



DOCUMENT FOR PUBLIC RELEASE

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

Decision

Matter of: The Pragma Corporation

File: B-415354.2; B-415354.3; B-415354.4

Date: May 29, 2018

David S. Cohen, Esq., John J. O'Brien, Esq., and Daniel J. Strouse, Esq., Cordatis LLP, for the protester.

Eric J. Marcotte, Esq., Kelly E. Buroker, Esq., and Tamara Droubi, Esq., Vedder Price, P.C., for Chemonics International Inc., an intervenor.

Rachel B. Cochran, Esq., United States Agency for International Development, for the agency.

Young H. Cho, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging agency's evaluation of proposals and source selection decision is denied where the record shows that the agency's evaluation and selection decision were reasonable and consistent with the terms of the solicitation.

DECISION

The Pragma Corporation (Pragma), of Falls Church, Virginia, challenges the award of a contract to Chemonics International, Inc. (Chemonics), of Washington, D.C., under solicitation No. SOL-664-17-000001, issued by the United States Agency for International Development, for management consulting services. The protester challenges the agency's evaluation of its and Chemonics's proposals and the selection decision.

We deny the protest.

BACKGROUND

The RFP was issued on January 9, 2017, under Federal Acquisition Regulation (FAR)

part 15. RFP at 1.¹ The solicitation contemplated the award of a single cost-plus-fixed-fee contract, with a 3-year base and one 2-year option period, for the acquisition of services to implement the Tunisia Business Reform and Competitiveness Project II (BRCP II).² Id. at 2. Award was to be made on a best-value tradeoff basis considering the following factors, in descending order of importance, and cost/price: technical approach, key personnel, management and staffing plan, and past performance. Id. at 70, 73. As relevant here, the technical approach factor included the following subfactors in descending order of importance: technical approach, draft year 1 work plan and mobilization plan, draft activity monitoring and evaluation plan (AMEP). Id. at 71. All evaluation factors other than cost or price, when combined, were significantly more important than price. Id. at 70. The solicitation also advised that award could be made without discussions. Id.

The statement of work (SOW) explained that the primary purpose of BRCP II is job creation, aligning with the newly-adopted USAID country development and cooperation strategy (CDCS) for Tunisia. Id. at 11. BRCP II's primary approach is to work with private sector firms by providing targeted technical assistance, *i.e.*, management consulting, to identify and overcome specific business constraints to make these firms more competitive, generate an increased demand for their products and services and lead to new hiring. Id. at 10-11. The SOW describes BRCP II's second, third, and fourth objectives as subsidiary to the extent they support the primary objective and the overall activity purpose of job creation.³ Id. at 11. The SOW explained in detail these four core program objectives of BRCP II, describing their purposes, illustrative activities, and expected results. See id. at 11-16. As relevant here, under objective 1 (create jobs by increasing the competitiveness of Tunisian client firms), the SOW provided a table detailing the "[f]ull-time-equivalent [FTE] job creation targets" for each year, and the resulting five-year total target of 70,000 FTE jobs. Id. at 12.

With regard to the technical approach factor, technical approach subfactor, offerors were instructed to "present a clear, logical, well-conceived, and technically sound approach to achieving the results set forth in the RFP in the base and option periods. It must include approaches to address regional, age, and gender disparities in employment." Id. at 62. Offerors were also specifically instructed to "propose creative solutions that demonstrate a credible path to the results set forth in Section C." Id. Offerors were also advised that "[a]lternative approaches to achieve or exceed the

¹ The solicitation was amended once. All references to the solicitation are to the final version, as amended.

² Pragma is the incumbent contractor on the predecessor contract, known as BRCP I.

³ The other three objectives are: improve the match between skills demanded by the labor market and the training provided by educational institutions; improve Tunisia's business enabling environment; and communicate the initiatives and impacts of BRCP-II specifically related to job creation widely with a particular focus on youth (15-35 year olds). Id. at 12, 14, 15.

activity's results will be considered, including but not limited to innovative approaches to financial sustainability of the intervention." Id.

