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Decision

Matter of: Madison Research Corporation

File: B-295716

Date: April 25, 2005

Thomas J. Madden, Esq., and Sharon A. Jenks, Esq., Venable LLP, and J. Andrew Watson, III, Esq., and Rosalind Greene, Esq., Balch & Bingham LLP, for the protester.
Mark Colley, Esq., and Kara Daniels, Esq., Holland & Knight LLP, and John J. Callahan, Esq., Richardson Callahan LLP, for COLSA Corporation, an intervenor.
Clarence D. Long, III, Esq., Michael J. O'Farrell, Jr., Esq., William Landsberg, Esq., and Lawrence Anderson, Esq., Department of the Air Force, for the agency.
Jonathan L. Kang, Esq., and Michael R. Golden, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging revision of awardee's past performance score is denied where agency reasonably explains basis for change to initial scoring.

2. Protest alleging "bait and switch" of awardee's proposed key personnel is denied where the record does not support allegation--the proposed individual was initially performing the work, but subsequently resigned.

3. Protest challenging evaluation of offerors' technical and cost proposals is denied where agency reasonably evaluated offerors' proposals.

DECISION

Madison Research Corporation (MRC) protests the award of a contract to COLSA Corporation under request for proposals (RFP) No. FA9200-05-R-0002, issued by the Department of the Air Force for the Technical and Acquisition Management Support (TAMS 3) contract at Eglin Air Force Base (AFB), Florida. The protester argues that the agency improperly revised COLSA's initial past performance rating and misevaluated offerors' technical and cost proposals, and that COLSA engaged in an improper "bait and switch" scheme by proposing an individual for a key personnel position who resigned after contract award.

We deny the protest.

BACKGROUND

The RFP was issued on June 10, 2004 and anticipated award of two cost-reimbursement (with cost-plus-award-fee line items) indefinite-delivery, indefinite-quantity contracts. The RFP sought proposals to provide assistance to the agency workforce in the research, development, acquisition, testing and maintenance of aircraft and munitions systems at Eglin AFB and other locations. The RFP was a small business set-aside, and the agency stated that it intended to award one contract to an offeror who was a participant in the Small Business Administration's 8(a) program, and a second, non-8(a) contract to either one of the remaining 8(a) offerors or a non-8(a) small business offeror. The base performance period for the contracts is 1 year, with four 1-year option periods.

The RFP stated that the agency would "select the best overall offeror(s), based on an integrated assessment of Past Performance, Mission Capability, Proposal Risk, and Price/Cost." RFP, at M-1, ¶ 1.1. The past performance factor was the most important, followed by mission capability and proposal risk, which were equally important, with price/cost the least important factor. Id. ¶ 2.1. The mission capability factor had six subfactors, listed in descending order of importance: overall TAMS management; workforce hiring, training and retention; access to information/organizational conflicts of interest (OCI); transition and facilities management; task orders; and cost management. Id.

Based on the final evaluation results, the source selection authority (SSA) selected Business Technologies and Solutions, Inc. (BTAS) for the 8(a) award, and COLSA for the non-8(a) award. After its debriefing, MRC protested the award to COLSA.

As relevant here, the agency's final evaluations of COLSA and MRC were as follows:[1]

	COLSA	MRC
Performance Confidence	High Confidence	High Confidence
Mission Capability		
Subfactor 1: Overall TAMS Management	Green / Low Risk	Green / Low Risk
Subfactor 2: Workforce	Blue / Low Risk	Green / Low Risk
Subfactor 3: OCI	Green / Low Risk	Green / Low Risk
Subfactor 4: Transition	Green / Low Risk	Green / Low Risk
Subfactor 5: Task Orders	Green / Low Risk	Green / Low Risk
Subfactor 6: Cost Management	Green / Low Risk	Green / Low Risk

[1] Proposal risk was evaluated based on each of the mission capability subfactors. RFP, at M-4, ¶ 2.1.3. Ratings for each evaluation factor were, in descending order of importance: past performance--high confidence, significant confidence, confidence, unknown confidence, little confidence, and no confidence; mission capability subfactors--blue, green, yellow, and red; and proposal risk--low, medium and high.

