



**DOCUMENT FOR PUBLIC RELEASE**

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

## Decision

**Matter of:** CEdge Software Consultants, LLC

**File:** B-418128.7

**Date:** August 4, 2020

---

James Y. Boland, Esq., Michael T. Francel, Esq., and Caleb E. McCallum, Esq., Venable LLP, for the protester.

Colonel Patricia S. Weigman-Lenz, Captain Seiji Ohashi, and Alexis J. Bernstein, Esq., Department of the Air Force; and Robert J. Depke, Esq., and Kenneth M. Roth, Esq., United States Transportation Command, for the agencies.

Christopher Alwood, Esq., and Christina Sklarew, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

---

### DIGEST

Protest of agency's decision to cancel solicitation following GAO's decision sustaining a prior protest is denied where the record demonstrates that the agency's decision was reasonable.

---

### DECISION

CEdge Software Consultants, LLC (CEdge), a small business of Creve Coeur, Missouri, protests the cancellation of request for quotations (RFQ) No. HTC711-19-Q-D005, issued by the United States Transportation Command (USTRANSCOM) for enterprise information technology (IT) services support for the military surface deployment and distribution command (SDDC).<sup>1</sup> The protester contends that the agency's decision to cancel the RFQ lacks a reasonable basis and was a pretext to avoid having to reevaluate quotations and issue the task order to CEdge after our Office sustained its prior protest. *CEdge Software Consultants, LLC, B-418128.2 et al.*, Mar. 19, 2020, 2020 CPD ¶ 127.

---

<sup>1</sup> The Department of the Air Force is defending the protest on behalf of USTRANSCOM, one of eleven unified combatant commands within the Department of Defense (DOD). See 10 U.S.C. §§ 161-168. The mission of USTRANSCOM is to provide air, land, and sea transportation for the DOD, both in peace and wartime.

We deny the protest.

## BACKGROUND

On June 14, 2019, USTRANSCOM issued the RFQ under the General Services Administration's (GSA) 8(a) Streamlined Technology Acquisition Resources for Services (STARS) II governmentwide acquisition contract (GWAC). B-418128.2, Contracting Officer's Statement (COS) at 2. The RFQ contemplated the issuance of a task order on a best-value tradeoff basis to provide enterprise IT services support at Scott Air Force Base, Illinois, and SDDC activities worldwide. Agency Report (AR), Tab 3, RFQ at 2, 8.<sup>2</sup> Of relevance here, the RFQ contemplated a task order period of performance of just under 5 years, including all option periods.<sup>3</sup> RFQ at 2.

The RFQ provided that vendors would submit the technical capability section of their quotations via an oral presentation using Microsoft PowerPoint slides. RFQ at 4-5. The RFQ specified that, outside of a staffing matrix and the PowerPoint slides, written technical proposals would not be accepted. *Id.* at 5. Notably, the RFQ established that the agency would not record oral presentations. RFQ at 5.

On or before the July 10, 2019 closing date for initial quotations, the agency received timely quotations from five vendors, including the protester and TekSynap. B-418128.2, COS at 7; B-418128.2, AR, Tab 9, Source Selection Decision Document at 1. Following the evaluation of quotations, including oral presentations, the agency issued a task order to TekSynap. B-418128.2, COS at 7. CEdge then filed a protest with our Office on October 7, challenging various aspects of the agency's evaluation of quotations and source selection decision. *Id.* On October 23, the agency advised our Office that it intended to take corrective action, specifying that it intended to at a minimum, make a new source selection decision. *CEdge Software Consultants, LLC*, B-418128.1, Oct. 29, 2019 (unpublished decision). Due to the agency's intended corrective action, our Office dismissed that protest as academic. *Id.*

After the agency completed its corrective action and reissued the task order to TekSynap, CEdge filed a protest with our Office on December 11, again challenging various aspects of the agency's evaluation of quotations and source selection decision. During the course of this protest, CEdge discovered a potential violation of the

---

<sup>2</sup> Citations to the RFQ, unless otherwise noted, are to the conformed copy issued by the agency as amendment 4 on September 17, 2019. Citations to the record are to the numbered pages provided by the agency in its report, unless otherwise noted.

