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Decision

Matter of: Dell Services Federal Government, Inc.

File: B-414461.6

Date: October 12, 2018

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Sara Falk, Esq., and Tracey L. Sasser, Esq., Department of Education, for the agency. Scott H. Riback, Esq., and Tania Calhoun, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest that agency failed to properly execute a waiver of an organizational conflict of interest is denied where record shows that waiver was in writing, set forth the extent of the conflict, and was signed by an agency official authorized to do so.
2. Protest challenging agency's evaluation of quotations and conduct of discussions is denied, in part, and dismissed, in part, where record shows either that agency's evaluation was reasonable, or that any alleged errors were not prejudicial to the protester.

DECISION

Dell Services Federal Government, Inc. (DSFG), of Herndon, Virginia, protests the issuance of a task order to SRA International, of Chantilly, Virginia, under request for quotations (RFQ) No. ED-CIO-17-Q-0002, issued by the Department of Education for information technology (IT) products and services. DSFG argues that: SRA has an impermissible organizational conflict of interest (OCI) that should have precluded award to the firm, and that the agency failed to properly execute a waiver of that OCI; the agency engaged in unequal and inadequate discussions; and the agency misevaluated quotations and made an unreasonable source selection decision.

We deny the protest in part and dismiss it in part.

BACKGROUND

This is DSFG's third protest challenging the agency's actions in connection with this acquisition. DSFG's first protest was filed before the agency made a selection decision and was confined to allegations concerning whether SRA had an OCI, as well as whether there had been a possible violation of the Procurement Integrity Act (PIA). We sustained that protest, finding that the agency's determination that there had been no adverse impact on the acquisition in light of an apparent PIA violation failed to take several considerations into account. We also found that SRA appeared to have OCIs that had not been adequately considered and addressed by the agency. We recommended that the agency evaluate these questions before proceeding. Dell Services Federal Government, Inc., B-414461, B-414461.2, June 21, 2017, 2017 CPD ¶ 192.

The agency took corrective action in response to our first decision, and based on its investigation performed in light of the considerations outlined in that decision, concluded that it was unobjectionable for SRA to participate in the acquisition. In addition, the agency completed its source selection and determined that award to SRA was in the best interests of the government. DSFG then filed its second protest challenging both the agency's conclusion that it was unobjectionable for SRA to participate in the acquisition because of continuing concerns over whether SRA had an OCI, and also challenging the adequacy of discussions and the reasonableness of the agency's evaluation and selection decision.

We sustained DSFG's second protest on the OCI allegation after finding that the record showed an individual participating in the preparation of SRA's quotation had access to a wide array of non-public, competitively useful information that was identified by the contracting officer but not considered in connection with the agency's review or investigation of a possible OCI on the part of SRA. We recommended that the agency reconsider whether SRA had an OCI that could be avoided, neutralized or mitigated, or in the alternative, determine whether a waiver of any possible OCI was appropriate. Dell Services Federal Government, Inc., B-414461.3, et al., June 19, 2018, 2018 CPD ¶ 213.

At the time of our second decision, we dismissed DSFG's challenges to the agency's conduct of discussions, to the evaluation of quotations, and to the selection decision, finding that those allegations either were premature or academic. That conclusion was based on the fact that the agency would necessarily have to consider whether SRA was eligible to compete for the requirement.

In response to our second decision, the agency decided to execute a waiver (discussed below) of any remaining OCIs that SRA may have, and affirmed its original selection decision. In response to the agency's action, DSFG filed the current protest, challenging the propriety of the agency's OCI waiver and reasserting all of its earlier allegations concerning the adequacy of the agency's discussions, and the reasonableness of its evaluation and selection decision.

As we described in our earlier decisions, the agency currently obtains its IT requirements under a contract called the Education Department's utility for communications, applications and technology environment (EDUCATE) contract. This is a comprehensive contract to provide the agency with all of its IT services requirements; the agency describes the EDUCATE contract as a 'tip-to-tail' contract. DSFG is the current incumbent contractor for the EDUCATE contract, which was awarded in 2007 for a ten-year period of performance.

