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Decision

Matter of: General Dynamics Information Technology, Inc.

File: B-414387; B-414387.2

Date: May 30, 2017

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DIGEST

Protest challenging agency's evaluation of proposals is denied where record shows that agency's evaluation was reasonable and consistent with the terms of the solicitation and applicable statutes and regulations.

DECISION

General Dynamics Information Technology, Inc. (GDIT), of Fairfax, Virginia, protests the issuance of a task order to Science Applications International Corporation (SAIC), of McLean, Virginia, by the General Services Administration (GSA) under task order request (TOR) No. ID04160058 issued to acquire systems and computer resource engineering support services. GDIT argues that the agency miscalculated proposals and made an unreasonable source selection decision.

We deny the protest.

BACKGROUND

GSA issued the TOR under its One Acquisition Solution for Integrated Services (OASIS) Unrestricted Pool 3 multiple award contract program on behalf of the Department of the Army, Aviation and Missile, Research, Development, and Engineering Center (AMRDEC). The TOR contemplates the award, on a best-value basis, of a cost-plus-

fixed-fee task order for systems engineering and computer resource engineering support services for a base year and four 1-year option periods, along with a final option for a 6-month extension. TOR § B. The services contemplated include virtual, interactive, and multimedia system engineering support for AMRDEC's Software Engineering Directorate. Only two concerns submitted proposals in response to the solicitation, GDIT and SAIC.

Proposals consisted of five volumes: general and administrative qualifying criteria; oral capabilities demonstration; written capability plan; past performance; and cost/price/compensation proposal. TOR § L.11. Award was to be made on a best-value tradeoff basis, by applying what the agency terms a "quality-infused pricing" methodology. Id. § M.4. This methodology amounts to a convoluted evaluation scheme that, in essence, reduces the agency's best-value source selection to the outcome of a mathematical computation, rather than the exercise of informed judgment on the part of the source selection authority. In simplest terms, the agency scored proposals under the non-cost evaluation factors to arrive at a single numeric value, and evaluated cost proposals for realism to arrive at what the agency termed a "total evaluated price." The agency then multiplied the offerors' total evaluated price by the non-cost evaluation values to arrive at a "quality-infused price" for each offeror. The TOR describes a five-stage evaluation process.

First, the agency evaluated each offeror's organizational conflict of interest mitigation plan on a pass/fail basis. TOR § M.7.1. Second, the agency evaluated each offeror's capability plan on a pass/fail basis. Id. § M.7.2. Third, the agency evaluated proposed costs for realism and reasonableness to arrive at a "total evaluated price" (TEP).¹ Id. § M.7.3.

Fourth, the agency calculated a "composite quality adjustment factor" (cQAF) for each offeror. TOR § M.7.4. The agency computed the cQAF in two steps. Id. First, the agency evaluated each offeror's oral capabilities demonstration to arrive at a "composite proposal quality rating" (cPQR).² Id. Second, the agency evaluated the offerors' past

¹ The TOR provided that the agency would calculate what it terms the "total evaluated price" for each firm by performing a most probable cost evaluation of the base period and four 1-year options. The agency then divided the most probable cost for the final option year by two to arrive at the cost for the 6-month extension period. The agency then added the most probable cost of the five principal years of contract performance to the cost for the 6-month extension period to arrive at a total evaluated price for each offeror. See TOR § M.7.3.

²To compute the cPQR, the agency evaluated two components of the oral capabilities demonstration, a live product demonstration (LPD) and an interview-style oral question and answer session (Q&A). TOR § M.7.4.1. These components were further divided into a number of "question categories." Id. The LPD included nine question categories in the following areas: mobile applications; interactive multimedia instruction; websites; game applications; multimedia; data analytics; marketing; hardware; and tactical

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performance to arrive at a “composite service value index” (cSVI) rating for past performance.³

After obtaining the cPQR and cSVI, the agency derived the cQAF. TOR § M.7.4.2. The agency assigned weights of 0.75 to the cPQR and 0.25 to the cSVI. Id. The agency then multiplied each offeror’s assigned cPQR and cSVI by the weights and summed the products to yield the cQAF. Id. In the case of both offerors, the agency’s cQAF calculations yielded a numeric value that was less than one.