<sup>3</sup> The RFQ provided for a 2-week transition period, an 11-month base year, and four 1-year options, then scheduled from October 14, 2019, through September 30, 2024. RFQ at 2.

Procurement Integrity Act<sup>4</sup> (PIA), in documents submitted by the agency as part of the agency report. B-418128.6, Protest at 2. On February 19, 2020, CEdge notified the agency of the potential PIA violation and requested an investigation as required by Federal Acquisition Regulation (FAR) 3.104-7. B-418128.6, Protest, Exh. A, CEdge PIA Letter. On March 12, the agency concluded its PIA investigation, finding no violation, but did not inform CEdge until March 31. See B-418128.6, Protest, Exh. I, CEdge PIA Email at 2.

On March 19, 2020, our Office sustained CEdge's protest. *CEdge Software Consultants, LLC*, B-418128.2 *et al.*, Mar. 19, 2020, 2020 CPD ¶ 127. We sustained the protest on the basis that the agency had failed to demonstrate it had performed the qualitative assessment of the merits of the vendors' differing technical approaches to support its source selection decision, as was required by the RFQ. *Id.* at 8-10. Our decision included the following recommendation:

We recommend that USTRANSCOM reevaluate all vendors' technical quotations and prepare an evaluation record that adequately describes and documents the qualitative assessment of quotations against all source selection criteria in the solicitation. We further recommend that the agency make a new source selection decision after performing that reevaluation. Should the agency conclude that another firm should properly be issued the task order, we recommend that the agency terminate TekSynap's task order for the convenience of the government and issue the task order to that firm.

*Id.* at 10-11.

On April 6, the agency received notice from GSA that GSA would begin restricting the use of the 8(a) STARS II GWAC due to the limited remaining value of the contract ceiling. AR, Tab 15, Cancellation Memorandum at 3. Further, the agency notes that the 8(a) STARS II GWAC requires all performance to be completed by August 2024, and that, given the delay in commencing performance, this GWAC could no longer meet the agency's needs. *Id.* at 2.

On April 10, CEdge filed a protest with our Office challenging the adequacy of the agency's investigation of the alleged PIA violation and the agency's failure to disqualify TekSynap from the procurement. *CEdge Software Consultants, LLC*, B-418128.6,

---

<sup>4</sup> The procurement integrity provisions of the Office of Federal Procurement Policy Act, as amended, 41 U.S.C. §§ 2101-2107, known as the Procurement Integrity Act, provides, among other things, that a federal government official "shall not knowingly disclose contractor bid or proposal information or source selection information before the award of a Federal agency procurement contract to which the information relates." 41 U.S.C. § 2102(a)(1).

June 2, 2020 (unpublished decision). On April 27, the agency notified our Office that it had cancelled the RFQ. B-418128.6, Req. for Dismissal, at 1. Due to the cancelled solicitation, our Office dismissed the protest of the agency's actions with regard to the potential PIA violation as academic.<sup>5</sup> *CEdge Software Consultants, LLC*, B-418128.6, June 2, 2020 (unpublished decision).

On April 29, the protester filed the instant protest, alleging that the agency did not have a reasonable basis for its decision to cancel the RFQ and that the cancellation was a pretext to avoid following our Office's recommendation to reevaluate the quotations.<sup>6</sup> Protest at 8-14. After the protest was filed, on May 5, GSA notified the agency that the 8(a) STARS II GWAC contract ceiling had been reached. AR, Tab 19 GSA 8(a) STARS II Email, May 5, 2020. In response to a question from the USTRANSCOM contracting officer, GSA clarified that modifications which increased the overall value of the task order would not be allowed without prior approval from GSA. AR, Tab 20, GSA 8(a) STARS II Email, May 13, 2020 at 1.

## DISCUSSION

The protester contends that it was unreasonable for the agency to cancel the solicitation. CEdge asserts that the agency's decision to cancel the RFQ is a pretext to avoid reevaluating quotations and issuing a task order to the protester. Comments at 15. Additionally, the protester argues that the RFQ was cancelled only after CEdge challenged the sufficiency of the agency's PIA investigation, and that this provides further evidence of pretext. *Id.* at 16. In support of its arguments, CEdge challenges each of the reasons the agency used to justify its decision to cancel. Comments at 19-32.