The solicitation advised that under the technical factor, technical approach subfactor, proposals would be evaluated with regard to the "[e]xtent to which the proposed approach is clear, logical, well-conceived, and technically sound; is appropriate to the Tunisian context; reflects understanding and support of the project's objectives; incorporates techniques for reaching the widest range of beneficiaries while maintaining quality services and reasonable costs; . . . demonstrates feasibility for achieving results within the expected timeframe." Id. at 71.

The agency received four timely responses, including those from Pragma and Chemonics. Agency Report (AR), Tab 10, Source Selection Decision Document (SSDD) at 2. A technical evaluation committee (TEC) evaluated proposals. Award was made to Chemonics on September 13, 2017, which was protested to our Office by Pragma. Id. In response to the protest, the agency stated it would take corrective action by reevaluating Pragma's and Chemonics's proposals and making a new source selection decision. The Pragma Corp., B-415354, Oct. 16, 2017 (unpublished decision). In response to the agency's proposed corrective action, our Office dismissed that protest as academic. Id.

As a result of the agency's reevaluation, the proposals of Pragma and Chemonics were evaluated as follows:

		Pragma	Chemonics
Technical Approach		Very Good	Exceptional
	Technical	Very Good	Exceptional
	Draft Year 1 Work Plan and Mobilization Plan	Very Good	Very Good
	Draft AMEP	Very Good	Very Good
Key Personnel		Very Good	Very Good
Management and Staffing Plan		Satisfactory	Very Good
Past Performance		Very Good	Very Good
	Quality	Very Good	Very Good
	Schedule	Very Good	Satisfactory
	Cost Control	Very Good	Very Good
	Business Management/Customer Relations	Very Good	Exceptional
	Regulatory Compliance	Very Good	Very Good
	Utilization of Small Business	Neutral	Very Good
Overall Consensus		Very Good	Exceptional
Proposed Cost/Price		\$66,103,664	\$59,542,216
Probable Cost/Price		\$66,681,210	\$59,360,925

AR, Tab 10, SSDD at 3, 24; AR, Tab 9, Cost and Cost Realism Analysis Memorandum (Cost Evaluation Memo.) at 46.

The contracting officer, who was the source selection authority (SSA), reviewed the evaluation material and consulted with the TEC. AR, Tab 10, SSDD at 1. Based on the SSA's assessment of the proposals in accordance with the solicitation, the SSA selected Chemonics again for award on January 31, 2018. In the SSA's comparative assessment, the SSA noted Chemonics's proposal was rated overall exceptional when compared to Pragma's proposal, which was rated as overall very good. Id. The SSA further noted that "[w]hen compared at the evaluation factor level, Chemonics was rated higher than or equal to Pragma on every factor" and performed a comparative assessment between the two proposals under each factor. Id. at 22-23.

Under the most important factor, technical approach, and the third most important factor, management and staffing plan, the SSA's comparative assessment discussed the qualitative differences and discriminators between the two proposals, finding Chemonics's proposal superior to Pragma's proposal. Id. Specifically, with regard to the technical approach factor, the SSA found that:

Chemonics'[s] proposal was exceptionally well-written with meticulous attention to context, methodology, and approach, and demonstrated a keen understanding of the Tunisian economy, business, tax, foreign direct investment, small and medium sized enterprises, and workforce/employment landscape. Chemonics proposed a systematic approach to each aspect of the RFP's requirements from constraints, solutions, stakeholders, operations, project management, and project sustainability. Pragma's proposal demonstrated a clear understanding of the business and job creation conditions in Tunisia, as well as the details and vision of the BRCP II project. Pragma is the incumbent contractor on BRCP I project and did [an] exceptional job of summarizing its BRCP I experience and results and highlighting how that experience will enhance its ability to build on its BRCP I experience, contacts, and lessons learned seamlessly if awarded BRCP II. However, some of the Pragma's proposed targets were not clear, logical, or well-conceived indicating higher performance risk. Chemonics proposed [DELETED] project offices throughout the country, providing for a better geographic coverage compared to Pragma, that proposed [DELETED] offices. In addition, Pragma failed to provide clear rationale for the number and locations of the proposed regional offices.