During performance of the EDUCATE contract, the agency decided to change the approach it uses to acquire its IT services requirements. Rather than awarding a single, overarching contract for its requirements, the agency now intends to acquire segments of its IT requirements using multiple task or delivery orders. The current solicitation is one of a suite of six solicitations the agency intends to use to meet its IT requirements for the foreseeable future. The agency's name for these successor acquisitions is the portfolio of integrated value oriented technologies (PIVOT) program. The current RFQ was issued to acquire IT integrator and end user experience services and is referred to as the PIVOT I solicitation.¹ The RFQ at issue in this protest was issued pursuant to a multiple-award, indefinite-delivery, indefinite-quantity governmentwide acquisition contract administered by the National Institutes of Health Information Technology Acquisition and Assessment Center.

The RFQ contemplates the award, on a best-value tradeoff basis, of a principally fixed-price task order for a base period of 6 months, along with five 1-year options and an additional two 1-year award terms. Firms were advised that quotations would be evaluated using three broad factors, listed in descending order, as follows: technical approach, past performance, and price and subcontracting plan. RFQ at 65. These three factors included a host of subfactors and criteria within each subfactor, as detailed in the table below showing the results of the agency's evaluation of quotations. RFQ at 65.²

¹ The other solicitations contemplated by the agency are the PIVOT H solicitation to acquire hosting of applications, data, and IT systems services; the PIVOT M solicitation to acquire mobile services; the PIVOT N solicitation to acquire IT network services; the PIVOT O solicitation to acquire IT oversight function services; and the PIVOT P solicitation to acquire printing services.

² The RFQ advised firms that quotations would be assigned adjectival ratings of superior, satisfactory, marginal or unsatisfactory. RFQ at 68-69. The RFQ further advised offerors that quotations would be assigned risk ratings under subfactors 1 and 2 of high, medium or low. RFQ at 70. (The RFQ included definitions for each of these adjectival ratings that were the same for subfactors 1-4, but different for subfactor 5 (a difference not relevant to the current discussion). RFQ at 68-69, 71-72.) For past performance, the RFQ advised firms that ratings of superior, satisfactory, unsatisfactory or neutral would be assigned. RFQ at 73.

The agency received four quotations in response to the solicitation, evaluated them, engaged in discussions with the offerors and solicited, obtained and evaluated final quotations. The evaluation results were as follows:

	Subfactors	DSFG	Offeror A	Offeror B	SRA
Tech. Approach	SF1: Technical Solution				
	A.1.a - Overall Technical Services Solution	Unsatisfactory	Unsatisfactory	Marginal	Superior
	Overall Technical Services Solution Risk	High	High	High	Low
	A.1.b - Collaboration and Services Delivery Optimization	Satisfactory	Satisfactory	Superior	Superior
	Collaboration and Services Delivery Optimization Risk	Moderate	Moderate	Low	Low
	A.1.c - Overall Technical Process/Service Improvement Approach	Unsatisfactory	Satisfactory	Superior	Superior
	Overall Technical Process/Service Improvement Approach Risk	High	Low	Low	Low
	SF2: Transition Execution				
	A.2.a - Transition-In Approach	Unsatisfactory	Marginal	Satisfactory	Superior
	Transition-In Approach Risk	High	High	Low	Low
	SF3: Management Approach				
	A.3.a - Overall Management Approach	Satisfactory	Satisfactory	Satisfactory	Superior
	A.3.b - Personnel Retention and Recruiting	Marginal	Unsatisfactory	Satisfactory	Satisfactory
	SF4: Personnel Expertise				
	A.4.a - Key Personnel Expertise	Unsatisfactory	Unsatisfactory	Satisfactory	Superior
	A.4.b - Position Expertise	Unsatisfactory	Marginal	Superior	Superior
	SF5: Corporate Core Competency				
	A.5.a - Corporate Core Competency	Superior	Superior	Superior	Superior
Past Performance	SF6: Contractor Past Performance				
	B.6.a - Technical (Quality of Product or Service)	Unsatisfactory	Neutral	Superior	Superior
	B.6.b - Schedule/Timeliness	Satisfactory	Neutral	Superior	Superior
	B.6.c - Management or Business Relations	Satisfactory	Neutral	Superior	Superior
	B.6.d - Regulatory Compliance	Unsatisfactory	Neutral	Neutral	Superior
	B.6.e - Small Business Participation	Superior	Neutral	Neutral	Neutral
Price and Subcontracting Goal	SF7: Subcontracting Goal				
	C.7.a - Subcontracting Goal	Complies	Complies	Complies	Complies
	SF8: Price				
	C.8.a - Price	\$262,545,256	\$209,414,141	\$328,956,496	\$207,692,056
	C.8.a - 6 Month Total	\$70,112,003	\$51,186,251	\$84,275,974	\$52,509,356
	Total Evaluated Price	\$332,657,260	\$260,600,393	\$413,232,470	\$260,201,412