A contracting agency must have a reasonable basis to support a decision to cancel an RFQ. *Progressive Servs. Corp.*, B-404183, B-404251.2, Jan. 11, 2011, 2011 CPD ¶ 18 at 2. A reasonable basis to cancel exists when, for example, an agency determines that a solicitation does not accurately reflect its needs. *MedVet Dev. LLC*, B-406530, June 18, 2012, 2012 CPD ¶ 196 at 2-3. So long as there is a reasonable basis for doing so, an agency may cancel a solicitation no matter when the information

---

<sup>5</sup> Our Office also dismissed the PIA protest as premature to the extent CEdge was challenging the agency's failure to disqualify TekSynap under a future solicitation for the requirement that the agency had yet to issue. *CEdge Software Consultants, LLC*, B-418128.6, June 2, 2020 (unpublished decision). Our decision noted that if the agency issued a new solicitation for this requirement, the protester could at that time file its protest of the agency's actions with regard to the potential PIA violation consistent with our regulations. *Id.* at 2.

<sup>6</sup> The value of the task order originally issued under the RFQ was \$43,855,910 and was issued under an indefinite-delivery, indefinite-quantity contract established by GSA. Accordingly, our Office has jurisdiction to consider CEdge's protest. 41 U.S.C. § 4106(f)(1)(B).

precipitating the cancellation first arises, even if it is not until offers (or, as here, quotations) have been submitted and evaluated. *A-Tek, Inc.*, B-286967, Mar. 22, 2001, 2001 CPD ¶ 57 at 2-3.

Where, as here, a protester has alleged that the agency's rationale for cancellation is but a pretext--*i.e.*, that the agency's actual motivation is to avoid awarding a contract on a competitive basis or to avoid resolving a protest--we will review the reasonableness of the agency's actions in canceling the acquisition. *Miller, Davis, Marter & Opper, P.C.*, B-242933.2, Aug. 8, 1991, 91-2 CPD ¶ 176 at 4. Even if it can be shown that pretext may have supplied at least part of the motivation to cancel the procurement, the reasonableness standard applicable to cancellation of a solicitation remains unchanged. *See, e.g., Lasmer Indus., Inc., B-400866.2 et al.*, Mar. 30, 2009, 2009 CPD ¶ 77 at 4.

Our review of the record finds no basis to sustain CEdge's protest. Here, the agency reasonably determined that the solicitation, as issued, no longer met its needs. The agency's rationale for the cancellation is set forth in a memorandum for the record signed by the contracting officer and head of contracting activity before this protest was filed. *See AR, Tab 15, Cancellation Memorandum.* In explaining the agency's rationale, the memorandum states:

The Government's requirement specified a 5-year period of performance (a base period with four options). 8(a) STARS II requires all performance to be completed by August 2024. The original performance start date of 1 October 2019 would have allowed the Government to receive 5 years of performance under 8(a) STARS II.<sup>7</sup> However, because of significant time lost due to the series of protests related to this acquisition, corrective action, and need for re-evaluation, 8(a) STARS II can no longer meet the Government's need.

*Id.* at 2. The agency further explained that were it to issue a new task order under the RFQ, the maximum period of performance would likely be for less than 4 years due to the need for new oral presentations or the revision of the solicitation to allow for written technical quotations. *Id.*

The agency also found that the 8(a) STARS II GWAC failed to meet its needs due to the fact that the contract had insufficient remaining value under its contract ceiling.<sup>8</sup> *Id.* at 3.

---

<sup>7</sup> Given the planned October 1, 2019 start date and an August 2024 deadline for completion of performance under the 8(a) STARS II GWAC, the maximum period of performance the task order could have achieved would have been 4 years and 11 months.