Total Evaluated Amount, Average	$111,030,357	[deleted]
Total Evaluated Amount, Maximum	$126,047,837	[deleted]

Agency Report (AR), Tab 33, Source Selection Decision (SSD), at 3-10, 12-13.

DISCUSSION

Evaluation of COLSA's Past Performance

MRC first argues that the agency unreasonably evaluated COLSA's past performance proposal. Specifically, MRC contends that the agency improperly elevated COLSA's score to "high confidence," the rating that MRC also received, from COLSA's initial rating by the performance risk assessment group (PRAG) of "significant confidence."

Offerors' past performance was evaluated on the basis of "present and past work record to assess the Government's confidence in the Offeror's ability/probability to successfully perform as proposed." RFP, at M-4, ¶ 2.2.1. Individual past performance references were scored by the agency for relevance and the quality of ratings received from contract references. The agency's internal evaluation criterion for a "high confidence" rating was: "Based on the offeror's performance record, essentially no doubt exists that the offeror will successfully perform the required effort." The criterion for "significant confidence" was: "Based on the offeror's performance record, little doubt exists that the offeror will successfully perform the required effort." AR, Tab 31, Final SSA Briefing, at 27.

In his SSD, the SSA explained that the PRAG initially rated COLSA's past performance as "significant confidence," but that this rating was revised after the PRAG discovered an unintentional bias in favor of MRC:

> [A]lthough the PRAG recommended a SIGNIFICANT CONFIDENCE assessment, based on the 'Very Relevant/Relevant' examples with EXCEPTIONAL and VERY GOOD performance, I have essentially no doubt that COLSA would successfully perform the required effort. During the final briefing to the SSAC, the PRAG stated that the only qualitative difference between the ratings for MRC and COLSA had been an unintended preference for incumbency and that the information/evaluation for COLSA warranted a HIGH CONFIDENCE rating. The PRAG and the [source selection advisory committee] concurred in revising the rating for COLSA to HIGH CONFIDENCE.

AR, Tab 33, SSD, at 10.

Consistent with this explanation, the contracting officer explains that "[t]he PRAG realized that they incorrectly applied the 'essentially no doubt' portion of the High Confidence Assessment definition to only an offeror who had previously done TAMS 2 work which was MRC." Contracting Officer's Statement ¶ 10.2.1. The PRAG chair further explains that, just prior to the final SSA briefing, she was told by an advisor to the SSA that the PRAG should be prepared to explain the difference between MRC's and COLSA's past performance ratings. Declaration of PRAG Chair, at 1. Based on a subsequent side-by-side comparison of MRC's and COLSA's past performance, the PRAG determined that COLSA's ratings were sufficiently similar to MRC's that an equal "high confidence" rating was warranted. Id.

MRC argues that the revision of the PRAG's initial rating of COLSA's past performance is not documented, and the agency's subsequent explanation for the change is not supported by the contemporaneous record. However, we believe the SSA, in the SSD itself, reasonably explains the change in COLSA's evaluation, and the agency's explanations are consistent with the contemporaneous record. We conclude that the agency reasonably evaluated the offerors' past performance proposals, and that the agency's upward revision of COLSA's past performance rating was also reasonable.[2]

Evaluation of TAMS Management Subfactor

MRC next argues that the agency improperly evaluated MRC's and COLSA's proposals under the TAMS management subfactor of the mission capability evaluation factor. Both offerors' proposals were evaluated as "green" for this subfactor. The TAMS Management subfactor required offerors to demonstrate the "ability to manage a workforce capable of providing required services in accordance with the statement of work and to manage the workload and workforce. . . . [and the] ability to manage its business operations, security, human resources, and other functions." RFP, at M-6, ¶ 2.3.1.

In reviewing a procuring agency's evaluation of an offeror's technical proposal, our role is limited to ensuring that the evaluation was reasonable and consistent with the terms of the solicitation and applicable statutes and regulations. Urban-Meridian Joint Venture, B-287168, B-287168.2, May 7, 2001, 2001 CPD ¶ 91 at 2. Our Office will not question an agency's evaluation judgments absent evidence that those judgments

[2] MRC also contends that COLSA's past performance ratings do not merit a high confidence rating. The evaluation of an offeror's past performance, including the agency's determination of the relevance and scope of performance history to be considered, is a matter of agency discretion, which we will not find improper unless unreasonable, inconsistent with the solicitation criteria, or undocumented. Family Entm't Servs., Inc., d/b/a/ IMC, B-291997.4, June 10, 2004, 2004 CPD ¶ 128 at 5. Although MRC suggests several ways in which the past performance information could be construed so as to quantify its past performance ratings as higher than COLSA's, we believe that the agency reasonably reviewed the offerors' information and concluded that both merited "high confidence" ratings.

were unreasonable or contrary to the stated evaluation criteria. Kay & Assocs., Inc., B-291269, Dec. 11, 2002, 2003 CPD ¶ 12 at 4.