Agency Report (AR), exh. 41, Source Selection Memorandum, at 6.³ On the basis of these evaluation results, the agency issued a task order to SRA, concluding that its

³ During DSFG's second protest, the agency produced a comprehensive report that included quotations, communications with the firms, evaluation and source selection materials, and documents relating to the agency's investigations of SRA's alleged OCI. In DSFG's current protest, the protester challenged the agency's waiver of SRA's OCI, and also reasserted arguments it previously made relating to the agency's conduct of discussions, evaluation of quotations and selection decision. In response to the current protest, the agency represented that it had not solicited revised quotations or reevaluated the quotations that were submitted before DSFG's second protest. In light

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quotation represented the best value to the government. As noted, DSFG filed its second protest in the wake of the agency's selection decision, which we sustained. After receiving our last decision, the agency elected to execute a waiver of any remaining OCIs that SRA may have, and advised DSFG of its decision to affirm its earlier source selection decision. After being advised of the agency's actions, DSFG filed the instant protest.⁴

PROTEST

DSFG makes a number of arguments in connection with the agency's latest decision to issue the task order to SRA. First, DSFG argues that the agency failed to properly execute the waiver in connection with any remaining OCIs that SRA may have. Second, DSFG argues that the agency's technical evaluation of quotations was unreasonable. Third, DSFG argues that the agency failed to engage in adequate or equal discussions with it. We have considered all of DSFG's allegations and find none of them to have merit. We discuss our conclusions below.

OCI Waiver

As discussed in our last decision, the record presented at that time showed that the agency had concerns about the activities of an individual identified as Mr. Y. The agency expressed interest in Mr. Y because of his former activities in connection with another contract named the EDUCATE Independent Verification and Validation (EDUCATE IV&V) contract. The EDUCATE IV&V contract called for a concern named SD Technologies, Inc. (SD Tech) to perform activities relating to determining whether DSFG was performing its contractual obligations under the EDUCATE contract, and whether the deliverables under that contract were acceptable. AR, exh. 53, EDUCATE IV&V Contract Excerpts.

Mr. Y was the program manager for SD Tech during its performance of the EDUCATE IV&V contract. The agency's investigation identified certain non-public, competitively useful information that was available to Mr. Y in connection with performance of the EDUCATE IV&V contract. AR, exh. 35, Letter from the Contracting Officer to SRA,

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of the agency's stipulation, we confined the development of the current protest record to the issue of the agency's OCI waiver, and agreed to review DSFG's remaining allegations based on the record developed during DSFG's second protest. All citations to the agency report in this decision are to the agency report produced in connection with DSFG's second protest, unless otherwise noted.

⁴ The value of the currently-awarded task order is approximately \$260 million. Accordingly, this procurement is within our jurisdiction to hear protests related to the issuance of task or delivery orders under civilian agency multiple-award IDIQ contracts. 41 U.S.C. § 4106(f)(2).

Sept. 29, 2017, attach. A, at 5. Despite this fact, the agency confined its OCI analysis and conclusion to considering whether Mr. Y shared DSFG's proprietary information with SRA, without considering whether the other information to which he had access also could have created an unequal access type OCI.⁵ In short, we sustained DSFG's last protest because the record did not show that the agency had given due consideration to the types of non-public information to which Mr. Y had access.

In its current protest, DSFG principally maintains that the agency's execution of a waiver of SRA's alleged OCI was improper because it fails to set forth the extent of SRA's OCI, and therefore is deficient under the requirements for execution of a waiver outlined in Federal Acquisition Regulation (FAR) § 9.503. The principal basis for DSFG's allegation is its position that the agency did not perform any further investigation into the activities of Mr. Y in the wake of our last decision, and therefore could not know the extent of the OCI presented by his participation in preparing the SRA quotation.