In the fifth and final stage of the evaluation, the agency multiplied the offerors’ total evaluated price by the cQAF values to arrive at a “quality-infused price” (QIP) for each offeror. The TOR provided that the agency would make the award to the offeror having the lowest QIP. TOR § M.7.5. The agency’s evaluation produced the following results:

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trainers. Id. § L.13. The Q&A included 13 question categories in the following areas: general; mobile development; web development/interactive multimedia instruction; digital software distribution and support; game engine development; network/infrastructure management; tactical trainers; systems engineering; multimedia/art development; data analytics; exhibits; marketing; and hardware development. Id.

The question categories were each assigned significant strengths, strengths, weaknesses, significant weaknesses, and deficiencies. Based on that evaluation, the agency assigned a “proposal confidence/quality rating” (PQR)--with a corresponding numerical value--for each question category. TOR § M.7.4.1. The confidence ratings assigned were: high confidence (0.80); significant confidence (0.90); medium confidence (1); little confidence (1.2); and no confidence (1.4). Id. Each PQR was then multiplied by a weighted value for each question category (for example, the mobile applications question category under the LPD had a weight of 0.15; the combined weight of the question categories for each of the two elements of the oral capabilities demonstration equaled 1.00.). Id. The agency then summed the weighted PQRs to yield an overall PQR for the LPD and a second PQR for the Q&A. Id. Those PQRs were then averaged to determine the cPQR. Id. § M.6.

³ To compute the cSVI, the solicitation advised that the agency would evaluate three past performance examples for each offeror. TOR § M.7.4.2. As it did in computing the cPQR, the agency assigned a confidence rating with a corresponding numerical value to each of the offeror’s past performance examples. The confidence ratings and numeric values used to calculate the cSVI were the same as those used to compute the cPQR. Id. After assigning confidence ratings, the agency then averaged them to obtain the cSVI. Id.

	GDIT	SAIC
Step 1		
OCI Eligibility (Pass/Fail)	Pass	Pass
Step 2		
Capability Plan (Pass/Fail)	Pass	Pass
Step 3		
Proposed Price (Pass/Fail)	\$405,225,304.00	\$404,202,558.00
Cost Realism (Most Probable Cost)	\$409,197,702.00	\$407,217,630.00
6-month Extension add	\$42,868,902.26	\$41,972,683.21
Total Evaluated Price	\$452,066,604.26	\$449,190,313.21
Step 4		
cQAF Establishment		
cPQR Adjustment Factor Survey	0.94	0.89
cSVI Adjustment Factor	0.93	0.80
Step 5		
Application of cQAF and Award Decision		
cQAF Adjustment Factor	0.939	0.865
TEP Unadjusted	\$452,066,604.26	\$449,190,313.21
QIP Adjustment	(\$27,453,628.15)	(\$60,640,692.28)
Total Assessed Value	\$424,612,976.11	\$388,549,620.93

Agency Report (AR), exh. 69, Award Decision Document and Cost/Price Analysis, at 80–81.

On the basis of its evaluation, the agency concluded that SAIC’s proposal offered the best value to the Government. *Id.*, at 83. The agency issued the task order to SAIC at and notified GDIT of its selection decision. After being advised of the agency’s selection decision and requesting and receiving a debriefing, GDIT filed this protest.⁴

PROTEST

GDIT argues that the agency improperly evaluated its proposal. Specifically, GDIT argues that the agency: (1) improperly evaluated SAIC’s past performance; (2) improperly evaluated the technical component of GDIT’s proposal; and (3) conducted a flawed cost realism analysis. We have considered all of GDIT’s

⁴ The awarded value of the task order exceeds \$ 10 million. Accordingly, this procurement is within our jurisdiction to hear protests related to the issuance of task orders under civilian agency multiple-award IDIQ contracts. 41 U.S.C. § 4106(f)(2).

assertions and find no merit to any of them. We discuss GDIT's principal contentions below. We note at the outset that, in reviewing protests challenging an agency's evaluation of proposals, our Office does not reevaluate proposals or substitute our judgment for that of the agency; rather, we review the record to determine whether the agency's evaluation was reasonable and consistent with the solicitation's evaluation criteria, as well as applicable statutes and regulations. ManTech Advanced Systems International, Inc., B-413717, Dec. 16, 2016, 2016 CPD ¶ 370 at 3.

Past Performance Evaluation

GDIT asserts that the agency improperly evaluated SAIC's past performance by allowing SAIC to submit three past performance questionnaires (PPQs) for task orders for the same project, in contravention of the terms of the solicitation. In this connection, the TOR instructed offerors as follows:

The Offeror **shall not use** the same project or same contact person more than once. (For example, two (2) contracts/task orders from the same agency/customer could have one contact person as the Contracting Officer and a different contact person as the Contracting Officer Representative).