MRC first protests that COLSA engaged in an improper "bait and switch" scheme by proposing a project manager who later withdrew from participation in that role for COLSA. For the key personnel criterion of the TAMS management subfactor, the RFP required offerors to provide information for up to three key personnel.[3] RFP at L-13, ¶ 1.3.3.1.

COLSA proposed as its program manager an individual who had previously served as the program manager for Anstec, Inc./Keene, Inc. on the TAMS 1 contract. AR, Tab 12, COLSA Proposal, Vol. 2, at 16-17. COLSA entered into a consulting agreement with its proposed program manager to assist in preparing its TAMS 3 proposal, and states that it had an oral agreement that this individual would serve as the TAMS 3 project manager in the event that COLSA was selected for award. Decl. of COLSA Proposed Program Manager ¶¶ 3, 5; Decl. of COLSA Proposal and Transition Team Manager ¶¶ 2-3, exh. 2. Upon notice of its award of the TAMS 3 contract, COLSA and its proposed program manager executed a formal, written contract. Decl. of COLSA Proposed Program Manager ¶ 6; Decl. of COLSA Proposal and Transition Team Manager ¶ 6, exh. 3. During the transition period, however, COLSA was advised by the agency that certain members of the TAMS 2 incumbent workforce had expressed reluctance to work for COLSA's proposed program manager, and that this reluctance was contributing to a slower than anticipated transition. Decl. of COLSA Proposal/Transition Team Manager ¶ 10; First Decl. of Contracting Officer at 1-2. After COLSA discussed this issue with its proposed program manager, they agreed that additional efforts would be required to overcome the apparent transition problems. Decl. of COLSA Proposed Program Manager ¶¶ 8; Decl. of COLSA Proposal and Transition Team Manager ¶¶ 11. The proposed program manager concluded that the difficulties in the transition, along with his determination that full-time work as the project manager involved more time than he had anticipated, warranted his resignation. Decl. of COLSA Proposed Program Manager ¶ 8; Decl. of COLSA Proposal and Transition Team Manager, exh. 4.

An offeror may not propose to use specific personnel that it does not expect to use during contract performance, as doing so would have an adverse effect on the integrity of the competitive procurement system and generally provides a basis for proposal rejection. AdapTech Gen. Scientific, LLC, B-293867, June 4, 2004, 2004 CPD ¶ 126 at 5. The elements of such an impermissible "bait and switch" are as follows: (1) the awardee represented in its proposal that it would rely on specified personnel in performing the services; (2) the agency relied on this representation in evaluating

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[3] The RFP did not require offerors to provide letters of intent or other certifications for key personnel, and the contractor is not required to obtain the agency's consent for substitutions of key personnel.

the proposal; and (3) it was foreseeable that the individuals named in the proposal would not be available to perform the contract work. Ann Riley & Assoc., Ltd.--Recon., B-271741.3, Mar. 10, 1997, 97-1 CPD ¶ 122 at 2-3.

The parties here do not dispute the first two elements of the "bait and switch" test, but instead dispute whether the facts establish the third element of foreseeability. Although MRC contends that the record indicates that COLSA knew or should have known that its proposed program manager would not be available to perform the work, and offers speculation as to COLSA's knowledge or intentions, we do not believe that the record supports MRC's allegations. In fact, the record shows that COLSA executed a written contract with its proposed program manager, that the individual began performance of the transition effort, and that he was working for the awardee at the time of his departure. COLSA has reasonably explained the details of its dealings with the individual in question and his subsequent departure from the project, none of which suggests that COLSA did not intend for him to perform as proposed. Thus, this aspect of the protest is without merit.