<sup>8</sup> As noted above, and after the cancellation memorandum was drafted, the agency received notice from GSA that the contract ceiling on the 8(a) STARS II GWAC had been reached. *See AR, Tab 19 GSA 8(a) STARS II Email, May 5, 2020.*

The agency explained that once the ceiling was reached, they would be unable to issue any modifications that increased funding on the task order. *Id.* The agency was also concerned that such funding limitations could further restrict the already shortened period of performance. *Id.*

We find the agency's stated rationale for canceling the solicitation to be reasonable. As noted above, we have consistently stated that a reasonable basis to cancel exists when the agency determines that a solicitation does not accurately reflect its needs. *MedVet Dev. LLC, supra*. More specifically, we have stated that the agency may reasonably cancel a solicitation when the agency requires a longer period of performance than provided for under the terms of the solicitation. *Abacus Technology Corporation, B-416390.5, May 7, 2019, 2019 CPD ¶ 172 at 5*. CEdge's arguments to the contrary provide no basis upon which to sustain the protest.<sup>9</sup>

CEdge alleges that the agency could have "easily" reevaluated the quotations in accordance with our Office's recommendations without requiring new oral presentations. Comments at 31-32. The fact that CEdge would prefer that the agency issue a task order under the cancelled solicitation, presumably to CEdge, does not provide a basis to question the cancellation. Even assuming for the sake of argument that CEdge's allegations were true, any resulting task order would have a period of performance of less than the already shortened 4-years-and-5-months.<sup>10</sup> The already shortened period could become even shorter should the procurement experience any evaluation or funding delays due to the reevaluation or the GWAC's contract ceiling. The agency has explained that it cancelled the solicitation in order to use an alternative procurement vehicle that would afford the agency the option for a longer period of performance. Accordingly, the speed at which a new award decision could be made pursuant to the current solicitation is not relevant. *Abacus Technology Corp., supra* at 9 n.11. We find the agency's decision to cancel the solicitation to be unobjectionable.

The protester does not meaningfully dispute that a different solicitation would allow the agency to achieve a longer period of performance; rather, it challenges the agency's decision to seek a longer period of performance as a pretext to avoid conducting a reevaluation and awarding a contract to CEdge. For example, CEdge argues that the agency's proffered rationale is unreasonable because the record demonstrates the agency was willing to move forward with a 4-year-and-5-month period of performance, had the prior protest not been sustained. Comments at 20; see *also* AR, Tab 21, Log of CO Communications with TekSynap at 1. CEdge argues that if the agency was actually

---

<sup>9</sup> Although our decision does not specifically address every argument raised by CEdge, we have considered all of its arguments and conclude that none provides a basis upon which to sustain a protest.

<sup>10</sup> The record demonstrates the agency was willing to move forward with a 4-year-and-5-month task order had the protest filed December 11 not been sustained. Comments at 20; see *also* AR, Tab 21, Log of CO Communications with TekSynap at 1.

concerned with a 5-year period of performance it would have either planned the procurement to account for potential protest delays or been unwilling to accept a 4-year-and-5-month performance period. Comments at 20.

We find these arguments unpersuasive.<sup>11</sup> As noted above, so long as there is a reasonable basis for doing so, an agency may cancel a solicitation no matter when the information precipitating the cancellation first arises. *A-Tek, Inc., supra* at 2-3. The fact that the agency might have accepted a 4-year-and-5-month period of performance before learning of the sustained protest and that the 8(a) STARS II GWAC contract ceiling had been reached does not bind the agency to accept ever shorter periods of performance in the face of new circumstances. Further, even if we were to assume that pretext supplied at least part of the motivation to cancel the procurement, which we do not, such pretext does not provide a basis to conclude that the cancellation was improper, where, as here, we find the cancellation to be otherwise justified. See *Lasmer Indus., Inc., supra* at 4.

The protest is denied.

Thomas H. Armstrong  
General Counsel

---

<sup>11</sup> We are also unpersuaded by the protester's arguments that the agency's actions were a pretext to avoid the PIA protest. As noted above, our Office dismissed the PIA protest in part as premature to the extent CEdge was challenging the agency's failure to disqualify TekSynap under a future solicitation for the requirement that the agency had yet to issue. *CEdge Software Consultants, LLC*, B-418128.6, June 2, 2020 (unpublished decision). Despite the agency's other actions in response to the potential PIA violation, CEdge cannot establish competitive prejudice in its PIA protest until the agency issues a new solicitation because it is not certain whether TekSynap will be disqualified from the procurement. Our decision noted that if the agency issued a new solicitation for this requirement, the protester could at that time file its protest of the agency's actions with regard to the potential PIA violation consistent with our regulations. *Id.* at 2. In short, the PIA protest has been at worst delayed, not avoided.