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Decision

Matter of: Federal Management Systems, Inc.

File: B-422222; B-422222.2

Date: March 6, 2024

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Mary G. Curcio, Esq., and John Sorrenti, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Protest challenging the evaluation of quotations is denied where the record shows that the evaluation was reasonable and consistent with the solicitation's stated evaluation criteria.
 2. In conducting best-value tradeoff, agency properly considered bases for underlying evaluation ratings, and not just the ratings themselves.
 3. Agency did not treat protester disparately in best-value tradeoff where bases for finding favorable aspects of awardee's quotation were not included in protester's quotation.
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DECISION

Federal Management Systems, Inc. (FMS), a small business located in Washington, D.C., protests the issuance of a task order to Peridot Solutions, LLC, a small business located in McLean, Virginia, under request for quotations (RFQ) No. 612366359, issued by the Defense Information Systems Agency (DISA), Defense Information Technology Contracting Office, for acquisition, contract management, and program support and portfolio management for DISA's digital capabilities and security center. FMS argues that the agency unreasonably evaluated quotations, failed to conduct a reasonable best-value tradeoff, and treated vendors disparately in making the source selection decision.

We deny the protest.

BACKGROUND

On April 16, 2023, DISA issued the RFQ as a competitive small business set-aside using the ordering procedures of Federal Acquisition Regulation (FAR) section 8.405-5. Agency Report (AR), Tab 1, RFQ, amend. 1 at 1. The agency issued the RFQ pursuant to its program support service blanket purchase agreement, which previously had been established with five small business vendors. Memorandum of Law at 5. Vendors were required to hold a General Services Administration (GSA) multiple-award schedule (MAS) contract with professional services-business administrative services, special item number (SIN) 541611, or information technology professional services, SIN 54154S-SB. Electronic Protest Docketing System No. 28. The RFQ sought quotations for acquisition support, contract management, program support, and portfolio management for DISA's digital capabilities and security center. AR, Tab 1b, Performance Work Statement (PWS) at 2.

The RFQ contemplated issuance of a fixed-price task order for a 1-year base period, and four 1-year option periods. RFQ, amend. 1 at 1. The RFQ provided that award would be made on a best-value tradeoff basis, considering the following two factors: technical/management approach and price.¹ *Id.* at 3, 4. The technical/management approach factor included three equally weighted subfactors: (1) management related to PWS subtask 6.1.1, call order management support; (2) technical related to PWS subtask 6.3.1, acquisition expertise support; and (3) technical related to PWS subtask 6.3.2, contract documentation and processing support.² *Id.* The technical/management approach factor was more important than price. *Id.*

DISA received timely quotations from three vendors, including the incumbent FMS and Peridot. MOL at 12. The technical evaluation team (TET) evaluated the technical quotations, assigning each subfactor an adjectival rating of outstanding, good, acceptable, marginal, or unacceptable, based on assessed strengths, weaknesses, and deficiencies.³ AR, Tab 1f, Evaluation Tables at 1. Following the evaluation of

¹ Past performance was considered as part of the responsibility determination. RFQ, amend. 1 at 6.

² Vendors were also required to propose, and include resumes for, the following key personnel: project manager II or III, subject matter expert II, subject matter expert III, strategic analyst III, and program analyst II. RFQ, amend. 1 at 5, 6.

³ A rating of outstanding indicated a quotation with an exceptional approach and understanding of the requirements that contained multiple strengths, and low risk of unsuccessful performance. AR, Tab 1f, Evaluation Tables at 1. A rating of good indicated a quotation with a thorough approach and understanding of the requirements that contained at least one strength, and low to moderate risk of unsuccessful performance. *Id.* A rating of acceptable indicated a quotation meets requirements and

(continued...)

quotations, exchanges with vendors, and the receipt and evaluation of final quotation revisions the TET did not identify any strengths, weaknesses, or deficiencies in the technical quotations of FMS or Peridot and assigned the quotations the following ratings:

	FMS	Peridot
Technical/Management Approach		
Management/PWS 6.1.1	Acceptable	Acceptable
Technical/PWS 6.3.1	Acceptable	Acceptable
Technical/PWS 6.3.2	Acceptable	Acceptable
Evaluated Total Price	\$10,852,044	\$12,298,021

AR, Tab 4, Selection Recommendation Document (SRD) at 2.