MRC next argues that COLSA's proposal should have been downgraded under the TAMS management subfactor because the agency failed to consider negative past performance information regarding COLSA's proposed program manager. MRC alleges that the individual supervised the TAMS 1 contract at a time when the TAMS 1 contractor experienced a $2 million cost overrun. The agency states that it was unaware of this information at the time it evaluated COLSA's proposal. Second Decl. of Contracting Officer at 1; Second Decl. of Agency Mission Capability Subfactor Lead at 1. Subsequent to the filing of the protest, the agency reviewed the record from the TAMS 1 contract, which disclosed a $2.2 million overrun in indirect costs during the first years of the TAMS 1 contract. Supplemental Memorandum of Law, Mar. 21, 2005, at 4. MRC contends that this information was "too close at hand" for the agency to ignore, citing our decisions that hold that certain information known to an agency in the evaluation of past performance cannot be ignored. Thus, MRC argues, the agency's failure to seek out this information was unreasonable.

The facts here regarding COLSA's proposed program manager are distinguishable from those in our decisions articulating the "too close at hand" principle. In both G. Marine Diesel, B-232619.3, Aug. 3, 1989, 89-2 CPD ¶ 101, and International Bus. Sys., Inc., B-275554, Mar. 3, 1997, 97-1 CPD ¶ 114, we addressed situations where an agency failed to include in its evaluation past performance information that was specifically known to the agency. In particular, the G. Marine Diesel decision dealt with a contracting officer's failure to consider information, personally known to the contracting officer based on a prior protest, that the awardee's performance on a predecessor contract had been deficient; the International Bus. Sys. decision dealt with a contracting officer's failure to credit an offeror with a past performance reference for a contract with which the contracting officer had been personally involved.

In contrast, here, the agency states that, although the same contracting office was responsible for the TAMS 1 contract, contracting officials responsible for the TAMS 3 contract were not personally aware of the cost overruns. Furthermore, the TAMS 1 contract was more remote in time than other decisions where we have held that the agency unreasonably ignored past performance information--here, the cost overruns in the TAMS 1 contract date back to the mid-1990s.[4] Also, although the agency's evaluation of COLSA cited experience listed in its proposed program manager's resumé relating to the TAMS 1 contract, we think that the experience of one individual is distinguishable from information that pertains to an offeror's overall past performance evaluation. Our Office has not extended the "close at hand" principle to apply to every case where an agency might conceivably find additional information regarding an offeror's proposal. See U.S. Facilities, Inc., B-293029, B-293029.2, Jan. 16, 2004, 2004 CPD ¶ 17 at 12. In sum, we do not believe that this information falls within the category of data that is deemed "too close at hand" for the agency to ignore, especially where, as here, the information is nearly 10 years old.[5]

Finally, MRC argues that its proposal should have received a higher rating under the TAMS management subfactor because it proposed [deleted] key personnel for the same roles they were performing under the TAMS 2 contract. Although the agency evaluators listed some positive remarks regarding both MRC's and COLSA's proposed project managers, they did not assign a specific strength for MRC's key personnel because they apparently did not believe that the proposed personnel's experience under the prior contract merited a higher evaluation rating. AR, Tab 31, Final SSA Briefing, at 66, 79. To the extent MRC believes it should have received

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[4] In contrast, the RFP stated that offerors would be evaluated on the basis of past performance dating back to June 28, 2001. RFP, at L-10, ¶ 1.2.3.

[5] Additionally, the information reported by the agency suggests that the indirect cost overrun was beyond the control of its proposed program manager: "TAMS 1 file documentation discloses that [the individual's] employer acknowledged full corporate responsibility for underestimating indirect rates and attributed the cost issues to factors beyond [his] control." Second Decl. of Contracting Office at 1. Furthermore, during the last 3 years of the TAMS 1 contract, the company received high award fee ratings and the agency commended the individual at the close of the contract in December 1997: "We are especially pleased with [the individual's] performance and would like to suggest that you reward him for his excellent management of the contract for the last two years." Decl. of COLSA Proposal and Transition Team Manager, exh. 1, at 1-2. Although the agency states it did not consider either the cost overrun or the mitigating information during evaluations, we believe that this information tends to minimize any potential prejudice to MRC in any case.

credit for proposing key personnel who were on its incumbent staff, its disagreement provides no basis to challenge the evaluation. Blue Rock Structures, Inc., B-287960.2, B-287960.3, Oct. 10, 2001, 2001 CPD ¶ 184.