Id. at 22.

The SSA also noted that:

Pragma proposed [DELETED] jobs created as the target, exceeding the 70,000 jobs required by the RFP. The RFP provided for consideration of alternative approaches to achieve or exceed the activity's results.

However, the TEC determined that Pragma did not propose an alternative approach, but merely proposed [DELETED] extra jobs using the same approach described in the RFP. When compared to Chemonics'[s] proposal, these [DELETED] extra jobs would come at an additional cost of \$7,320,285. The additional benefit for the [g]overnment is completely offset by the additional costs which would be required to achieve them. In addition, the technical evaluation concluded that the proposal did not convincingly demonstrate that the proposed target of [DELETED] would likely be achieved.

Id. at 20-21.

The SSA found that comparison of the two proposals reflected that Chemonics's proposal was not only technically superior to that of Pragma's, but also offered a most probable cost (\$59,360,925) that was lower than Pragma's (\$66,618,210). Id. at 24. As a result, the SSA determined "[b]ased on the exceptional quality of the technical approach and lower price proposed by Chemonics and how the technical approach will contribute to the project purpose," that award to Chemonics would be in the best interest of the government. Id.

Pragma was notified of the agency's award decision on January 31, 2018, and debriefed on February 14, 2018. This protest followed.

DISCUSSION

Pragma raises a number of arguments challenging the agency's evaluation of its and Chemonics's proposals and the selection decision. While our decision here does not specifically discuss each of the protester's various arguments, we have considered all of Pragma's arguments, and conclude, based on the record, that none furnishes a basis on which to sustain the protest. We discuss a few representative examples below.

Technical Approach Factor

Pragma first argues that the agency unreasonably failed to assess Pragma a strength for exceeding the solicitation's targets for job creation. Protest at 24-30; Consolidated (Consol.) Protest at 25-34; Protester's Comments and Supplemental Protest (Supp. Protest) at 32-37. Specifically, the protester argues that the agency unreasonably interpreted the solicitation and imposed an unstated evaluation criterion by requiring two approaches--one that meets the requirements of the solicitation and one that exceeds the requirements of the solicitation--in order to receive credit for exceeding the requirements of the solicitation. Consol. Protest at 30-32; Supp. Protest at 35-36.

In response, the agency explains that the solicitation did not require offerors to propose a higher target for job creation. Contracting Officer's Statement (COS) at 6. Rather, the solicitation required 70,000 jobs to be created in five years and allowed offerors to propose different ways of achieving that goal, such as including different annual targets and proposing particularly novel program designs, that might produce results exceeding

the goal. Id. at 16. The agency further explains that it gave consideration to Pragma's proposed higher job creation target. Id. However, the agency did not consider Pragma's approach to be an alternative or innovative approach as it did not demonstrate the use of new technologies, methodologies, strategies, or the combining of new concepts to achieve the objectives of BRCP. Id. Rather, the agency found that Pragma merely stated that it would achieve a higher target with its proposed approach. Id. at 16-17. Further, the agency noted this as an observation in its evaluation; it did not rise to the level of a strength or a weakness. Id.

