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Decision

Matter of: Alion Science & Technology Corporation

File: B-422664

Date: September 10, 2024

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Judith L. Richardson, Esq., Department of Defense, for the agency.

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DIGEST

Protest challenging the agency’s cost evaluation and rejection of protester’s proposal is denied where the protester’s proposal had inconsistencies between the cost narrative and cost spreadsheet, and the agency reasonably concluded that the protester’s proposal failed to comply with the terms of the solicitation and that a most probable cost could not be determined.

DECISION

Alion Science and Technology Corporation (Alion) of McLean, Virginia, protests the Department of Defense, Defense Threat Reduction Agency’s (DTRA) decision not to award it an indefinite-delivery, indefinite-quantity (IDIQ) contract under request for proposals (RFP) No. HDTRA122R0009. The agency awarded ten IDIQ contracts under the RFP for various support services for combatting weapons of mass destruction. The protester argues that the agency’s decision to reject its proposal was unreasonable and, alternatively, the agency should have provided an opportunity for Alion to fix its proposal.

We deny the protest.

BACKGROUND

The DTRA issued the RFP on May 31, 2022, seeking proposals to provide various support services for combatting weapons of mass destruction. Agency Report (AR), Tab 5, RFP.¹ According to the RFP, the DTRA is the nation’s “premier Agency to address weapons of mass destruction (WMD) challenges.” *Id.* at 98. The contractor would be responsible for providing various support services to the DTRA, including “research, development, test and evaluation, procurement, maintenance, support and/or sustainment in support of various missions.” *Id.* at 99.

The RFP contemplated the award of multiple IDIQ contracts across three “mission pools” under which the agency could issue task orders, grouped based on broad functional areas as follows: mission pool 1: artificial intelligence, machine learning, data science, and software development; mission pool 2: operations and countermeasures in a chemical, biological, radiological, and nuclear (CBRN) environment; and mission pool 3: targeting, information operations and irregular warfare. *Id.* at 20. The RFP explained that the agency anticipated awarding three to five IDIQ contracts per mission pool, and offerors could submit proposals for more than one mission pool. *Id.* at 20, 69. Each IDIQ contract would have a base period of performance of five years, as well as one 5-year option. *Id.* at 12. The total program ceiling for all of the IDIQ contracts is \$4 billion. *Id.* at 9.

The RFP stated that award would be made on a best-value tradeoff basis based on four factors, listed in descending order of importance: mission capability, past performance, socioeconomic commitment, and cost/price. AR, Tab 5e, RFP amend. 5 at 19-21. Of relevance here, for the cost/price factor, offerors were instructed to submit two parts: a cost narrative, and a cost spreadsheet.² AR, Tab 5g, RFP amend. 7 at 33-34. The RFP provided that the agency would evaluate cost proposals for realism, reasonableness, and completeness, and calculate a most probable cost for evaluation purposes “by adjusting the [o]fferor’s proposed cost and fee, when appropriate, to reflect any additions or reductions in cost elements to realistic levels based on the results of the cost realism analysis.” AR, Tab 5e, RFP amend. 5 at 26. The RFP warned offerors that the agency could reject a proposal with “[a]ny inconsistency” by stating, specifically:

A cost proposal is presumed to represent an Offeror’s best effort to respond to the solicitation. Any inconsistency, whether real or apparent,

¹ The agency amended the RFP seven times, which included last updating the evaluation criteria in amendment five and the instructions to offerors in amendment seven. All citations are to the Adobe PDF page numbers of the documents referenced in this decision.

² The RFP refers to this part of the proposal as “cost or pricing information and supporting documentation.” AR, Tab 5g, RFP amend. 7 at 33-34.

between promised performances and cost, shall be explained in the cost narrative. . . . Any significant inconsistency, if unexplained, which raises a concern on the fundamental understanding of the nature and scope of the work required may be grounds for rejection of the proposal or grounds for adjusting the probable cost. The burden of proof as to cost-credibility rests with the Offeror.

AR, Tab 5g, RFP amend. 7 at 33.