Evaluation Under Hiring, Training and Retention Subfactor

MRC next challenges the agency's evaluation of offerors' proposals under the mission capability subfactor, for workforce hiring, training and retention. This subfactor required offerors to "demonstrate the ability to hire, train and retain a qualified and capable workforce that can accommodate the entire scope of the effort in accordance with the Statement of Work." RFP, at M-8, ¶ 2.3.2. COLSA's proposal was rated as "blue" with low proposal risk for this subfactor, whereas MRC's was rated "green" with low proposal risk. The SSD concluded that "MRC's plan for recruiting and hiring was somewhat less detailed and not as complete and in-depth as those of COLSA, BTAS, and [another offeror]." AR, Tab 33, SSD, at 5.

MRC first argues that COLSA's proposal was unfairly evaluated as having exceeded the RFP requirement for the compensation plan, which required offerors to demonstrate "that its employee compensation plan (e.g. salary, benefits, etc.) for each labor category/skill level is complete, commensurate with geographic salary and benefit plans for the skills required for the TAMS 3 effort, [and] poses minimum disruption of the existing TAMS workforce." Id. The agency's internal evaluation criteria stated that "[f]or an offeror to exceed the requirement, their proposed salaries must have exceeded the maximum current estimated salary." AR, Tab 22, COLSA Evaluation Summary, MC-2, at 8. MRC thus argues that in order to receive an "exceeds requirements" rating, COLSA was required to propose more than the current TAMS 2 salary levels.

The agency did not state whether COLSA's proposed salaries exceeded the maximum estimated salaries, but nonetheless found that COLSA's proposal "exceeds the requirements" for the compensation criterion. In the SSD, the SSA stated that COLSA "overall was exceptionally strong relative to the other offerors regarding their demonstration of the abilities to recruit, hire, train and provide for long-term retention of qualified employees." AR, Tab 33, SSD, at 4. Specifically, the SSA identified strengths in COLSA's proposal to: [deleted].[6] AR, Tab 33, SSD, at 4.

Although the agency's internal evaluation criteria set forth a requirement that offerors' proposed salaries must exceed those currently paid to TAMS 2 employees

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[6] MRC contends that the utility of [deleted] may be somewhat limited by certain [deleted] and that COLSA's proposed [deleted] is not a sufficiently well-defined feature. We conclude that the agency reasonably evaluated these proposed features, and MRC's disagreement as to their value provides no basis to overturn the agency's evaluation.

in order to qualify for an "exceeds" rating, this requirement was not part of the RFP's evaluation scheme. Requirements stated in internal agency source selection plans or criteria that are not disclosed to offerors do not give outside parties, such as offerors, any rights. Wilson 5 Serv. Co., Inc., B-285343.2, B-285343.3, Oct. 10, 2000, 2000 CPD ¶ 157 at 3-4; Mandex, Inc.; Tero Tek Int'l, Inc., B-241759 et al., Mar. 5, 1991, 91-1 CPD ¶ 244 at 7. The agency's departure from this internal evaluation criterion thus provides no basis for a protest. We find, therefore, that the agency applied the RFP criteria as stated, concluding that COLSA met the requirements for proposing to pay at least the TAMS 2 salaries, and that additional benefits warranted the "exceeds" rating for the compensation criterion. AR, Tab 22, COLSA Evaluation Summary, MC-2, at 2-3.

Similarly, MRC argues that the agency improperly determined that its own proposal "meets" instead of "exceeds" the compensation requirements because, MRC contends, differences in MRC's and COLSA's proposed fringe benefits rates demonstrate that MRC's proposed salaries must be higher than COLSA's. As stated above, to the extent MRC's complaint relies on the agency's internal evaluation criteria regarding salaries to dispute the agency's evaluation of offerors' compensation plans, it provides no basis of protest. In any event, such a comparison of fringe benefits rates does not clearly demonstrate that MRC's salaries are in fact higher.[7] We find, as discussed above, based on the proposals submitted, that the agency reasonably determined that COLSA's proposal provided additional strengths that the agency determined exceeded the requirements for the compensation plan.[8]