In reviewing a protest challenging an agency's evaluation of proposals, our Office will not reevaluate proposals nor substitute our judgment for that of the agency, as the evaluation of proposals is generally a matter within the agency's discretion. Advanced Techs. & Labs. Int'l, Inc., B-411658 et al., Sept. 21, 2015, 2015 CPD ¶ 301 at 5. Rather, we will review the record only to assess whether the agency's evaluation was reasonable and consistent with the stated evaluation criteria and with applicable procurement statutes and regulations. FP-FAA Seattle, LLC, B-411544, B-411544.2, Aug. 26, 2015, 2015 CPD ¶ 274 at 7. An offeror's disagreement with an agency's judgment, without more, is insufficient to establish that the agency acted unreasonably. Birdwell Bros. Painting & Refinishing, B-285035, July 5, 2000, 2000 CPD ¶ 129 at 5.

On this record, we do not find the agency's evaluation unreasonable. Here, the solicitation instructed offerors to provide under the technical approach factor, technical approach subfactor, "a clear, logical, well-conceived, and technically sound approach to achieving the results set forth in the RFP in the base and option periods. It must include approaches to address regional, age, and gender disparities in employment." RFP at 62. Offerors were also specifically instructed to "propose creative solutions that demonstrate a credible path to the results set forth in Section C." Id. Offerors were also advised that "[a]lternative approaches to achieve or exceed the activity's results will be considered, including but not limited to innovative approaches to financial sustainability of the intervention." Id.

Here, the record shows that the agency considered Pragma's proposed higher job creation target total as well as whether Pragma proposed "alternative approaches." See AR, TEC Memo. at 12-13. In noting its observation that Pragma's higher job creation target was neither a strength nor a weakness, the agency found that Pragma did not propose an alternative approach to achieving a higher jobs creation target, but merely proposed achieving a higher target with the same approach. Id. We do not find the agency's evaluation in this regard was due to the application of an unstated evaluation criterion that required offerors to propose two separate approaches, as the protester contends. While the protester argues that its approach was innovative and therefore was an "alternative approach" that warranted a strength, the agency did not

agree. We see nothing inconsistent with the agency's evaluation and the solicitation in this regard.⁴

The protester also argues that the agency's failure to consider and recognize Pragma's alternative approach to achieve a substantial increase in job creation targets prejudiced it in both the noncost and cost evaluation. See Consol. Protest at 33-34; Supp. Protest at 37. Pragma contends it "necessarily proposed significantly higher costs in order to scale to [DELETED] jobs and create an additional [DELETED] jobs over the life of the contract." Supp. Protest at 37. The protester also complains the agency failed to "credit [it] for proposing specific targets for activities that are critical to significant job creation." Consol. Protest at 34. The protester also challenges the agency's assessment of a weakness under this subfactor where the agency found that several of Pragma's proposed targets--including its proposed job creation target--were not clear, logical, or well-conceived, as required by the solicitation. See Consol. Protest at 9-10; Supp. Protest at 2-3, 24-32; Supp. Comments at 17-20. In this regard, the protester again argues that the agency utilized an unstated evaluation criterion and that the agency failed to reasonably review its proposal because it disregarded information in its proposal with regard to its specific details of its technical approach and instead focused only on the target numbers discussed in Pragma's proposal. Id.

In response, the agency explains that it considered the feasibility of Pragma's approach to achieving the higher job creation target Pragma proposed. COS at 16. Based on the agency's evaluation, the agency determined that several of Pragma's proposed targets were not clear, logical, or well-conceived, because Pragma's proposal contained few details regarding the rationale for why and how it arrived at the various targets. Id. at 6-7. The agency further explains that in the absence of a rationale, the agency was unable to link the targets and the program goals, and therefore was unable to determine whether there would be an increase in the likelihood of successful performance. Id. at 7. As a result, the agency assessed a weakness to Pragma's proposal.