On or before the September 14, 2022, closing date for receipt of initial proposals, the agency received proposals from multiple offerors, including Alion.³ The agency evaluated the initial proposals, established a competitive range, opened discussions, and provided evaluation notices. Alion submitted a final proposal revision (FPR) on or before the December 7 closing date for receipt of FPRs. In evaluating the FPRs, the agency assigned acceptable or higher ratings to Alion's proposal under the non-cost/price factors.⁴ However, the agency determined that Alion's proposal under the cost/price factor was not complete, so that the agency could not evaluate Alion's proposal for reasonableness or realism, and a most probable cost could not be determined. Specifically, the source selection authority (SSA) considered the reports from the source selection evaluation board and the source selection advisory council and concluded:

Alion's Mission Capability proposal exceeded RFP requirements, with substantial confidence in past performance, outstanding small business participation and acceptable small business past performance. However, Alion failed to provide a complete cost proposal because its FPR Cost Narrative does not correspond to the Cost Spreadsheet as required by the RFP and FPR. The cost spreadsheet that Alion submitted with the FPR was its original proposal cost spreadsheet vice the updated FPR cost spreadsheet identified in Alion's cost narrative. As a result, the Government cannot perform the analysis required to determine reasonableness and realism and is unable to develop a Most Probable Cost (MPC) estimate. The RFP is very clear that cost would be carefully considered in making the award decision. In accordance with the Federal

³ Alion submitted a proposal for each of the three mission pools. See AR, Tab 36a, Mission Pool One Alion Unsuccessful Offeror Notice; AR, Tab 36b, Mission Pool Two Alion Unsuccessful Offeror Notice; AR, Tab 36c, Mission Pool Three Alion Unsuccessful Offeror Notice. For simplicity, we refer to Alion's submissions, and the agency's evaluation and rejection of Alion's submissions, in the aggregate.

⁴ Specifically, to Alion's proposal, the agency assigned ratings of good under the various technical subfactors; a rating of substantial confidence under the past performance factor; and a rating of outstanding for small business participation and a rating of acceptable for small business subcontracting performance. AR, Tab 30a, Source Selection Evaluation Board FPR Summary Report Mission Pool One at 8.

Acquisition Regulation (FAR) and the DoD [Department of Defense] Source Selection Procedures, the RFP required the Government to evaluate reasonableness and realism and to develop a MPC to determine the best value to the Government. Accordingly, the inability to evaluate the Alion cost proposal has made their FPR not awardable.

AR, Tab 35a, Mission Pool One Source Selection Decision Document (SSDD).

In other words, Alion's FPR included a revised cost narrative that referenced a revised cost spreadsheet, but instead of including this revised cost spreadsheet in its FPR, Alion included its initial cost spreadsheet. Alion's cost narrative stated that various revisions were based on that missing revised cost spreadsheet, including a "detailed summary of the proposed labor categories and corresponding direct labor rates" and "[d]etails fully supporting these proposed prices." Memorandum of Law (MOL) at 10, *citing* AR, Tab 7b, Alion FPR Mission Pool One Cost Narrative at 8, 34. However, there were inconsistencies between the cost narrative and cost spreadsheet that Alion actually submitted. For example, the total amounts stated in the cost narrative did not match the total amount in the cost spreadsheet--for mission pool one, Alion's cost narrative stated a total cost-plus-fixed-fee of \$2,017,584 while the cost spreadsheet stated a different total cost-plus-fixed-fee of \$1,960,521. Contracting Officer's Statement (COS) at 8, *citing* AR, Tab 7b, Alion FPR Mission Pool One Cost Narrative at 43 *and* AR, Tab 7c, Alion FPR Mission Pool One Cost Spreadsheet. As another example, Alion's FPR had made other changes to its technical approach, including key personnel, and the cost spreadsheet did not reflect "the detailed cost element breakdown of the final proposed cost/fees that Alion included in its FPR cost narratives, such as the direct labor categories and associated direct labor rates." MOL at 13.

On May 29, 2024, the agency notified Alion that it was not selected for an IDIQ contract award. After a debriefing, this protest followed.

DISCUSSION

Alion acknowledges that "it is true that the cost narrative conflicted with the cost spreadsheet"--specifically, that Alion had submitted "the same spreadsheet that it had submitted with its initial proposal, before submission of the FPR," and that it "had been submitted by mistake." Protest at 4. Nonetheless, Alion argues that the agency should excuse the firm's "mistake" because the agency could have just evaluated the firm's proposal and, for any discrepancies, "adjusted Alion's costs upward for cost realism by using the higher of the costs in Alion's spreadsheet or cost narrative." Protest at 4; see *also* Comments at 4-5, 11.