TOR § L.15 (emphasis in original). GDIT argues that SAIC's three task orders were for the same project, and that the agency should have assigned it a rating of no confidence for two of the three PPQs.⁵

We find no merit to this aspect of GDIT's protest. The record shows that SAIC submitted three past performance examples, each a task order issued under a blanket purchase agreement (BPA) established under a preexisting SAIC Federal Supply Schedule contract to perform ongoing, but differing, services for AMRDEC. AR, exhs. 32, 34, 38 Past Performance Information Sheets; 33, 35, 39, Past Performance Questionnaires. Each of the three task orders was awarded separately, after all of the BPA holders were afforded an opportunity to compete for the agency's requirements. AR, exh. 81, SAIC BPA at 17; exh. 84, Description of Procedures Used to Award the

⁵ In support of its position, GDIT also directs our attention to a question and answer that was published by the agency after it released a draft of the TOR. This question and answer provided as follows:

Q. The PPQ Part 2 includes a block for "task order number." Question – Can the contractor submit a collection of task orders under a single IDIQ/BPA?

A: No; Offerors may only submit one standalone contract action to satisfy the Past Performance requirements.

AR, exh. 16, Draft TOR Questions and Answers, at 1.

Task Orders. Each of the task orders was valued at approximately \$1 billion, and each was performed sequentially at different times. See AR, exh. 26F, SAIC Proposal, Past Performance Volume. Finally, SAIC identified a different point of contact to whom it sent the PPQs for each task order. Id.

The record therefore shows that each past performance example submitted by SAIC was for a separate, stand-alone contract action or project issued pursuant to the terms of the BPA issued to SAIC, albeit broadly in support of the agency's ongoing requirements. See Crewzer's Fire Crew Transport, Inc., B-406601, July 11, 2012, 2012 CPD ¶ 204 at 5-6. We note as well that the solicitation provision relied on by GDIT expressly contemplates that an offeror could submit more than one task order from the same agency as examples of its past performance, provided that the PPQs are prepared by different individuals in the agency ("For example, two (2) contracts/**task orders** from the same agency/customer could have one contact person as the Contracting Officer and a different contact person as the Contracting Officer Representative." TOR § L.15 (emphasis supplied)). In light of these considerations, we deny this aspect of GDIT's protest.⁶

Technical Evaluation

GDIT asserts that the agency miscalculated its proposal when it assigned GDIT multiple weaknesses under factor 1, the Oral Capabilities Demonstration. GDIT also asserts that the agency evaluated proposals disparately under factor 1. We have considered all of GDIT's assertions in this regard and find them to be without merit. We discuss two examples for illustrative purposes.

In the data analytics technology area, the TOR directed offerors to present an example Business Intelligence (BI) portal highlighting different access levels, reporting capabilities, and user onboarding features. TOR, § L.13. The agency assigned GDIT a weakness because GDIT did not provide an actual demonstration of a 'live' BI portal,

⁶ In a related argument, GDIT alleges that the agency improperly considered two of SAIC's past performance examples because each of the two examples included two task order numbers. SAIC's proposal explains that it submitted two task order numbers for these references because the Army's automated procurement system had exhausted all available accounting reference numbers and the agency needed, for administrative purposes, to create a new task order number to allow for continued performance; under each of the task orders, the funding ceiling had been reached. AR exh. 26F, SAIC Past Performance Proposal, at 19, 25. SAIC's proposal explanation--that the second task order numbers were issued for administrative purposes only--is borne out by the record. AR, exh. 84, Description of Procedures Used to Award the Task Orders, at 1-2. We therefore have no basis to object to the agency's consideration of these two past performance examples.

but instead only showed screenshots of different systems. AR exh. 51, GDIT Consensus Evaluation Team Report at 9. Further, the agency noted that GDIT did not show an ability to drill down into the data, or the ability to see how user access levels actually differ between users by, for example, pulling up a live system. Id. In its protest, GDIT asserts that its proposal demonstrated that it could drill down into the data because it showed that its system could [deleted].

We have no basis to object to the agency's evaluation. After reviewing this aspect of GDIT's protest, the agency concedes that GDIT successfully showed an ability to drill down into the data because it showed that its system could [deleted]. Nonetheless, the record shows that the TOR required offerors to present an example of a BI portal and the agency viewed the demonstration of a live system as a better example compared to GDIT's presentation of screenshots of different systems. According to the agency, presentation of a live system better demonstrates whether an offeror actually has the ability to operate an integrated BI portal with fully functioning data integration capabilities. We conclude that the agency reasonably assigned this weakness to the GDIT LPD presentation because GDIT did not present an example of a live BI portal.