While solicitations must inform offerors of the basis for proposal evaluation, and the evaluation must be based on the factors set forth in the solicitation, agencies are not required to specifically list every area that may be taken into account, provided such areas are reasonably related to or encompassed by the stated criteria. MicroTechs., LLC, B-403713.6, June 9, 2011, 2012 CPD ¶ 131 at 3. Further, it is an offeror's responsibility to submit a well-written proposal, with adequately detailed information that clearly demonstrates compliance with the solicitation and allows a meaningful review by the procuring agency. Mike Kesler Enters., B-401633, Oct. 23, 2009, 2009 CPD ¶ 205

⁴ Moreover, Pragma's higher job creation target was specifically considered by the SSA, but found not to be worth the price premium associated with the additional job creation. In this regard, the SSA noted that "[w]hen compared to Chemonics'[s] proposal, these [DELETED] extra jobs would come at an additional cost of \$7,320,285. The additional benefit for the [g]overnment is completely offset by the additional cost which would be required to achieve them." See AR, Tab 10, SSDD at 20-21.

at 2-3. An offeror runs the risk that a procuring agency will evaluate its proposal unfavorably where it fails to do so. International Med. Corps, B-403688, Dec. 6, 2010, 2010 CPD ¶ 292 at 7.

Based on our review of the record, we do not find the agency's evaluation unreasonable. Here, the solicitation advised offerors that proposals would be evaluated with regard to the "[e]xtent to which the proposed approach is clear, logical, well-conceived, and technically sound . . . [and] demonstrates feasibility for achieving results within the expected timeframe." RFP at 71. While the protester argues that the solicitation did not require the offeror to provide a rationale for the targets it selected and that the solicitation merely "focuses upon the technical approach more generally . . . on whether results can be achieved within the specified timeframe," we disagree. See Supp. Protest at 3. To the extent the protester proposed higher job creation targets, or other targets as part of its technical approach, the agency's consideration of whether those targets were clear, logical, well-conceived, or achievable is encompassed by the solicitation's evaluation factor.

Further, we also find that the agency's assessment of a weakness in this regard was reasonable. It was Pragma's responsibility to submit a well-written proposal, with adequately detailed information that allowed for meaningful review by the agency. See Mike Kesler Enters., supra. We find it reasonable and consistent with the solicitation for the agency to have assessed a weakness where Pragma's proposal did not explain why and how it selected the various targets that were specified as part of Pragma's technical approach, and the specific relationship between those targets and the program goals. While the protester may disagree with the agency's assessment, the protester's arguments do not provide a basis to sustain the protest.

Pragma next challenges the agency's assessment of weaknesses under the technical approach subfactor based on its proposed office locations. In this regard, the protester first argues that the agency applied an unstated evaluation criterion. Supp. Protest at 13-21; Supp. Comments at 9-16. Specifically, the protester argues that the agency utilized an undisclosed "benchmark" of 1.5 hours commute time to each of the 24 governorates capitals. Id.

In response, the agency explains that the solicitation instructed offerors not only to provide a technical approach that was clear, logical, and technically sound but also to "include approaches to address **regional . . . disparities in employment.**" Memorandum of Law (MOL) at 11 (emphasis added). The agency further explains that the solicitation advised that the technical approaches would be evaluated as to whether it "is appropriate to the Tunisian context; reflects understanding and support of the project's objectives; **incorporates techniques for reaching the widest range of beneficiaries** while maintaining quality services and reasonable costs; . . . demonstrates **feasibility for achieving results** within the expected timeframe" Supp. MOL at 6 (citing RFP at 71) (emphasis added).

In this regard, the agency argues that reasonably and logically encompassed within the stated evaluation criteria is the fact that offices must be physically located in different parts of the country in order to effectively serve Tunisia as a whole. Id. As a result, the agency conducted an analysis of commuting distance and travel times between the closest regional office and the government capitals in an effort to determine the adequacy and effectiveness of the locations for each of the proposed regional offices to its client populations.⁵ COS at 9. The agency also explains that it selected a one-way commute time of 1.5 hours as a benchmark because “[o]ne would question the practicality of commuting beyond this distance from the perspective of support.” Supp. MOL at 6; see also AR, Tab 8, TEC Memo. at 46.