The TET recommended that Peridot be selected for the task order. *Id.* at 36. Recognizing that FMS and Peridot had identical ratings for the technical/management subfactors, the TET, however, concluded that Peridot’s quotation had added benefits that made it the best value to the government despite its higher price. *Id.* at 34, 36. The contracting officer agreed with the TET’s conclusion, deciding that while Peridot’s quotation was higher priced, it offered a comprehensive technical approach that provided the best value to the government given the added benefits. AR, Tab 5, Price Negotiation Memorandum (PNM) at 7.

The agency provided FMS with notice of the selection decision and a brief explanation of the rationale for the selection. AR, Tab 7, Letter to Unsuccessful Vendor. This protest followed.

DISCUSSION

FMS challenges the evaluation of its quotation under each of the technical/management approach subfactors. FMS also challenges the best-value tradeoff as unreasonable

indicates an adequate approach and understanding of the requirements, and risk of unsuccessful performance is no worse than moderate. *Id.* The RFQ defined a strength as an aspect of a quotation that had merit, or exceeded specified performance or capability requirements in a way that would be advantageous to the government during contract performance. *Id.*

and reflecting disparate treatment.⁴ *Id.* We have considered all the protest issues and arguments raised by FMS, and although we do not address them all, we find no basis on which to sustain the protest.

Evaluation of the Technical/Management Approach Factor

FMS asserts that the evaluation of its quotation under the three subfactors of the technical/management approach factor was unreasonable. The protester specifically argues that the agency failed to assess its quotation multiple strengths under each of the subfactors.

Where, as here, an agency issues an RFQ to vendors under FAR subpart 8.4 and conducts a competition for the issuance of an order, we will review the record to ensure that the agency's evaluation was reasonable and consistent with the terms of the solicitation and applicable procurement laws and regulations. See *DataSavers of Jacksonville, Inc.*, B-415113.3, Aug. 24, 2018, 2018 CPD ¶ 290 at 4; *Harmonia Holdings Grp, LLC*, B-414691, B-414691.2, Aug. 17, 2017, 2017 CPD ¶ 272 at 4. When a protester argues that its quotation should have been assessed additional strengths, we generally will not disturb the agency's exercise of its discretion with respect to whether a feature of a vendor's quotation so exceeds the solicitation's requirements as to warrant the assignment of a strength, absent evidence that an agency's evaluation was unreasonable or disparate. *Mission1st Grp., Inc.*, B-419369.2, Jan. 25, 2021, 2021 CPD ¶ 65 at 13; *Protection Strategies, Inc.*, B-416635, Nov. 1, 2018, 2019 CPD ¶ 33 at 8 n.4. A protester's disagreement with the agency's judgment, without more, does not establish that the evaluation was unreasonable. *Converge Networks Corp.*, B-419643, June 14, 2021, 2021 CPD ¶ 266 at 4; *Open Tech. Grp., Inc.*, B-416313, B-416313.2, Aug. 2, 2018, 2018 CPD ¶ 273 at 7. Here, FMS has not demonstrated that the agency's evaluation was unreasonable for not recognizing the protester's claimed strengths. We discuss several examples below.

Vendors were advised that under the first technical/management approach subfactor the agency would evaluate the vendor's ability to provide a comprehensive task order management approach for call order management support. Vendors were instructed to demonstrate their approach to develop and implement a comprehensive call order management plan, a staffing plan that addresses initial "on-boarding" and vacancy implementation to meet the PWS requirements, and their proposed labor mix (labor categories and hours allocated per task area). RFQ, amend 1 at 4.

FMS asserts that it should have been assigned a strength under this subfactor because its quotation discussed how FMS is an approved Department of Defense (DOD) bridge organization that would recruit first from transitioning military service members and their spouses. In addition, FMS's quotation stated it would address staff shortages through

⁴ FMS raised and withdrew two additional bases of protest--a challenge to the price evaluation of Peridot's quotation and a challenge to the exchanges that the agency held with FMS. Comments at 1.

training and upskilling the “DOD acquisition professional of the future” in collaboration with Bowie State University. Protest at 10.

