: “[t]he advantages presented by Rollout in the Technical Factor, while potentially beneficial during transition and contract execution, are not worth the additional \$7.8 [million], particularly given the exceptional technical proposal of RMC.” Id. at 6. Accordingly, the SSA concluded, “[b]ased on the evaluation criteria described in Section M of the solicitation and on the analysis discussed in this report,” that “[RMC]’s proposal is the best value, all factors considered,” and “[t]herefore, it is in the Government’s best interest to award [the contract] to [RMC].” Id. On November 8, 2016, the agency notified Rollout of its award decision. On November 17, Rollout received a written debriefing from the Navy. This protest followed.

## DISCUSSION

Rollout argues that the Navy unreasonably evaluated the realism of the awardee’s proposed cost. Rollout also challenges the agency’s evaluation of the awardee’s past performance, and the best-value tradeoff and award decision.<sup>3</sup> For the reasons stated below, we find no basis to sustain the protest.

### Cost Realism

Rollout argues that the Navy unreasonably evaluated the realism of RMC’s proposed costs. Specifically, the protester argues that the agency’s cost realism assessment was deficient because the Navy should have considered the independent government cost estimate (IGCE) rather than certified payroll and historical pricing data, for the awardee and its subcontractors.<sup>4</sup> For the reasons

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<sup>3</sup> The protester raises other collateral arguments that are not discussed in this decision. We have reviewed all of the protester’s allegations and conclude that they are without merit.

<sup>4</sup> Rollout also raises various challenges to the agency’s evaluation of RMC’s proposed professional employee compensation plan in accordance with FAR § 52.222-46. Although we do not address all of the protester’s arguments, we have reviewed each, and find that none provides a basis to sustain the protest. For example, the protester argues that the agency failed to meaningfully compare the awardee’s proposed labor rates with the proposed labor rates of Rollout. As relevant here, the purpose of FAR § 52.222-46 is to evaluate whether offerors will obtain and keep the quality of professional services needed for adequate contract performance, and to evaluate whether offerors understand the nature of the work to be performed. ELS Inc., B-283236, B-283236.2, Oct. 25, 1999, 99-2 CPD ¶ 92, at 10-11. Here, as part of the agency’s evaluation of the awardee’s compensation plan, the agency compared the awardee’s proposed labor rates to those proposed by Rollout. The agency found that the rates proposed by Rollout were higher than

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discussed below, we find the protester's arguments provide no basis to sustain the protest.

When an agency evaluates a proposal for the award of a cost-reimbursement contract, an offeror's proposed estimated costs are not dispositive because, regardless of the costs proposed, the government is bound to pay the contractor its actual and allowable costs. FAR §§ 15.305(a)(1), 15.404-1(d); CSI, Inc.; Visual Awareness Techs. & Consulting, Inc., B-407332.5 et al., Jan. 12, 2015, 2015 CPD ¶ 35 at 5-6. Consequently, the agency must perform a cost realism analysis to determine the extent to which an offeror's proposed costs are realistic for the work to be performed. FAR § 15.404-1(d)(1). An agency is not required to conduct an in-depth cost analysis, or to verify each and every item in assessing cost realism; rather, the evaluation requires the exercise of informed judgment by the contracting agency. Cascade Gen., Inc., B-283872, Jan. 18, 2000, 2000 CPD ¶ 14 at 8; see FAR § 15.404-1(c). Further, an agency's cost realism analysis need not achieve scientific certainty; rather, the methodology employed must be reasonably adequate and provide some measure of confidence that the rates proposed are reasonable and realistic in view of other cost information reasonably available to the agency as of the time of its evaluation. SGT, Inc., B-294722.4, July 28, 2005, 2005 CPD ¶ 151 at 7. Our review of an agency's cost realism evaluation is limited to determining whether the cost analysis is reasonably based and not arbitrary. Jacobs COGEMA, LLC, B-290125.2, B-290125.3, Dec. 18, 2002, 2003 CPD ¶ 16 at 26.