We deny this aspect of DSFG's protest. Agencies properly may waive an OCI, provided that the waiver is executed in accordance with FAR § 9.503, which states as follows:

The agency head or a designee may waive any general rule or procedure of this subpart by determining that its application in a particular situation would not be in the Government's interest. Any request for waiver must be in writing, shall set forth the extent of the conflict, and requires approval by the agency head or a designee. Agency heads shall not delegate waiver authority below the level of head of a contracting activity.

While our Office will review an agency's execution of an OCI waiver, our review is limited to consideration of whether the waiver complies with the requirements of the FAR, that is, whether it is in writing, sets forth the extent of the conflict, and is approved by the appropriate individual within the agency. AT&T Gov't. Solutions, Inc., B-407720, B-407720.2, Jan. 30, 2013, 2013 CPD ¶ 45 at 4; see also MCR Federal, LLC, B-401954.2, Aug. 17, 2010, 2010 CPD ¶ 196 at 5 (where a procurement decision--such as whether an OCI should be waived--is committed by statute or regulation to the discretion of agency officials, our Office will not make an independent determination of the matter).

Here, there is no issue regarding whether the waiver is in writing and was approved by the appropriate agency official. The only question, therefore, is whether the waiver sets forth the extent of any possible OCI on the part of SRA. We conclude that it does.

⁵ The information at issue included DSFG proposals submitted in connection with the EDUCATE contract, performance reports and other contractual artifacts such as root cause analysis reports and internal discussions, and Mr. Y's interactions with a wide array of government officials, as well as confidential information related to DSFG's EDUCATE solution and performance of that requirement. AR, exh. 35, Letter from the Contracting Officer to SRA, Sept. 29, 2017, attach. A, at 5.

As we noted in our prior decision, the contracting officer identified an array of information that had been available to Mr. Y during his participation in performing the EDUCATE IV&V contract, including: DSFG proposals (submitted in connection with the EDUCATE contract); performance reports and other contractual artifacts; DSFG's EDUCATE solution to meeting the agency's information technology requirements; and reports that DSFG had marked "confidential," "sensitive and proprietary," and "for official use only." AR, exh. 35, Letter from the Contracting Officer to SRA, Sept. 29, 2017, Attach. A, at 5. The contracting officer also noted that Mr. Y had participated in inspecting DSFG's deliverables under the EDUCATE contract. Id.

The record shows that the contracting officer expressly identified precisely these types of information in describing any potential OCI when he executed the OCI waiver. Specifically, the waiver states as follows:

From February 22, 2011 to May 26, 2016 Mr. [Y] worked as a project manager, a key personnel position, on the EDUCATE IV&V Contract. In the course of that work, Mr. [Y] had full access to much non-public information, information not intended for use by competitors of DSFG and which would not have been learned by others outside the Department. Mr. [Y had] full access to the following types of EDUCATE IV&V information and materials, among others:

- DSFG's proposals;
- Performance reports of DSFG on EDUCATE;
- Information regarding DSFG processes, procedures, resources and controls;
- Deliverables from DSFG to the Department and other contractual artifacts;
- Root cause analysis reports demonstrating sources of failed services rendered by DSFG;
- Internal discussions regarding DSFG's performance and associated materials reflecting such internal discussions.

Mr. [Y's] IV&V work also included communicating extensively with a wide array of Government officials regarding his independent findings/assessments of DSFG's services as well as recommendations for considerations.

AR, B-414461.6, exh. 1, PIVOT OCI Waiver, at 2-3.

The agency's OCI waiver goes on to recognize that the types of information available to Mr. Y would have been of interest to SRA; would have been useful to the firm in preparing its quotation for the PIVOT I requirement; and would have been helpful to Mr. Y in terms of informing any response to inquiries he addressed during preparation of the SRA quotation, even if Mr. Y did not directly share the information he had reviewed during the EDUCATE IV&V contract with SRA. AR, B-414461.6, exh. 1, PIVOT OCI Waiver, at 4. The contracting officer concluded as follows: "In short, the EDUCATE IV&V information learned by Mr. [Y] would have provided some advantage to SRA in preparing its PIVOT I proposal, even if not proprietary to DSFG or PIVOT source selection information." Id.