The agency explains that the vendor’s ability to fill vacancies was viewed by the technical team as meeting the staffing vacancy requirements. The agency did not consider where vendors obtained the applicants or the types of candidates the contractor chose for its staffing. AR, Tab 8, Decl. of Technical Lead Evaluator at 5. While FMS complains that it was unreasonable for the agency to ignore the type of candidates FMS proposed, FMS has not pointed to anything in the solicitation which required the agency to consider this information. Nor has FMS explained why the origin of the candidate should be considered a strength. Instead, as the agency noted, vendors were evaluated on their ability to fill vacancies, and the labor hours and mix proposed. FMS’s protest ground therefore represents no more than disagreement with the agency, which does not provide a basis for our Office to conclude that the agency unreasonably failed to assign FMS’s quotation a strength for this aspect of its quotation.

With respect to the second subfactor, technical, the RFQ explained that the agency would evaluate the vendor’s comprehensive task order management approach for acquisition expertise support. Vendors were required to demonstrate their phased approach for the continuous identification and implementation of improvements and efficiencies to the acquisition process, and to identify the relevant application of their approach that led to the identification and implementation of a (1) cost, (2) schedule, and (3) performance improvement or efficiency to the acquisition process. RFP, amend. 1 at 4.

FMS argues that its quotation should have received a strength under this subfactor because the quotation explained how FMS was awarded a phase III small business innovative research contract by the Federal Emergency Management Agency (FEMA) to develop an artificial intelligence (AI) application to perform functions of a contracting officer that would help FEMA’s procurement team transform its processes and drive greater spending visibility, increase compliance, enhance accuracy, and achieve significant cost savings. Protest at 11.

The agency responds that the creation of the AI program to help FEMA’s procurement demonstrates that FMS provided an improvement or efficiency to FEMA’s procurement process resulting in cost savings but it does not exceed the specified performance or capability requirements of subfactor 2, acquisition expertise support, to warrant a strength. AR, Tab 8, Decl. of Technical Lead Evaluator at 6. The agency explains that in this regard, while the example met the requirement to provide a comprehensive approach to the task area, it in fact is not beneficial to DISA under this task order because the AI application would not be authorized within the agency network. *Id.*

While the protester asserts that it is irrational for the agency to ignore the enhanced accuracy and cost savings of its approach, the protester does not respond to the agency’s explanation that the approach is not beneficial to the government because the automation could not be authorized within the agency network. We therefore have no

basis to find that the agency unreasonably failed to award FMS a strength because it had been awarded a contract to create an AI application to assist FEMA's procurement team.

With respect to the third subfactor, contract documentation and processing support, the RFQ advised that the government would evaluate the vendors' ability to provide a comprehensive task order management approach for contract documentation and processing support. Vendors were required to demonstrate expertise in the development and assessment of acquisition documentation which facilitates acquisition planning, market research, requirement analysis, and pre-solicitation activities. RFQ, amend. 1 at 4.

FMS asserts that its quotation should have received a strength under this subfactor because it demonstrated experience in the execution of more than 50 service contracts, more than 65 hardware/software contracts, and processed more than 70 contract modifications annually. Protest at 11.

The agency explains that in evaluating quotations under the third subfactor, the agency considered the vendors' expertise in the "development and assessment" of acquisition documentation which facilitates acquisition planning, market research, requirement analysis, and pre-solicitation activities. The agency asserts that simply identifying and quantifying completed service/hardware/software contracts and modification actions does not demonstrate the development and assessment that led to their completion or provide the basis to find value to the agency. AR, Tab 8, Decl. of Technical Lead Evaluator at 7.