In response, the agency maintains that its decision to reject Alion's proposal was reasonable and consistent with the terms of the RFP. The record shows that the agency evaluated Alion's FPR, found inconsistencies between the firm's cost narrative and cost spreadsheet, and concluded that Alion erroneously submitted its initial cost spreadsheet, rather than a revised cost spreadsheet. In other words, as the contracting

officer explains, Alion's FPR was "incomplete and did not include sufficient detail for the Government to thoroughly evaluate the proposals." COS at 7 (bold omitted). As the contracting officer summarizes:

For all Mission Pools, Alion failed to provide a complete cost proposal because its FPR cost narrative did not correspond to the cost spreadsheet as required by the RFP and FPR. As a result, the Government could not perform the cost analysis required to determine reasonableness and realism and was unable to develop a [most probable cost] adjustment. Accordingly, the inability to evaluate the Alion cost proposals made their FPRs not awardable.

COS at 6, *citing* AR, Tab 35a, Mission Pool One SSDD at 4-5; AR, Tab 35b, Mission Pool Two SSDD at 4-5; *and* AR, Tab 35c, Mission Pool Three SSDD at 4-5.

Moreover, the agency rejects Alion's argument that the agency should have just evaluated the firm's cost/price proposal using the initial cost spreadsheet. The agency explains that the evaluators "initially attempted to reconcile the inconsistencies . . . by making assumptions regarding labor categories and hours that Alion may have intended to propose," but "ultimately concluded that the assumptions could not be verified or justified and expressly noted this in the final" reports provided to the SSA. MOL at 13-14; *see also* Agency Supp. Resp. at 5. In other words, the spreadsheet that Alion submitted in its FPR "d[id] not reflect what it actually intended to propose," and, as the agency puts it, the protester's position is premised on "expect[ing] DTRA to correct its error by using the wrong spreadsheets combined with the FPR cost narratives to extrapolate the missing cost elements that Alion actually intended to propose." MOL at 15. The agency maintains that it was "under no such obligation" to do so. *Id.*

When an evaluation is challenged, our Office will not reevaluate proposals but instead will examine the record to determine whether the agency's judgment was reasonable and consistent with the stated evaluation criteria and applicable statutes and regulations. *See PEAKE*, B-417744, Oct. 11, 2019, 2019 CPD ¶ 359 at 4. When an agency evaluates proposals for award of a cost-reimbursement contract, it must perform a cost realism analysis to determine the extent to which an offeror's proposed costs are realistic for the work to be performed--in other words, to determine the probable cost of performance for each offeror. FAR 15.305(a)(1), 15.404-1(d), 16.505(b)(3); *National Gov't Servs., Inc.*, B-412142, Dec. 30, 2015, 2016 CPD ¶ 8 at 8. Agencies are given broad discretion to make cost realism evaluations; consequently, our review of an agency's cost realism evaluation is limited to determining whether the cost analysis is reasonably based and not arbitrary. *Tridentis, LLC*, B-410202.2, B-410202.3, Feb. 24, 2015, 2015 CPD ¶ 99 at 7.

Moreover, it is an offeror's responsibility to submit a well-written proposal, with adequately detailed information which clearly demonstrates compliance with the solicitation requirements and allows for a meaningful review by the procuring agency. *Viatech, Inc.*, B-411388, July 21, 2015, 2015 CPD ¶ 237 at 6. Agencies are not

required to infer information from an inadequately detailed proposal, or to supply information that the protester elected not to provide. *Id.* at 6-7. An offeror that does not affirmatively demonstrate the merits of its proposal risks rejection of its proposal or risks that its proposal will be evaluated unfavorably where it fails to do so. *Johnson Controls, Inc.*, B-407337, Nov. 20, 2012, 2012 CPD ¶ 323 at 4.

