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Decision

Matter of: gMg Management, Inc.

File: B-409628.2

Date: July 8, 2014

John Manfredonia, Esq., Manfredonia Law Offices, LLC, for the protester.
Krishon Gill-Edmond, Esq., Department of Veterans Affairs, for the agency.
Lois Hanshaw, Esq., and Sharon L. Larkin, Esq., Office of the General Counsel,
GAO, participated in the preparation of the decision.

DIGEST

Protest that agency's rejection of protester's proposal for failure to provide proposed rates for required labor categories is denied where the record shows that the agency's actions were consistent with the solicitation which required offerors to propose rates for the labor categories.

DECISION

gMg Management, Inc. (gMg) of Martinsburg, West Virginia, protests the decision of the Department of Veterans Affairs (VA) to exclude the firm's proposal from consideration under request for proposals (RFP) No. VA119A-13-R-0210 for general management and business support services. gMg argues that the agency improperly rejected the firm's proposal because of omitted pricing information.

We deny the protest.

The RFP, which was set aside for veteran-owned small business concerns, provided for the award of multiple indefinite-delivery/indefinite-quantity (ID/IQ) contracts with an ordering period of five years. RFP at 1, 8. The RFP required that each offeror's proposal consist of five volumes: (1) technical capability; (2) performance risk; (3) staffing plan; (4) price; and (5) SF 1449, amendments and other documents.¹ Id. at 66.

¹ Awards were to be made on a best-value basis considering technical capability, performance risk, staffing plan, and price. The first two factors were equally
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As relevant to price, the amended RFP required each offeror to complete a pricing spreadsheet, which was an excel workbook comprised of multiple tabs for the service groups contemplated by the Performance Work Statement. RFP at 8, 69; RFP amend. A00002, at 64-103. Each tab contained a list of labor categories; for each category, offerors were to identify their proposed hourly rate, fringe benefits, fully-burdened hourly rate, and the total of the hourly rate plus fringe benefits.² Id. At the bottom of each spreadsheet were cells requiring the sum total of all fully-burdened hourly rates. RFP amend. A00002, at 23. The RFP also advised offerors not to alter the information in the pricing spreadsheet other than to enter proposed rates and to provide details sufficient to permit an adequate basis for evaluation. RFP at 67, 69.

The RFP advised that offers would be evaluated strictly in accordance with written content. Id. at 74. The RFP stated that price, through the pricing spreadsheet, would be evaluated for completeness and accuracy; and that proposed hourly and fully-burdened rates for SCA and non-SCA labor categories would be evaluated for price realism and price reasonableness, respectively. Id. at 75. The Government reserved the right to award with or without discussions based upon the initial evaluation of proposals. Id. at 74.

As relevant to price, gMg submitted the pricing spreadsheet in a “printer friendly” Acrobat PDF hard copy, “inadvertently lost” the total cells from each tab, and included proposed rates only for the labor categories subject to the SCA. Protest at 4-5; AR, Tab 8, gMg Proposal, at 1-40; RFP at 62. gMg left blank all non-SCA labor categories in each proposed tab. AR, Tab 8, gMg Proposal, at 1-40.

On April 2, the agency notified gMg that its proposal had been excluded from further consideration because it did not include the version of the pricing spreadsheet provided in an RFP amendment, which had revised labor categories and added total cells. Protest at 5; AR, Tab 9, Notification of Exclusion, at 3. On April 9, gMg filed an agency level protest, which was denied. Protest, Exh. 16, Agency-Level Protest; Exh. 17, Agency Decision. On April 14, gMg filed its protest with our Office.

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important and, together, were more important than the staffing plan; the non-price factors, combined, were significantly more important than price. RFP at 73-74.