FMS asserts that its quotation provided details of those efforts, and that should have led to the assignment of a strength. In support of this argument, FMS cites to a section in its quotation where it listed the number of contracts it executed and modifications it processed. See Protest at 11; AR, Tab 3, FMS Final Quotation Revision (FQR) at 2. However, there are no details concerning those contracts or modification actions in this section of the quotation. See AR, Tab 3, FMS FQR at 2. FMS also asserts that it provided details in a different section of its quotation that discusses contract documentation and processing support. Comments at 15. However, this section does not discuss the demonstrated experience, or detail the development and assessment that led to the completion of the cited contracts for which FMS claims its quotation should have been awarded a strength. See AR, Tab 3, FMS FQR at 15-16. We therefore find no basis to conclude that the agency unreasonably failed to assess a strength to FMS's quotation for this cited experience.

Best-value Tradeoff

FMS argues that the agency unreasonably selected Peridot's quotation as the best value where both vendors' quotations were rated the same and FMS had a lower price. FMS also contends that the agency disparately treated the vendors in its tradeoff by

assessing benefits to certain aspects of Peridot's quotation that also should have been assessed to FMS's quotation.

As noted above, the TET recommended that Peridot be selected for the task order. AR, Tab 4, SRD at 36. The TET recognized that FMS and Peridot had identical ratings for the three subfactors under the technical/management approach factor. *Id.* at 34, 36. The TET concluded, however, that Peridot's quotation had added benefits that made it the best value to the government despite its higher price. Specifically, the TET considered that Peridot's proposed **[DELETED]** was an added value. *Id.* at 35-36. The TET also considered Peridot's proposed **[DELETED]** fill personnel vacancies, which exceeded the requirement to replace key personnel within 21 days, was a benefit to the government. *Id.* at 36. The TET recognized that FMS offered a lower price to perform but concluded that the value added by Peridot's technical approach was worth the additional cost. *Id.*

The contracting officer, who was the decision authority, reviewed the evaluators' findings. The contracting officer accepted the TET's evaluation findings and agreed that while Peridot's solution was higher-priced, it offered a comprehensive technical approach that provided the best value to the government given the added benefits. AR, Tab 5, PNM at 7.

FMS protests that it was unreasonable for the agency to distinguish the quotations based on Peridot's use of **[DELETED]** and its offer to fill personnel vacancies **[DELETED]**. In this regard, FMS reasons that both vendors were rated acceptable under the three technical/management approach subfactors, and therefore were equal. According to FMS since its quotation was substantially lower in price than Peridot's quotation, and the quotations were rated the same, its quotation should have been selected as offering the best value to the government. Protest at 7.

In making a best-value tradeoff decision agencies are not limited to basing the tradeoff on the adjectival ratings. Rather, adjectival ratings and point scores are guides to, not substitutes for, intelligent decision making. *See Shumaker Trucking & Excavating Contractors, Inc.*, B-290732, Sept. 25, 2002, 2002 CPD ¶ 169 at 8. In fact, our Office has consistently explained that agencies may not base their selection decisions on adjectival ratings alone, as such ratings serve only as guides to intelligent decision-making; source selection officials are required to consider the underlying bases for ratings, including the advantages and disadvantages associated with the specific content of competing proposals. *AT&T Mobility LLC*, B-420494, May 10, 2022, 2022 CPD ¶ 115 at 9.

Here, the record shows that the agency did not rely on the adjectival ratings, but rather identified specific aspects of Peridot's quotation that the agency found to be beneficial to the government and that set it apart from FMS's quotation. There was nothing improper in the agency distinguishing the quotations of FMS and Peridot based on advantages it associated with Peridot's quotation even though the quotations were assigned the same rating. This protest ground is denied.

FMS also complains that the agency treated FMS and Peridot disparately in performing the best-value tradeoff. FMS argues that the agency also should have assessed value to FMS's quotation for its use of SharePoint and its approach to filling vacancies, particularly with respect to on-boarding personnel at the beginning of the contract.

Agencies may not engage in conduct that amounts to unfair or disparate treatment of competing vendors. *LogiCore Corp.*, B-416629 *et al.*, Nov. 6, 2018, 2018 CPD ¶ 383 at 7. Where a protester alleges unequal treatment in an evaluation, it must show that the differences in ratings did not stem from differences between the quotations. *Id.*; *Snap, Inc.*, B-418525, B-418525.2, June 5, 2020, 2020 CPD ¶ 189 at 6.

