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**Comptroller General
of the United States**

**United States Government Accountability Office
Washington, DC 20548**

Decision

Matter of: S4, Inc.

File: B-310794

Date: February 12, 2008

John Goss for the protester.

Raymond LaBenne for CLR Group Ltd., an intervenor.

Maj. John G. Terra, Department of the Air Force, for the agency.

Jacqueline Maeder, Esq., and John M. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that agency improperly issued task order to vendor quoting higher price than protester's is denied where evaluation was on "best value" basis and record shows agency considered relative strengths of vendors' quotations in finding that technical superiority of successful vendor's quotation outweighed protester's lower price.

DECISION

S4, Inc. protests the issuance of a task order to CLR Group Ltd. under request for quotations (RFQ) No. FA4452-07-Q-A088, issued by the Department of the Air Force for information technology (IT) and related services in support of Air Mobility Command's (AMC) global air mobility missions. S4 asserts that the selection determination was flawed and inadequately documented.¹

We deny the protest.

The RFQ, issued on September 20, 2007 as a small business set-aside to holders of General Services Administration Federal Supply Schedule (FSS) contracts for IT services, provided for the issuance of a time-and-materials, labor-hour type task order for a base year with two option years for a broad array of IT services. A task

¹ The protester was not represented by counsel who could be admitted to a protective order, and therefore did not have access to source selection sensitive and proprietary information. Accordingly, our discussion in this decision is necessarily general. Our conclusions, however, are based on our review of the entire record.

order was to be issued to the vendor whose quotation was evaluated as the “best value” to the government, considering technical evaluation factors--past performance and mission capability (comprised of two subfactors--staffing and technical approach) and price. RFQ at 2; attach. 2, at 1. The technical factors were of equal importance and the subfactors under mission capability were of equal importance. Past performance and mission capability, combined, were significantly more important than price. RFQ, attach. 2, at 1.

The evaluation under the mission capability factor (representing the evaluators’ views as to the vendor’s ability to meet performance or capability requirements) was expressed with color/adjectival ratings--blue/exceptional, green/acceptable, yellow/marginal, and red/unacceptable. Risk (high, moderate, or low) associated with a vendor’s proposed approach, weaknesses in the proposed approach, and weaknesses in the quotation itself was assessed under the mission capability subfactors. Past performance was rated in terms of relevance--very relevant, relevant, somewhat relevant, and not relevant, *id.* at 1-3--and the past performance evaluation was expressed in terms of confidence (high, significant, satisfactory, unknown, little, and no), representing the evaluators’ assessment of the probability of successful performance.

Four quotations, including S4’s and CLR’s, were received and evaluated.² On October 12, initial evaluation notices were issued, along with a request for revised quotations. Revised quotations were received by October 15. Agency Report (AR), Tab 12, Final Best Value Determination, at 5. S4’s quotation, low priced at \$5,679,076.02, was found to have two strengths and no deficiencies, and was rated green/acceptable/low risk under the staffing subfactor, blue/exceptional/low risk under the technical subfactor, and very relevant/significant confidence under past performance. CLR’s quotation, priced at \$6,035,372.20, was found to have five strengths and no deficiencies, and was rated identically to S4’s--green/acceptable/low risk for staffing, blue/exceptional/low risk for technical, and very relevant/significant confidence for past performance.

The source selection authority (SSA) considered the relative strengths and benefits of the two quotations, and determined that CLR’s quotation was sufficiently technically superior to S4’s that it was the best value, notwithstanding its higher price. The agency thus issued a task order to CLR.

Noting that “the solicitation did not specify that if technical quotations were rated equal, consideration would also be given to (the) number of strengths,” S4 asserts that, given that its and CLR’s quotations received the same evaluation ratings, selection of CLR at a higher price could not be the best value, consistent with the

² Both S4 and CLR elected to team with other FSS contractors; S4 teamed with two other firms, and CLR teamed with three other firms.

solicitation. Protester's Comments at 1. S4 also maintains that the agency unreasonably determined that CLR's additional three strengths were more valuable than S4's low price. Id.

Where, as here, a solicitation provides that a task order will be issued to the vendor whose quotation is determined to be the best value, considering price and other factors, the agency retains the discretion to select a vendor with a technically superior evaluation, despite a higher price, so long as the tradeoff is properly justified and otherwise consistent with the stated evaluation and source selection scheme. See Midwest Metals, Inc., B-299805, July 17, 2007, 2007 CPD ¶ 131; University of Kansas Med. Ctr., B-278400, Jan. 26, 1998, 98-1 CPD ¶ 120 at 6. In making such a tradeoff decision, ratings, be they numerical, color, or adjectival, are merely guides for intelligent decision making in the procurement process; they do not mandate selection of a particular quotation. KPMG Consulting LLP, B-290716, B-290716.2, Sept. 23, 2002, 2002 CPD ¶ 196 at 13.

The evaluation and source selection here were unobjectionable. First, while the RFQ did not specifically provide that the number of strengths a quotation received in the evaluation would be considered in the selection decision, it is implicit in any best value evaluation that the SSA will consider the merits of the submissions in selecting the one that represents the best value. In doing so, as noted, SSAs are not bound to adopt evaluators' adjectival or color ratings--which are only advisory in nature--as the single measure of a submission's merit; rather, they properly may further evaluate the submissions and determine that certain features of one make it a better value than another. See KPMG Consulting LLP, supra.³

In making the selection decision here, the SSA reviewed the full technical evaluation record, including the strengths cited by the evaluators for each quotation and the resulting color/adjectival ratings, past performance ratings and cost evaluation results. The SSA was aware that the two quotations received identical ratings, but she then conducted her own assessment of the evaluators' conclusions and, in her two-page narrative review of each quotation, commented on the benefits of each quotation's identified technical strengths. For example, the SSA found that one of S4's two strengths was significant because it meant no "spin-up" time would be required. She found the second strength to be of "some value," but not as significant, because the "same results could be achieved" with other methods. AR, Final Best Value Determination, at 5. In her similar analysis of the five strengths associated

³ The protester asserts that it did not consider revising portions of its quotation to identify additional strengths because it had already received the highest rating; S4 was advised of its ratings in the October 26 request for revised quotations. In a best value procurement, however, since adjectival and other ratings are only advisory, a vendor makes competitive judgments based on those ratings at its own risk.

with CLR's quotation, the SSA found that all five strengths were significant. For example, she noted that one process proposed by CRL was "unique" and "extremely valuable" because it reduced the managers' workload and helped integrate and synchronize data. Another CRL approach, the SSA found, would enhance the agency's efforts to build enterprise services, and enhance interoperability with a specified database. In conclusion, the SSA expressly stated that, while S4 team's approach provided "some benefit" to the Air Force, the "CLR team's technical approach is far more valuable to the government, especially in terms of supporting overall program goals and future integration efforts." Id. at 15. It was on the basis of the SSA's judgment as to the two quotations' strengths that she determined that CLR's quotation was the best value and selected it despite its higher price.

We conclude that the selection decision reflects an appropriate comparison of the merits of the S4 and CLR quotations, and a reasonable determination to select a higher-priced quotation because of its greater technical merit. Accordingly, we have no basis to object to the selection decision.

The protest is denied.

Gary L. Kepplinger
General Counsel