On this record, we conclude that the agency's decision to reject Alion's proposal was unobjectionable. Alion acknowledges that it erroneously submitted its FPR with a revised cost narrative and its initial cost spreadsheet, rather than a revised cost spreadsheet, and has identified no reason or requirement to excuse its submission of a proposal with such inconsistencies. The agency reasonably evaluated Alion's proposal and concluded that it could not conduct the cost evaluation and calculate a total most probable cost. While Alion believes that the agency could have just pieced together an evaluation using the firm's inconsistent information, agencies are not required to infer information from an inadequately detailed proposal, or to supply information that the protester elected not to provide. *PEAKE, supra* at 4; *McCann-Erickson USA, Inc.*, B-414787.2, Nov. 14, 2018, 2018 CPD ¶ 390 at 5-6 (when agency advised offerors that all data should be included in the FPR and protester failed to include material vital to a meaningful review of its proposal in the FPR, the agency did not err in declining to consider information submitted during discussions that may no longer reflect the offeror's proposal).

Yet, Alion alternatively argues that the agency should have provided an opportunity for it to fix its deficient proposal. Protest at 5-6. As the agency points out, this could only have been accomplished through discussions because permitting Alion to submit the correct cost spreadsheet would have constituted revising its proposal and "supplying essential missing information needed for the Government to fully perform its cost realism analysis." MOL at 20. However, the protester has not established any requirement for the agency to have done so, and the agency is not required to conduct successive rounds of discussions until all proposal defects have been corrected. See *Engility Corp.*, B-413120.3 *et al.*, Feb. 14, 2017, 2017 CPD ¶ 70 at 6-9. Indeed, as noted above, it is an offeror's responsibility to submit a well-written proposal, with adequately detailed information which clearly demonstrates compliance with the solicitation requirements and allows for a meaningful review by the procuring agency. See, e.g., *Viatech, Inc.*, *supra* at 8 (denying protest of agency's cost realism evaluation where the agency reasonably found that the most probable cost was "undeterminable because of an ambiguity" in the proposal). Under these circumstances, we find no basis to question the agency's discretion and decision not to afford an opportunity for Alion to fix its proposal.

As a final matter, Alion raised additional challenges to the evaluation of the awardees' proposals, including allegations of disparate treatment. To prevail on an allegation of disparate treatment, a protester must show that the agency unreasonably downgraded its proposal for features that were substantively indistinguishable from, or nearly identical to, those contained in other proposals. *Battelle Mem'l Inst.*, B-418047.3, B-418047.4, May 18, 2020, 2020 CPD ¶ 176 at 5. Stated differently, to demonstrate

unequal treatment, a protester must show that the differences in the evaluation did not stem from differences between the proposals. See *IndraSoft, Inc.*, B-414026, B-414026.2, Jan. 23, 2017, 2017 CPD ¶ 30 at 10.

Here, Alion has not met this burden. For example, Alion alleges that the agency excused an “identical discrepancy” in evaluating the proposal submitted by one awardee, Noblis, Inc., for mission pool two. Comments at 30. The agency explains and the record shows that the agency made a single line item cost adjustment where Noblis’s cost narrative and cost spreadsheet consistently proposed a dollar amount for other direct costs but the cost narrative did not, in the evaluators’ judgment, sufficiently explain those costs. Agency Supp. Resp. at 6-7; see AR, Tab 31.a.4, Noblis Evaluation Report Mission Pool Two. In other words, as the agency explains, “[u]nlike Alion, there was no disparity” in Noblis’s proposal--while Alion admittedly submitted its initial cost spreadsheet and proposed various inconsistencies throughout its FPR, Noblis actually submitted a final cost spreadsheet for the agency to review and proposed the same consistent amount for that line item in both its cost spreadsheet and cost narrative. Agency Supp. Resp. at 6.

By comparing the different proposals and evaluation results, Alion has not demonstrated that its proposal was substantively indistinguishable from, or nearly identical to, the awardee’s proposal such that the agency’s evaluation was unreasonable or reflected disparate treatment. Moreover, we find these allegations unpersuasive given that, ultimately, the protester acknowledges the inconsistencies in its FPR, including that “it is well settled that Alion’s cost narrative price did not match its cost spreadsheet price.” Protester’s Supp. Resp. at 8. Under these circumstances, Alion’s arguments do not provide us a basis to sustain its protest.

The protest is denied.

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General Counsel