As to SharePoint, FMS asserts that the agency found value added in Peridot's quotation because Peridot used **[DELETED]**. FMS contends that in its quotation it indicated that it also was familiar with SharePoint, and that it intended to comply with the RFQ's SharePoint related requirements. According to FMS the agency therefore should have also found value added in FMS's solution.

The agency explains that it found an advantage in Peridot's quotation because Peridot proposed to **[DELETED]** which would **[DELETED]** the agency and thereby increase the overall efficiency of the call order management in relation to schedule and performance. AR, Tab 4, SRD at 35-36. In contrast, FMS did not include in its approach an **[DELETED]** independent of the resources provided by the agency's program management office. The agency asserts that although FMS's quotation made references to the use of SharePoint, it failed to explain how it would utilize an **[DELETED]** which is the difference between the two quotations. Second Supp. MOL at 4 n.3; see also Supp. Decl. of Technical Lead Evaluator at 2-3. While FMS maintains that it included details on SharePoint, and that it intended to comply with the RFQ requirements, FMS does not demonstrate that it offered to use **[DELETED]** which is the basis for the advantage assigned to Peridot's quotation, or that its proposed use of SharePoint and Peridot's use of **[DELETED]** provide the same benefits. Accordingly, we find that the agency did not engage in disparate treatment by concluding that Peridot's use of **[DELETED]** provided an advantage to the agency.

The agency found that a second advantage in Peridot's quotation was the **[DELETED]** for fulfilling personnel vacancies, which was a benefit to task and program continuity and adherence to schedule completion. AR, Tab 5, PNM at 6. The **[DELETED]** exceeded the requirement to replace key personnel within 21 days. *Id.* FMS does not dispute that **[DELETED]** fulfilling personnel vacancies is a value-added benefit. Rather, the protester argues that its quotation should have been given the same credit because, as the incumbent, all its personnel will be on board and available to work on the first day of contract performance.

Although it is not entirely clear from the protester's arguments, FMS appears to take the view that initial on-boarding and fulfilling personnel vacancies were in some way "equivalent" under the terms of the RFQ and the agency's evaluation. Protester's

Comments at 7. The problem with the protester's argument is that the RFQ did not establish any sort of equivalence between these two separate requirements, nor did the agency's evaluation.

The RFQ instructed offerors to "demonstrate their approach to develop and implement a staffing plan that addresses initial on-boarding and vacancy implementations to meet the PWS requirements." Supp. Comments at 6 (quoting RFQ at 4). In explaining the value added by Peridot's approach to filling vacancies **[DELETED]** the agency restated this RFQ instruction to vendors regarding staffing plans. AR, Tab 5, SRD at 36. In response to the protest, the agency explains that onboarding and filling vacancies were two separate considerations. Supp. Decl. of Contracting Officer at 1. The agency assessed value to Peridot's quotation for filling vacancies **[DELETED]** which benefits the agency for the duration of the task order. The agency did not find that FMS's ability to have all personnel on board at the start of the task order, which at best was a benefit only at the initial transition, provided a similar benefit.⁵ *Id.*

Based on our review of the record, we agree with the agency that a reasonable reading of this language in the RFQ is that it notified vendors that the staffing plan had to address two separate requirements: initial onboarding during the transition period, and vacancies that arise later when the task order is being performed. Supp. Decl. of Contracting Officer at 6. In reaching this conclusion, we note that the solicitation included a separate and distinct 21-day requirement for filling vacancies during ongoing contract performance, which clearly set it apart from the initial onboarding requirements during the contract's transition period. In contrast, FMS's interpretation that onboarding and filling vacancies are "equivalent" is simply without any support in the solicitation. Since Peridot was found to have an advantage for filling vacancies, which is distinct from onboarding, the agency did not treat FMS disparately by not assessing value to FMS's quotation for its onboarding approach.

The protest is denied.

Edda Emmanuelli Perez
General Counsel

⁵ The agency specifically found that having all incumbent personnel on site on the first day of contract performance was not an advantage because a gradual or phased onboarding approach would mitigate any DISA space availability issues concerning incoming and outgoing contractor personnel during the transition. Supp. Decl. of Technical Lead Evaluator at 3.