² All rates were required to be proposed for labor categories covered by the Service Contract Act (SCA). For non-SCA labor categories, only the fully-burdened rate and the hourly rate plus fringe benefits were required to be proposed. RFP amend. A00002 at 57; AR, Tab 7, Agency Pre-Exclusion Email to gMg, at 1.

gMg challenges the agency's evaluation of its pricing proposal and its decision not to allow gMg to provide omitted information through clarifications. More specifically, gMg asserts that it was improper to exclude its proposal for the omission of total cells in the pricing spreadsheet because those cells were not material, did not affect evaluation, and were not required based on the language of the solicitation. The protester also argues that the agency could have calculated a total price by adding the proposed rates contained in the four corners of the proposal.

Where a protester challenges an agency's evaluation of proposals, we review the agency's evaluation to ensure that it was reasonable and consistent with the terms of the solicitation. See Raytheon Tech. Servs. Co. LLC, B-404655.4 et al., Oct. 11, 2011, 2011 CPD ¶ 236 at 7. An offeror bears the burden of submitting an adequately written proposal that contains all of the information required under a solicitation. Business Integra, Inc., B-407273.22, Feb. 27, 2014, 2014 CPD ¶ 88 at 2. A proposal that omits required pricing cannot form the basis for award. Manthos Eng'g, LLC, B-401751, Oct. 16, 2009, 2009 CPD ¶ 216 at 1.

As amended, the RFP advised that price would be evaluated through the pricing spreadsheet, which required the inclusion of total cells in each tab, and required offerors to propose rates for hourly and fully-burdened rates for both SCA and non-SCA labor categories in offered service groups. The RFP instructed offerors that the pricing spreadsheet would be reviewed and evaluated for completeness, accuracy, realism and reasonableness, and should not be altered. The protester's proposal deleted the total cells in each offered tab, omitted proposed rates for all non-SCA labor categories, and was converted to Acrobat PDF format, resulting in an altered and incomplete response with material omissions for a required evaluation factor. Additionally, by failing to provide any proposed prices for the hourly and fully-burdened rates for all non-SCA labor categories, the agency did not have enough information to evaluate price realism or price reasonableness for non-SCA labor categories. Finally, considering that the RFP advised that the written content of offers should provide sufficient detail for evaluation, protester's argument that the agency could have calculated the protester's proposed price from the entries provided is without merit. It was not unreasonable for the agency to exclude the protester's proposal because it was incomplete, submitted in an improper format, and omitted material, required information.

The protester asserts that it should be allowed to correct "inadvertent omissions," constituting clerical errors, by clarification. Protest at 6. Communications with offerors to resolve clerical mistakes through clarifications are permitted where the mistake and the amount intended by the offeror is clear from the face of the proposal. Joint Venture Penaullie Italia S.p.A.; Cofathec S.p.A.; SEB.CO S.a.s.; CO.PEL.S.a.s., B-298865, B-298865.2, Jan. 3, 2007, 2007 CPD ¶ 7 at 6. However, both the existence of an error and the intended pricing must be apparent from the face of the proposal. Joint Threat Servs., B-278168, B-278168.2, Jan. 5, 1998, 98-1 CPD ¶ 18 at 10. We disagree with gMg's assertion that the agency could

discern its intended pricing, as the RFP advised that non-SCA labor categories were required and the hourly rates and fully-burdened rates for both SCA and non-SCA labor categories would be evaluated by the agency. Though the protester's omission of proposed rates for all non-SCA labor categories is clear from the face of the proposal, it is not clear what the protester intended to propose since those labor categories were left blank. Thus, allowing gMg to correct its proposal would represent the correction of a material proposal defect and, therefore, would have constituted discussions. See University of Dayton Research Inst., B-296946.6, June 15, 2006, 2006 CPD ¶ 102 at 6. Additionally, because the RFP advised that the agency may make award without discussions, the agency was not required to allow gMg to revise its proposal to include material information that was omitted. Mission1st Group, Inc., B-404811.3, B-404811.6, June 2, 2011, 2011 CPD ¶ 115 at 4.

The protest is denied.

Susan A. Poling
General Counsel