With that as background, the contracting officer found that any information gained by Mr. Y in connection with performance of the EDUCATE IV&V contract would have been limited in value because the nature of the PIVOT suite of acquisitions is fundamentally different than the EDUCATE contract. AR, B-414461.6, exh. 1, PIVOT OCI Waiver, at 5. He concludes as follows:

Based on the above, the conflicts that arise as a result of Mr. [Y's] access to EDUCATE IV&V contract information and his subsequent work for SRA's PIVOT-I team are not deemed to be significant. Any resulting impact on the integrity of the PIVOT-I procurement process, to include the solicitation itself, development of SRA's PIVOT-I solution, and the source selection process or the resulting award, was not significant.

Id. In addition, the contracting officer went on to discuss three other potential OCIs arising in connection with the activities of other individuals that may have had access to other DSFG information that was the subject of our first decision in these cases.⁶ Id. He concluded that any possible OCIs arising from the activities of these individuals also would be minimal in terms of competitive impact because the PIVOT and EDUCATE acquisitions were so different. Id. at 5-8.

We conclude that the agency's waiver decision took into consideration precisely the types of information that the contracting officer previously identified as a matter of concern during our last consideration of this protest. The agency's waiver also took into consideration several other concerns identified earlier in our first decision. Inasmuch as the agency's waiver sets out comprehensively the concerns that have been identified throughout our consideration of these protests, and in light of the fact that DSFG has not identified any other--new--concerns relating to any potential OCI that SRA may

⁶ These potential OCIs relate principally to the activities of another individual, identified as Mr. X in our first decision, as well as several other individuals, one of whom is a former agency employee and another individual who, along with Mr. X, worked at some point on another contract known as the EDUCATE Analysis contract. AR, B-414461.6, exh. 1, PIVOT OCI Waiver, at 5.

have, we conclude that the agency's OCI waiver here meets the requirements of FAR § 9.503. We therefore deny this aspect of DSFG's protest.

Past Performance Evaluation

DSFG also argues that the agency's evaluation of DSFG's past performance was unreasonable. As noted above, the record shows that DSFG received an unsatisfactory rating for its past performance. DSFG argues that its past performance examples were rated as satisfactory or better, and that the agency failed to weigh these positive reports in arriving at its evaluation rating of unsatisfactory.

We have no basis to object to the agency's evaluation here. Determining the relative merit of an offeror's past performance is primarily a matter within the agency's discretion; our Office will examine the agency's evaluation only to ensure that it was reasonable and consistent with the stated evaluation criteria, applicable statutes, and regulations. SST Supply & Serv. Team GmbH, B-409873, Sept. 2, 2014, 2014 CPD ¶ 251 at 2-3.

The record shows that the agency's primary concern with DSFG's past performance related to a series of critical, security-related incidents occurring under the EDUCATE contract during a time period following the issuance of the last contractor performance assessment report for that contract. The record shows that the agency did, in fact, consider DSFG's other past performance examples, but the security-related incidents were the principal basis for the agency's assignment of an unsatisfactory rating.

First, the record includes two cure notices that were issued to DSFG on March 31, 2017, detailing DSFG's failure to properly configure something called the McAfee Vulnerability Management tool, which resulted in the excessive accumulation of a number of high- and critical-level vulnerabilities on the agency's computing network provided under the EDUCATE contract, and also jeopardized the agency's information and data, including information that may have been sensitive/personally identifiable information. AR, exh. 17a, Supporting Documents for the Past Performance Evaluation, Cure Notices.

Second, the record includes a letter of concern dated February 12, 2016, which, in addition to noting the report of more than 32,000 outstanding high-level system vulnerabilities, also details DSFG's failure to keep all software current on a number of system servers (as well as other devices/software) as required under the terms of the EDUCATE contract. AR, exh. 17a, Supporting Documents for the Past Performance Evaluation, Letter of Concern.⁷

⁷ This letter of concern also made reference to another cure notice dated January 29, 2016, that detailed a more widespread failure of DSFG to keep all software current under the requirements of the EDUCATE contract. The record includes a cure notice dated January 29, 2015. AR, exh. 17a, Supporting Documents for the Past

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Third, the record includes correspondence between DSFG and agency personnel detailing security violations occurring under the EDUCATE contract relating to the improper issuance of unencrypted passwords via e-mail to new agency employees. AR, exh. 17a, Supporting Documents for the Past Performance Evaluation, Security Practice Violation Message, July 29, 2016.