As noted above, the RFP set forth, as part of the cost proposal instructions, the labor categories and hours that offerors were to use when preparing proposals. RFP at 89; AR at 4. Offerors were then to submit their direct labor rates and escalation, indirect rates, and profit/fee, based on the RFP's specified labor categories and hours. Id. at 90-91. Offerors were also instructed to provide payroll verification for current employees, letters of intent for contingent hires, and to certify any submitted payroll verification. RFP § L.4.3.5.2.1. The RFP established that, as

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the awardee's proposed rates because they were based on "highly specialized and overly qualified personnel." AR, Tab 10, Cost/Price Analysis Report, at 14. The protester disagrees with the agency's evaluation in this regard, arguing that the agency was willing to pay Rollout similar rates for similar personnel under the incumbent contract. Protester's Comments at 5. The fact that the agency was willing to pay higher rates for "highly specialized and overly qualified personnel" under the incumbent contract fails to show that the rates proposed by RMC here will be inadequate to retain personnel with the requisite qualifications. As our Office has previously held, each procurement stands on its own. See Complete Packaging & Shipping Supplies, Inc., B-412392 et al., Feb. 1, 2016, 2016 CPD ¶ 28 at 7. Consequently, we find no merit to the protester's argument.

part of the cost evaluation factor, the Navy would assess the realism of each offeror's proposal. Id. at 98. Specifically, the solicitation provided that the agency would assess an offeror's proposal to determine if the "overall costs proposed are realistic for the work to be performed," the costs reflect the offeror's "understanding of the requirements," and/or the costs are "consistent with the various elements of the technical proposal." RFP at 98. The solicitation further provided that the agency's cost realism evaluation would be based on an "analysis of the realism and completeness of the cost data, the traceability of the cost to the offeror's capability data and the proposed allocation of man-hours and labor mix for all periods of performance." RFP at 98.

RMC's cost proposal utilized the labor categories and hours set forth in the solicitation. AR, Tab 10, Cost/Price Analysis Report, at 2; AR at 4. RMC proposed [DELETED] total employees, including [DELETED] current employees and [DELETED] contingent hires. Id. at 3. When proposing current employees, RMC and its subcontractors submitted payroll verification, demonstrating current hourly rates. Id. When proposing contingent hires, RMC submitted letters of intent for the contingent hires. Id. In support of indirect rates, RMC and its subcontractors submitted three years of historic actual rates, as well as Defense Contract Audit Agency and Defense Contract Management Agency provisional rates.

For purposes of the cost realism evaluation, the agency developed an average hourly direct labor rate by calculating the average labor rate from the rates proposed by all offerors, including subcontractors, for each labor category. Id. at 2. The agency upwardly adjusted proposed labor rates when there was a determination that the rate was unsupported, and the rate reflected a difference of 20 percent<sup>5</sup> or more between the offeror's proposed labor rate and the calculated average labor rate. Id.

In evaluating RMC's cost proposal, the cost evaluation team (CET) found that the offeror (and subcontractors) had provided certified payroll verification in support of the proposed labor rate for each current employee, and letters of intent for the contingent hires. Id. at 5. The CET noted that six of RMC's proposed labor rates fell below the agency's calculated average labor rate. Id. The CET concluded,

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<sup>5</sup> The agency derived the 20 percent differential from correlation to the federal employee General Schedule (GS) pay scale, where "wage differentials between multiple-paygrade increments average[d] 20% such as being promoted from a GS-5 to a GS-7, and then to a GS-9." AR, Tab 10, Cost/Price Analysis Report, at 2. The agency explained that because "[e]mployees are classified [in accordance with] each GS paygrade's qualifications in areas such as education, training, and experience," which "is not dissimilar to the prevailing methods utilized by industry," any proposed labor rate "should fall within the calculated average labor rate for cost realism purposes." Id.

however, that because RMC adequately supported all six of the proposed rates with “certified payroll verification,” the proposed rates were “reasonable and realistic,” and therefore, the rates were not adjusted for realism purposes. Id. The CET did not find realistic, however, RMC’s proposed costs concerning certain prospective hires beginning in year three of contract performance.