On this record, we do not find the agency’s use of a one-way commute time of 1.5 hours from the closest regional office to each the 24 governorate capitals to be an unstated evaluation criterion. In this regard, we find the agency’s utilization of this benchmark to be reasonably encompassed within the evaluation criterion that requires the agency to evaluate whether the offeror’s proposed approach incorporated techniques for reaching the widest range of beneficiaries while maintaining quality services and reasonable costs. See MicroTechs., LLC, supra.

The protester next argues that despite the fact that both offerors proposed similar office locations, the agency treated the offerors unequally by applying the 1.5 hour one-way commute time more strictly to its proposal than to Chemonics’s proposal. Supp. Protest at 17-21; Supp. Comments at 13-16. Specifically, the protester argues that the agency engaged in disparate treatment by assessing a weakness to Pragma’s proposal when the commute time from its proposed office locations to the 24 governorate capitals exceeded the 1.5 hours one-way commute benchmark only by a “small or negligible” amount of time, while assessing Chemonics a strength when the commute time from several of Chemonics’s proposed office location exceeded the 1.5 hours one-way commute benchmark. See Protester’s Supp. Comments at 13-14.

In response, the agency explains that the agency analyzed the commuting distance and travel time between proposed regional offices and the government capitals for both offerors. See COS at 9-12; Supp. MOL at 7-8. With regard to Pragma’s proposal, the agency explains that while Pragma’s proposal did not clearly state its proposed office locations, for the purposes of evaluation, the agency considered Pragma to have proposed [DELETED] offices.⁶ See Supp. MOL at 7, 10. The agency also explains that the agency’s analysis showed that even when taking into consideration all of Pragma’s

⁵ The agency explains that for purposes of this analysis, it counted the [DELETED] office location proposed by both offerors as a regional office. COS at 9.

⁶ The agency explains that Pragma’s technical proposal inconsistently referenced the establishment of regional offices in addition to an office in [DELETED] in [DELETED]; or in [DELETED]; while its cost proposal only budgeted for [DELETED] office locations total ([DELETED], and [DELETED]). Supp. COS at 4; Supp. MOL at 7.

proposed office locations, the one-way commute time to nine out of 24 governorate capitals exceeded 1.5 hours.⁷ COS at 10. Further, of the proposed offices, [DELETED] was located in the country's south. Id. The agency also states that the agency's evaluation took into consideration Pragma's proposed higher job creation target. See Supp. MOL at 7; AR, Tab 8, TEC Memo at 20. As a result, the agency concluded that the proposed office locations could limit Pragma's ability to reach its proposed higher job creation target of [DELETED] as well as limit Pragma's ability to effectively implement the program in the south. MOL at 11; Supp. MOL at 7-8. The agency found that even with all [DELETED] proposed office locations, Pragma's proposal did not provide adequate regional coverage to accomplish the goals of the program. Id.

The agency also explains that by contrast, Chemonics proposed [DELETED] office locations.⁸ Supp. MOL at 8; AR, Tab 8, TEC Memo. at 46. The agency's analysis of Chemonics's proposal showed the one-way commute time to four out of 24 governorate capitals from Chemonics's proposed office locations exceeded the 1.5 hours one-way commute benchmark.⁹ Id. As a result, the agency found Chemonics's selection of office locations to be a strength because it nearly achieved the objective of putting all the governorate capitals within 1.5 hours of an office. Id.

Where a protester alleges unequal treatment in a technical evaluation, it must show that the differences in ratings did not stem from differences between the offerors' proposals. See Alphaport, Inc., B-414086, B-414086.2, Feb. 10, 2017, 2017 CPD ¶ 69 at 7; Beretta USA Corp., B-406376.2, B-406376.3, July 12, 2013, 2013 CPD ¶ 186 at 6; Northrop Grumman Sys. Corp., B-406411, B-406411.2, May 25, 2012, 2012 CPD ¶ 164 at 8.