Finally, the record includes correspondence dated July 29, 2017, detailing a “data spillage” incident involving the release of classified materials into an unclassified area of the agency’s network infrastructure. AR, exh. 17a, Supporting Documents for the Past Performance Evaluation, Data Spillage Message. The record also shows that the agency provided DSFG detailed discussions relating to all of these incidents.⁸ Id.

Based on these concerns, the record shows that the agency’s evaluators rated DSFG’s past performance unsatisfactory. In assigning that rating, the evaluators noted DSFG’s response to the agency’s discussion questions in which DSFG stated that all of the cure notices ultimately had been closed. Nonetheless, they concluded as follows:

DSFG asserted in their updated Past Performance submission that because the Department closed the Cure Notices that DSFG is capable of performing PIVOT-I requirements. However, despite the reactive corrective actions, each of the security events, which were serious, present a failure to perform and create opportunities for data exposure regardless of the corrective actions. If security is compromised, then all other services are compromised, as well as the Department’s reputation and responsibility to protect such information. Given the preponderance of security issues that have arisen it is clear that there is Significant Doubt that DSFG can perform in anything but an Unsatisfactory manner on PIVOT-I.

AR, exh. 17, Past Performance Evaluation Report, at 4.

DSFG does not deny any of the incidents noted above or present evidence to show that the agency’s characterization of them is misleading or inaccurate. Rather, DSFG only maintains that its other, more positive, past performance examples should have weighed more heavily in the agency’s evaluation. However, on this record, we have no

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Performance Evaluation, Cure Notices. The contracting officer advised in his statement of facts that the correct date for the cure notice was January 29, 2016, rather than 2015. Contracting Officer’s Statement of Facts at 68, n.3.

⁸ The agency’s discussion questions letter was sent to DSFG via e-mail and detailed all of the agency’s concerns except the “data spillage” incident. That incident was discussed separately in the e-mail transmitting the agency’s discussions letter.

basis to object to the agency's evaluation of DSFG's past performance; the agency's reservations about DSFG's past performance were based on well-founded concerns relating to DSFG's repeated failures to meet critical security-related requirements of the EDUCATE contract.⁹ We therefore deny this aspect of DSFG's protest.

Remaining Allegations Concerning Evaluation of the DSFG Quotation

DSFG challenges a host of evaluation findings made by the agency in the evaluation of its quotation. DSFG maintains either that the agency's negative evaluation findings as to DSFG's quotation were unreasonable, or that the agency evaluated its quotation disparately in comparison to the SRA quotation. In this latter regard, DSFG maintains that there were instances where the agency assigned strengths to the SRA quotation, and that it also offered essentially the same features and its quotation should have been assigned similar strengths.

We need not consider these remaining allegations in any detail since it is clear from the record that, even if DSFG were correct, it was not prejudiced by any of these alleged evaluation errors. Prejudice is an essential element of every viable protest, and where none is shown or otherwise is evident, we will not sustain a protest, even where the agency's actions arguably are improper. General Dynamics Information Technology, Inc., B-414387, B-414387.2, May 30, 2017, 2017 CPD ¶ 176 at 8. Here, as noted above, the agency reasonably assigned DSFG an unsatisfactory rating under the past performance factor. Even if DSFG's remaining allegations were correct, its quotation would be rated no higher technically than SRA's, DSFG would remain unsatisfactory under the past performance factor, and its price is significantly higher than SRA's. It follows that DSFG could not have been prejudiced by any remaining evaluation error alleged by the protester. We therefore dismiss these contentions.

Adequacy of Discussions

DSFG argues that the agency failed to engage in meaningful discussions with it. The protester has identified some nine areas where it alleges it did not receive adequate or equitable discussions. In addition, the protester argues that SRA was afforded an additional round of discussions after revised quotations were submitted. DSFG therefore argues that it should have an additional opportunity to engage in discussions as well.