As a second example, GDIT asserts that the agency unreasonably assigned it a weakness in the systems engineering topic area. In this connection, question 15 during the oral Q&A session asked each offeror to "[d]escribe your process for systems requirements definition for a game based application." AR exh 51, GDIT Consensus Evaluation Team Report at 19. The agency assigned a weakness because GDIT did not provide examples of game-based applications that would help the agency visualize and understand the capabilities of GDIT's game-based technologies. Id. GDIT asserts that this weakness was assigned unreasonably because it referenced a [deleted] application as an example.

We find that the agency reasonably assigned this weakness. The record shows that the agency recognized that GDIT exhibited its [deleted] application but the evaluators explained that GDIT did not fully address demonstrating technology and similar systems. AR exh. 51, GDIT Consensus Evaluation Team Report at 19. In expanding upon that observation, the agency explains that the [deleted] application addressed systems integration rather than system requirements definition. Further, the agency explains that GDIT failed to discuss how its [deleted] application could be used as part of the process for developing system and software requirements with the government.

GDIT's protest does not explain how its reference to the [deleted] application adequately described its process for determining system requirements, as opposed to demonstrating system integration. Because the agency considered the [deleted] application in its evaluation but determined that it did not demonstrate GDIT's capabilities for developing system requirements, we conclude that the agency reasonably assigned this weakness.

As a final matter, GDIT argues that the agency's evaluation of its and SAIC's presentations under the live product demonstration subfactor evidenced unequal

treatment. The record shows that the agency assigned a weakness to GDIT's websites presentation during its live product demonstration. It assigned the weakness because GDIT did not demonstrate user log in or authentication capabilities. AR exh. 51, GDIT Consensus Evaluation Team Report at 6. GDIT asserts that this rating was assigned in error because GDIT actually managed to log in successfully. GDIT further asserts that the agency evaluated it and SAIC disparately because SAIC did not similarly receive a weakness for failing to log in to an application during its mobile applications presentation.

The agency concedes that GDIT managed to log in successfully and therefore this particular weakness should not have been assigned. However, the agency's erroneous assignment of this weakness was not prejudicial to GDIT. Competitive prejudice is an essential element of every viable protest, and where no prejudice is shown or otherwise evident from the record, we will not sustain a protest, even if the agency's actions arguably were improper. Avaya Gov't Solutions, Inc., B-409037 et al., Jan. 15, 2014, 2014 CPD ¶ 31 at 6.

The record shows that GDIT was assigned a significant confidence rating for its websites presentation. SAIC also was assigned a significant confidence rating for its websites presentation.⁷ Even if GDIT's websites presentation merited a high confidence rating as opposed to the significant confidence rating assigned, this would not materially change the outcome of the agency's evaluation. Increasing GDIT's rating for its websites presentation would only result in a minor change to its overall cQAF adjustment factor (from .939 to .935). Applying this adjusted cQAF factor (as demonstrated below) would not alter the agency's source selection decision. We therefore find that, although the record shows that the agency assigned this weakness to the GDIT presentation in error, that error was not prejudicial to GDIT.

Cost Evaluation

GDIT raises several issues in connection with the agency's cost realism evaluation. We need not consider these allegations in detail since, even if GDIT is correct with respect to all of its cost evaluation arguments, it was not prejudiced by the agency's alleged errors. In this connection, GDIT presented its own calculation of the offerors' most probable costs, taking into consideration all of the errors alleged by the protester. According to GDIT, SAIC's most probable cost should have been \$458,372,387 and GDIT's most probable cost should have been \$456,483,574. Declaration of GDIT's Consultant at 5. Assuming these figures are correct, SAIC would still have the lowest quality-infused price. Applying a cQAF factor of 0.865 for SAIC and cQAF factor of 0.935 for GDIT to the GDIT-calculated most probable cost estimates yields a quality infused price of \$396,492,115 for SAIC and a quality infused price of \$426,812,142 for

⁷ Both firms were assigned a medium confidence rating for their respective mobile applications presentations. AR, exh. 51, GDIT Consensus Evaluation Team Report at 6; exh. 50, SAIC Consensus Evaluation Team Report, at 4.

GDIT. Accordingly, the errors alleged by GDIT in the agency's cost evaluation, even if true, would not affect the agency's source selection decision. We therefore deny these contentions.

The protest is denied.

Susan A. Poling
General Counsel