Specifically, RMC’s proposal proposed replacing [DELETED], with [DELETED], in year three of performance. AR, Tab 10, Cost/Price Analysis Report, at 3-4. The awardee’s proposal explained that this approach would provide [DELETED], which in turn would provide cost savings to the government. Id. The CET concluded that, without more substantiation, “it is unrealistic to assume [DELETED].” Id. Accordingly, the CET upwardly adjusted the labor rates for the pertinent positions for the affected years. Id. at 4-5. With regard to indirect rates, the CET found the indirect rates of RMC and its subcontractors to be realistic in light of supporting information and made no adjustments. Id. at 9-12. Finally, the CET computed a total evaluated cost for RMC’s proposal based on the various adjustments made.

Rollout does not dispute that RMC used the labor categories and hours required by the RFP, nor does Rollout dispute the Navy’s evaluation of RMC’s (and its subcontractors’) indirect rates, nor does Rollout dispute that RMC provided certified payroll records for each of the current employees proposed. Further, Rollout has not alleged or demonstrated that RMC’s proposed labor rates were below the prevailing market rates for the various categories and qualifications. Rather, the protester argues that RMC’s direct costs are unrealistic because they are significantly lower than the IGCE and the costs proposed by Rollout, the incumbent currently performing the requirement. The agency argues that its cost realism evaluation was reasonable and consistent with the terms of the solicitation.

Based on our review of the Navy’s evaluation of the realism of RMC’s proposed costs, we find no basis to conclude that the agency’s evaluation was unreasonable. The record demonstrates that the Navy analyzed both the direct and indirect rates that RMC proposed as well as the sufficiency of the supporting information. As detailed above, RMC provided certified payroll verification for each current employee proposed, and letters of intent for the contingent hires. AR, Tab 10, Cost/Price Analysis Report, at 3. The Navy determined that the certified payroll records established that RMC’s proposed labor rates were realistic. The agency’s evaluation in this regard was consistent with the solicitation, which notified offerors that “[p]ertinent cost information,” such as “payroll verification, contingent offer letters, and DCAA recommended indirect rates,” would be used to determine the most probable cost of contract performance. RFP at 99. The agency also assessed the realism of RMC’s proposed labor rates for prospective employees, and made adjustments in instances where the labor rates were found to be unrealistically low. AR, Tab 10, Cost/Price Analysis Report, at 4-5. Although the protester argues that the Navy unreasonably failed to compare RMC’s proposed costs to the significantly higher government estimate for the work, we have found

reasonable an agency's cost realism evaluation of the awardee's proposed costs, where the agency did not compare the awardee's costs to the government's estimate; rather, an agency is permitted to employ various types of analyses in determining an offeror's realistic cost to perform. See, e.g., Northrop Grumman Tech. Servs., Inc.; Raytheon Tech. Servs. Co., B-291506 et al., Jan. 14, 2003, 2003 CPD ¶ 25 at 16 n.13; ELS Inc., supra at 10. Here, as described above, the agency performed a detailed and reasonable cost realism evaluation.<sup>6</sup> Based on this record, we find no basis to sustain the protest.

#### Past Performance Evaluation

Rollout next challenges the Navy's past performance evaluation, arguing that the agency erred in assigning RMC's proposal a "substantial confidence" rating under this factor. Specifically, the protester asserts that the agency erred in concluding that one of RMC's contract references was "very relevant." As discussed below, we find that the agency's evaluation under this factor was reasonable.

As discussed above, the RFP required offerors to provide summaries of recent and relevant past performance. RFP at 87. The solicitation explained that the agency would first evaluate the offeror's past performance "to determine how relevant a recent effort accomplished by the offeror is to the effort to be acquired through the source selection." Id. at 101. Common aspects of relevancy would include: similarity of service/support, complexity, dollar value, contract type, and degree of subcontracting/teaming. Id. The solicitation defined "very relevant" as "[p]resent/past performance effort [that] involved essentially the same scope and magnitude of effort and complexities this solicitation requires." Id. Second, the agency would evaluate past performance to determine how well the contractor