Here, the record shows that for both offerors, the agency performed the same type of analysis utilizing a one-way commute time between proposed offices and the government capitals to determine the adequacy and effectiveness of the locations for each of the proposed regional offices to its client populations. See AR, Tab 8, TEC Memo. at 20, 46. Further, the record shows that the one-way commute time from Chemonics's proposed office locations to the four governorates that exceeded the 1.5 hours commute time, ranged from 1.56 to 1.875 hours whereas the one-way commute time from Pragma's proposed office locations to the nine governorates that exceeded the 1.5 hours commute time ranged from 1.52 to 4.02 hours. See COS at 11; AR,

⁷ These nine governorate capitals and their commute times are: Tatouine (4.02), Mednine (3.90), Gabes (2.07), Sidi Bouzid (1.89), El Kef (1.88), Kasserine (1.67), Kebili (1.67), Mahdia (1.65), Siliana (1.52). See COS at 11. The protester also asserts that the one-way commute time to six of the nine governorates only exceeded the benchmark by a "small or negligible" amount. See Protester's Supp. Comments at 13.

⁸ The [DELETED] office locations proposed by Chemonics are: [DELETED], and [DELETED]. AR, Tab 8, TEC Memo at 46.

⁹ These four governorate capitals and their commute times are: Tatouine (1.875), Kebili (1.74), Kasserine (1.59), and Siliana (1.56). AR, Tab 8, TEC Memo. at 46.

Tab 8, TEC Memo. at 15, 46. Further, even if the agency were to consider the commute time from Pragma's proposed office locations to six of the nine governorates because they exceeded the 1.5 hours one-way commute benchmark only by a small or negligible amount of time and all [DELETED] of Pragma's proposed office locations, the protester's ability to provide adequate geographic coverage in the south is limited. In this regard, the agency's analysis shows that the one-way commute times to Tatouine (4.02), Mednine (3.90), and Gabes (2.07) exceeded the 1.5 hours by more than what the protester characterizes as "small or negligible" amounts of time and are located in the southern area of Tunisia. See AR, Tab 8, TEC Memo. at 20; see also COS at 10-11; Supp. Protest at 16a.

We also disagree with the protester that the agency applied a more relaxed standard to Chemonics's proposal than to Pragma's proposal. See Protester's Supp. Protest at 17-19; Protester's Supp. Comments at 15-16. In this regard, the protester argues that the agency assessed multiple strengths to Chemonics's proposal while assessing multiple weaknesses to Pragma's proposal.

Here, the record shows that the agency found the proposed establishment of regional offices by both offerors, rather than simply having a single office in Tunis or providing services from outside the country, to be positive attributes because both offerors would be able to "reach a more diverse range of beneficiaries." Compare AR, Tab 8, TEC Memo. at 15 with id. 41. We note that in its evaluation of Chemonics's proposal, the TEC states in part that by establishing [DELETED] offices in the interior, "businesses in all 24 governorates can be served within a two-hour drive." Id. at 41. We do not agree with the protester that this language reflects the agency's disparate treatment by applying a more lenient standard (two-hour drive) to Chemonics's proposal and a stricter standard (1.5 hour drive) to its own proposal. See also Protester's Supp. Protest at 17-19; Protester's Supp. Comments at 15-16. Rather, the record shows that the establishment of offices outside of Tunis was the basis for the agency's assessment of a strength to Chemonics's proposal.¹⁰ See AR, Tab 8, TEC Memo. at 15, 41.

Accordingly, on this record we do not agree with the protester that the different evaluation results between Pragma and Chemonics was due to unequal treatment. Rather, our review of the record shows that the different evaluation results stemmed from the differences between the offerors' proposals. The protester's arguments do not provide a basis to sustain the protest.

¹⁰ In this regard, we note that Pragma was assessed a strength while Chemonics was assessed a significant strength. Compare AR, Tab 8, TEC Memo. at 15 with id. at 41. The record shows that Chemonics's proposal was assessed a significant strength for the proposed establishment of regional offices and a credible, diversified approach to firm-level support. Id. at 41.