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[7] The protester and agency agree that a comparison of actual proposed salaries or aggregate sums of direct labor is inappropriate, because, consistent with the RFP, each offeror identified its direct labor amounts and indirect rates based on its own calculation of the number of full-time equivalent (FTE) positions that represents the amount of work the offeror believed it would win through subsequent task orders. Supplemental Memorandum of Law, Mar. 4, 2005, at 3-4; Protester's Supplemental Comments, Mar. 14, 2005, at 16. MRC contends a comparison of the offerors' fringe benefits rates demonstrates that MRC's salaries must be higher. In its comments, for the first time, MRC proposes a method of calculating the offerors' fringe rates, which MRC contends shows that MRC's proposed rate is higher than COLSA's. In performing its calculations of the proposed fringe benefits rates, however, MRC makes deductions from COLSA's proposed fringe benefit costs for training that MRC contends should be excluded. Without this deduction, the rates of the two offerors are [deleted].

[8] MRC also argued in its protest that differences between specific elements of MRC's and COLSA's benefits plans show MRC's superior benefits and compensation. However, much of the data relied upon by MRC in its own comparisons are inapt because of the differences in FTE positions proposed by MRC and COSLA. Furthermore, much of the data relied upon by MRC in its protest were not provided in the offerors' proposals, but were rather gleaned by MRC from second and third-

(continued...)

In sum, it is clear that the agency considered the various features of MRC's proposed compensation plan, and MRC's disagreement with the agency's determination that its proposal did not warrant a "blue" rating does not render the agency's evaluation unreasonable.[9] Kathryn Huddleston & Assocs., Ltd., B-294035, July 30, 2004, 2004 CPD ¶ 142 at 2.

Evaluation of Transition and Facilities Management Subfactor

MRC argues that it was not given credit under the transition and facilities management subfactor for its transition experience under the TAMS 2 contract. The agency contends that this RFP subfactor did not anticipate evaluation of an offeror's experience in successfully transitioning efforts under a predecessor TAMS contract. Instead, the agency argues, offerors' proposed transition plans were the appropriate focus for the evaluation, and MRC therefore was not entitled to additional credit for its experience.

We agree with the agency. The subfactor evaluation criteria clearly focused on offerors' proposals to successfully complete the required transition activities and did not explicitly mention experience or success as a TAMS contractor as a factor for evaluation. RFP, at M-9, ¶ 2.3.4. Thus, the agency was not required to consider MRC's transition experience under this subfactor.[10]

(...continued)
hand sources. First Decl. of MRC Chief Financial Officer ¶ 8; Second Decl. of MRC Chief Financial Officer ¶¶ 2-3. Thus, MRC's proposed comparison of individual benefits does not provide a reasonable basis for distinguishing MRC's and COLSA's compensation plans or disagreeing with the agency's evaluations.

[9] MRC also contends that it was not given sufficient credit for several other features that it argues were commensurate with those proposed by COLSA, such as MRC's [deleted]. MRC also argues that because it already employed 70 percent of the incumbent staff, its proposal risk was necessarily lower than COLSA's, thereby precluding equal ratings of "low risk" for COLSA. We have reviewed the record on all of the issues raised by MRC and find no basis to dispute the agency's evaluation of the proposals on these grounds. In each case, the agency has either reasonably identified distinctions between the proposals, or MRC has failed to demonstrate that the agency unreasonably failed to recognize features of its proposal or treated it unequally to other offerors.

[10] MRC contends that it should have been credited with its experience in the TAMS 1 transition for the transition subfactor, just as the agency credited COLSA with the experience of its proposed program manager under the workforce hiring, training and retention subfactor. However, the workforce subfactor specifically stated that offerors would be evaluated on the experience of key personnel.

Evaluation of the Cost Management Subfactor

MRC next argues that its proposal was unequally evaluated under the cost management subfactor as compared to BTAS, the 8(a) awardee, and another non-awardee. MRC argues in each case that strengths and strong points credited to BTAS and the non-awardee were also offered in its own proposal, and that therefore MRC should have received a "blue" instead of a "green" rating for this subfactor.