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<sup>6</sup> Rollout also argues that, because RMC's pricing was unrealistically low, it constituted a technical performance risk which the agency was required to consider during its technical evaluation. As relevant here, the solicitation required that the agency evaluate "any significant inconsistency between promised performance and proposed cost/price." RFP at 95. Although the cost team identified one inconsistency between RMC's technical and cost proposal, the record reflects that the cost team conveyed the issue to the technical team for consideration during its technical evaluation. AR, Tab 10, Cost/Price Analysis Report, at 4. The record also reflects that after evaluating RMC's technical proposal, the evaluators rated RMC's proposal "outstanding" under the "understanding and approach" factor, finding that it "meets the requirements and indicates an exceptional approach and understanding of the requirements." AR, Tab 11, Consensus Memo, at 45. In light of the agency's evaluation in this regard, as well as our conclusion, as discussed above, that the Navy reasonably found RMC's proposed costs realistic, we find the protester's argument provides no basis to sustain the protest.



performed the contracts, and then assign a performance confidence assessment rating. Id. at 97, 101.

RMC's proposal identified five past performance contracts. AR, Tab 11, Consensus Memo, at 50. In evaluating RMC's past performance, the agency assessed the relevance of each of RMC's five contract references, finding that two of the contracts were very relevant, two were relevant, and one was somewhat relevant. Id. In assessing relevance, the agency compared the requirements of the referenced contracts to the five performance requirements of the instant solicitation. For example, for one of RMC's contracts, referred to as the "0002 Contract," the agency found that the 0002 Contract was very relevant to three of the performance work statement (PWS) requirements and relevant to two of the PWS requirements. Id. In addition, the agency noted that the 0002 Contract was a cost-plus-incentive-fee task order with a total value of \$21 million, and was for technical and engineering services in support of the Naval Systems Engineering Resource Center. Id. The agency further noted that, under the 0002 Contract, "RMC successfully manage[d] [DELETED] subcontractors and up to [DELETED] full and part-time employees executing multiple concurrent tasks." Id. Ultimately, the agency concluded that the 0002 Contract was very relevant to the instant solicitation requirement. Id. Overall, the agency assigned RMC a past performance confidence assessment rating of substantial confidence.

Rollout disagrees with the very relevant rating assessed to RMC's 0002 Contract performance, arguing that it was "significantly less complex" than the requirements of the instant contract. In support of this position, the protester points to several PWS requirements in the instant solicitation which the protester asserts RMC's 0002 Contract performance did not include. The protester argues that the Navy should have rated RMC's 0002 Contract performance "no higher than 'Relevant.'" Protester's Comments at 9.

An agency's evaluation of past performance, including its consideration of the relevance, scope, and significance of an offeror's performance history, is a matter of agency discretion which we will not disturb unless the agency's assessments are unreasonable or inconsistent with the solicitation criteria. SIMMEC Training Sols., B-406819, Aug. 20, 2012, 2012 CPD ¶ 238 at 4. Where a protester challenges an agency's past performance evaluation, we will review the evaluation to determine if it was reasonable and consistent with the solicitation's evaluation criteria and procurement statutes and regulations, and to ensure that the agency's rationale is adequately documented. DynCorp Int'l LLC, B-406523.2, B-406523.3, Dec. 16, 2013, 2014 CPD ¶ 7 at 6.

We conclude that the record supports the reasonableness of the agency's evaluation. As noted above, the RFP provided that the agency would evaluate the relevancy of an offeror's past performance, and that common aspects of relevancy would include: similarity of service/support, complexity, dollar value, contract type,

and degree of subcontracting/teaming. RFP at 101. RMC's 0002 Contract was a cost-plus-incentive-fee task order, with a total value of \$21 million, for technical and engineering services, in support of the Naval Systems Engineering Resource Center; the instant contract is a cost-plus-fixed-fee task order, with a value of approximately \$32 million, for technical management and support services, for the Navy. The evaluators also found that "RMC is currently executing approximately \$4 [million] in annual tasking under this contract, to include the management of [DELETED] on-site personnel," and that "[t]his demonstrates a significant size relative to the subject PWS." AR, Tab 11, Consensus Memo, at 53. The evaluators also noted that, under this contract, RMC successfully manages [DELETED] subcontractors and up to [DELETED] full-time and part-time employees, executing multiple concurrent tasks. Id. at 52. In addition, the evaluators found that RMC is currently providing the following services under the 0002 Contract, which they found "demonstrate[s] comparable complexity" to the instant solicitation:

RMC is currently executing RDT&E [research, development, test & evaluation] network administration, systems administration, information assurance, helpdesk, C&A [certification and accreditation], and systems engineering support enabling the operations of [the Naval Systems Engineering Resource Center] and the system's 28,000 users.

Id. at 52-53. Although Rollout points to several PWS requirements which the protester asserts RMC's 0002 Contract performance does not include, we see nothing in the RFP that required experience in all of the PWS requirements to merit a "very relevant" rating. The protester has failed to demonstrate that the solicitation contained such a requirement, or the Navy's evaluation was unreasonable or otherwise improper. On this record, we find no basis to sustain the protest.

#### Tradeoff Analysis and Source Selection Decision

Finally, Rollout argues that the Navy's award to RMC's lower-rated, lower-cost proposal was unreasonable because the SSA failed to look behind the ratings to make a comparative assessment of the qualitative merits of the proposals. As discussed below, we find no merit to this argument.

Generally, in a negotiated procurement, an agency may properly select a lower-rated, lower-cost proposal where it reasonably concludes that the cost premium involved in selecting a higher-rated proposal is not justified in light of the acceptable level of technical competence available at a lower cost. DynCorp Int'l, LLC, B-412451, B-412451.2, Feb. 16, 2016, 2016 CPD ¶ 75 at 22-23. The extent of such tradeoffs is governed only by the test of rationality and consistency with the evaluation criteria. Best Temporaries, Inc., B-255677.3, May 13, 1994, 94-1 CPD ¶ 308 at 3. While an agency has broad discretion in making a tradeoff

between cost and non-cost factors, an award decision in favor of a lower-rated, lower-cost proposal must acknowledge and document any significant advantages of the higher-cost, higher-rated proposal, and explain why they are not worth the cost premium. DynCorp Int'l, LLC, *supra*. Our Office has found that when SSAs have performed this analysis, it is within their discretion to choose a lower-rated, lower-cost proposal in a best-value procurement. See MD Helicopters, Inc.; AugustaWestland, Inc., B-298502 *et al.*, Oct. 23, 2006, 2006 CPD ¶ 164 at 49. A protester's disagreement, without more, with the agency's determinations does not establish that the evaluation or source selection was unreasonable. Weber Cafeteria Servs., Inc., B-290085.2, June 17, 2002, 2002 CPD ¶ 99 at 4.

Here, as discussed in detail above, the record shows that the SSA considered the respective merits of the proposals in accordance with the RFP's criteria, and concluded that Rollout's more favorable technical rating was not worth the cost premium. AR, Tab 16, SSADM, at 1-6. Specifically, although Rollout and RMC received outstanding ratings under the technical factor and subfactors, the SSA acknowledged that Rollout's proposal had an advantage over RMC's proposal in the technical factor. *Id.* at 5-6. Ultimately, however, the SSA found that "[t]he advantages presented by Rollout in the Technical Factor, while potentially beneficial during transition and contract execution, are not worth the additional \$7.8 [million], particularly given the exceptional technical proposal of RMC." *Id.* at 6. In this regard, the SSA noted that RMC "has a slight advantage over Rollout in Past Performance" given that "RMC's performance record indicates Very Good to Exceptional performance on more relevant contracts than those provided by Rollout." *Id.* at 5. The SSA also noted that, "[s]electing Rollout over RMC would result in the Government paying a substantial premium of 19.39% for the requirement." *Id.* at 5-6. On this record, where the SSA clearly acknowledged the benefits associated with the protester's higher-rated, higher-cost proposal, but concluded that the benefits did not merit paying the cost premium, we find no basis to sustain the protest.

The protest is denied.

Susan A. Poling  
General Counsel