⁹ We point out that the agency assigned DSFG unsatisfactory ratings under two of the past performance factor's criteria, technical, and regulatory compliance. DSFG maintains that it was improper to assign it an unsatisfactory rating under the regulatory compliance criterion. However, the record shows that the basis for the agency's assignment of that rating was DSFG's failure to comply with National Institute of Standards and Technology Special Publication 800-40, Guide to Enterprise Patch Management Technologies. AR, exh. 17, Past Performance Evaluation Report at 6. We have no basis to object to the agency's evaluation of DSFG for this reason.

As noted above, the agency provided DSFG with comprehensive and adequate discussions in the area of the firm's past performance, providing DSFG with an opportunity to respond to all of the adverse past performance concerns identified by the agency during its evaluation. In the wake of those discussions, the agency nonetheless reasonably found DSFG's past performance unsatisfactory for the reasons detailed above. Thus, even if the agency improperly failed to provide DSFG adequate or equitable discussions in the remaining areas the protester has identified, and even if we were to conclude that the agency improperly provided SRA with an additional round of discussions not provided to DSFG, there would be no basis for our Office to conclude that DSFG was prejudiced by the agency's actions. Simply stated, even if DSFG was afforded another round of discussions, there would be no possibility that it could improve its past performance rating of unsatisfactory. It follows that DSFG could not have been prejudiced by the discussions errors it has alleged. General Dynamics Information Technology, Inc., supra. We therefore dismiss these contentions.

Evaluation of SRA's Price

DSFG argues that the agency failed to evaluate quotations on a common basis. According to DSFG, SRA's price was so low that the agency should have realized that the two firms were not competing on a common basis. The protester maintains that the record shows there were significant disparities in the two firms' staffing under several of the solicitation's tasks, and the agency failed to observe or account for those differences in its evaluation.

We find no merit to this aspect of DSFG's protest. DSFG's allegation essentially amounts to an argument that the agency failed to perform a price realism evaluation; such an evaluation would consider whether each firm's price was realistic in light of its proposed technical approach. However, the solicitation did not require the evaluation of prices for realism, but, rather, provided only that prices would be evaluated for reasonableness and fairness. RFQ at 74-75. Thus, there was no reason for the agency to have considered the realism of SRA's price as part of its evaluation. SaxmanOne, LLC, B-414748, B-414748.3, Aug. 22, 2017, 2017 CPD ¶ 264 at 6.

More to the point, as the agency correctly notes, there was nothing in the solicitation that dictated the level of effort or staffing profile that firms were required to use to meet the agency's requirements. Instead, the RFQ encouraged firms to propose innovative solutions that used a mix of staffing and other resources to meet the agency's requirements. While DSFG has shown that SRA did not use the same staffing profile that DSFG proposed, this does not demonstrate that SRA's staffing approach was deficient. Rather, it shows only that it was different than the staffing approach offered by DSFG. The protester has not alleged or demonstrated that SRA's staffing approach was deficient in light of the technical approach SRA offered, nor has the protester shown that the agency was required to evaluate each firm's proposed staffing approach in light of its technical approach--in effect, perform a price realism evaluation. Under the

circumstances, we have no basis to object to the agency's evaluation for this reason. We therefore deny this aspect of DSFG's protest.

SRA Corporate Transaction

Finally, DSFG argues that the agency failed to consider a recent corporate transaction involving CSRA, Inc., SRA's corporate parent. In this connection, the record shows that SRA is a wholly-owned subsidiary of CSRA, Inc., and there was a recent stock sale of CSRA to General Dynamics. According to the protester, the agency failed to consider this transaction except in connection with its responsibility determination. DSFG argues that the agency never considered whether that stock sale also may have affected SRA's technical approach to satisfying the agency's requirements.

We find no merit to this aspect of DSFG's protest. As noted, SRA is a wholly-owned subsidiary of CSRA, Inc., which, in turn, was purchased by General Dynamics. DSFG has not shown, and there is no evidence in the record to show, that this transaction had any effect on the resources that were offered to perform the instant task order. Under the circumstances, there is no basis for our Office to conclude that the agency unreasonably failed to take this transaction into account when evaluating the SRA quotation. We therefore deny this aspect of DSFG's protest.

The protest is dismissed in part and denied in part.

Thomas H. Armstrong
General Counsel