Cost Evaluation Factor

Pragma raises a number of arguments challenging the agency's cost evaluation. Supp. Protest at 40-51; Protester's Supp. Comments at 20-34. As with Pragma's other arguments, these contentions provide no basis to sustain the protest.

For example, the protester argues that the agency's cost realism evaluation was flawed because of the agency's "blanket refusal" to adjust Chemonics's labor, fringe, or subcontractor costs--which according to the protester accounted for approximately [DELETED] percent of Chemonics's total evaluated costs. See Supp. Protest at 43-45; Protester's Supp. Comments at 25-28, 34. In this regard, the protester points out that because Chemonics's labor costs were drastically lower than Pragma's, Chemonics's cost proposal should have been closely scrutinized in the cost realism analysis as it could have shown that Chemonics's labor costs were unrealistically low. Protester's Supp. Comments at 25, 34. The protester also argues that the agency found Chemonics's costs to be unreasonably high and despite this determination improperly awarded the contract to Chemonics. Supp. Protest at 45-47; Supp. Protest at 9-31, 34. In support of its argument, the protester points to statements made by the cost evaluation team with regard to Chemonics's proposed average daily rate for short-term expatriates that "it is unreasonable to estimate the average daily rate at [DELETED]." See AR, Cost Evaluation Memo. at 8.

When an agency evaluates a proposal for the award of a cost-reimbursement contract, an offeror's 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); Alphaport, Inc., supra, at 10-11; Bart & Assocs., Inc., B-407996.5 et al., Jan. 5, 2015, 2015 CPD ¶ 61 at 12; Wyle Labs., Inc., B-407784, Feb. 19, 2013, 2013 CPD ¶ 63 at 8. 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 proposed costs are reasonable and realistic in view of other cost information reasonably available to the agency as of the time of its evaluation. See SGT, Inc., B-294722.4, July 28, 2005, 2005 CPD ¶ 151 at 7. An agency's cost realism analysis requires the exercise of informed judgment, and we review an agency's judgment in this area only to see that the cost realism analysis was reasonably based and not arbitrary. Info. Ventures, Inc., B-297276.2 et al., Mar. 1, 2006, 2006 CPD ¶ 45 at 7.

On this record, the protester's arguments do not provide any basis to sustain the protest. Here, the record shows that the agency performed a detailed analysis of all the cost elements in Chemonics's proposed costs, including its labor, fringe, and subcontractor costs. See AR, Tab 9, Cost Evaluation Memo. at 7-29. Contrary to the protester's characterization of the agency's evaluation, the record does not reflect that the agency "arbitrarily refus[ed] to adjust costs," in those areas. Compare id. at 7-11, 17-27 with Protester's Supp. Comments at 25. For example, with regard to labor costs, the record shows that the agency reviewed the information submitted in Chemonics's proposal supporting proposed labor rates, compared it to applicable

agency guidance, and generally found that Chemonics's labor costs were fair and reasonable. AR, Tab 9, Cost Evaluation Memo. at 8-10.

Further, contrary to the protester's characterization, the agency did not conclude that Chemonics's costs--which were significantly lower than Pragma's costs--were unreasonably high. Id. at 8. Rather, the record shows that the agency was aware that Chemonics's proposal explained that the proposed rate for short-term expatriates was used for estimating purposes, but that "[i]t is customary for project implementation to [DELETED]" personnel." Id.

Selection Decision

Finally, Pragma argues that the source selection decision was flawed because it relied on a flawed evaluation. Supp. Protest at 51; Supp. Comments at 34. As discussed above, the record does not support the protester's challenges to the agency's evaluation. Accordingly, given that the agency's selection decision had a reasonable basis and was properly documented, and given that Pragma has not prevailed in any of its substantive challenges, we see no basis to disturb the selection decision here.

The protest is denied.

Thomas H. Armstrong
General Counsel