The agency determined that BTAS's proposal warranted a "blue" rating under this subfactor based on its proposal to "allow the Government [deleted]." AR, Tab 33, SSD, at 9. MRC's proposal received a strength for "offer[ing] [deleted]." AR, Tab 33, SSD, at 9. MRC does not contend that it proposed [deleted] but, rather, argues that [deleted] and that BTAS's proposal offers no more than this feature.[11]

BTAS's proposal in fact demonstrates that it will allow the government [deleted]. AR, BTAS Proposal, Vol. 2, at 75.

Although MRC argues that this language does not demonstrate that BTAS will allow the government [deleted], the reference to [deleted] reasonably appears to encompass such a feature.[12] Based on BTAS's proposal, the agency's evaluation specifically credited BTAS with [deleted]. AR, Tab 32, Proposal Analysis Report (PAR), at 265. In our view, the agency reasonably identified this strength in BTAS's proposal, one not offered by MRC, and there is thus no basis to challenge BTAS's higher rating under the cost management subfactor.

MRC also contends that it was unequally evaluated as compared to a non-awardee offeror under the cost management proposal risk evaluation. Although MRC's and the other non-awardee's proposal both received the same ratings of "green" with low proposal risk, the other non-awardee's proposal received a "strong point" under the risk evaluation for "their plan to [deleted]."[13] AR, Tab 33, SSD, at 9. MRC contends that it also offered to [deleted] costs, and that there was no meaningful basis to distinguish between the two proposals in a way that warranted the non-awardee's proposal receiving a strong point under the risk evaluation.

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[11] Offerors were required to track individual task and subtask costs and provide reports regarding actual and projected expenses. RFP, Statement of Work (SOW), ¶ 1.8.2.4. The strength credited to BTAS and MRC was based on the ability of the agency to [deleted].

[12] This understanding is further supported by the declaration of the BTAS TAMS program manager: [deleted]. Decl. of BTAS Program Manager at 1.

[13] A "strong point" is a proposal element that is less valuable than a "strength."

MRC proposed to manage costs by [deleted]. AR, Tab 13, MRC Proposal Vol. 2, at 54-55, 71-72. In contrast, the agency determined that the non-awardee's proposal had a "strong point" based on its proposal to "[deleted]." AR, Tab 32, PAR, at 199. The agency determined that the non-awardee's proposal "reflected increased credibility of their management system(s) reducing the potential for schedule, cost and performance degradation." Id.

We conclude that the agency considered both offerors' proposed cost savings measures, but reasonably distinguished between the non-awardee's and MRC's proposals. The offerors' proposed cost management areas are not identical, and MRC does not demonstrate that it was unreasonable for the agency to value the non-awardee's proposed savings [deleted] more than its own.

Source Selection Decision

Finally, MRC argues that the source selection decision focused improperly on the difference between MRC's and COLSA's costs.[14] The RFP advised offerors that their costs would be evaluated on the basis of both their proposed average and maximum fully burdened labor rates. RFP, at M-11, ¶ 2.5.b. MRC does not dispute that COLSA's proposed costs were lower when using both the average and maximum rates, but contends that the agency improperly placed too much emphasis on the greater difference between the offerors' costs when using the maximum rates. In evaluating these costs, the SSA found that:

> COLSA was the lowest priced offeror. Although the difference in evaluated cost was small at the average fully burdened labor rates, the difference was significant at the maximum rates. While this "significant" difference is ameliorated by MRC's excellent past performance in managing its average rates with significant latitude in its maximum rates, the fact remains that COLSA is lower.

AR, Tab 33, SSD, at 16.

The SSA clearly considered the fact that both the average and maximum rate evaluations favored COLSA. Although the SSA noted that there was a larger difference in the maximum rates, the SSA specifically found that this difference was "mitigated," i.e. its importance diminished, by MRC's demonstrated experience in managing costs. While noting both the differences and mitigating factors, the SSA

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[14] MRC also challenges the source selection decision based on the alleged errors in the technical and cost proposals discussed above. Because we conclude that the agency's evaluation of the offerors' proposals was reasonable, there is no basis to challenge the source selection decision.

concluded COLSA's proposed costs was lower. We find that the agency's conclusions were reasonable and did not place undue emphasis on any aspect of the offerors' proposed costs.

The protest is denied.

Anthony H. Gamboa
General Counsel