



Decision

Matter of: CACI, Inc.--Federal

File: B-422774; B-422774.2

Date: October 18, 2024

DOCUMENT FOR PUBLIC RELEASE

The decision issued on the date below was subject to a GAO Protective Order. This redacted version has been approved for public release.

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DIGEST

1. Protest that awardee's costs should have been evaluated as unrealistically low is denied where the record shows the agency's cost evaluation was reasonable and in accordance with the solicitation.
2. Protest challenging evaluation of the awardee's non-key personnel is denied where the protester's argument is based on an unreasonable interpretation of the solicitation coupled with a selective reading of the awardee's proposal.
3. Protest contention that agency's tradeoff considered offerors' proposed costs, rather than most probable costs, is denied where the contention is contradicted by the record.

DECISION

CACI, Inc.--Federal (CACI) of Chantilly, Virginia, protests the issuance of a task order to Serco, Inc., of Herndon, Virginia, under request for proposals (RFP)

No. N6426722R30140003, issued by the Department of the Navy for scientific, engineering, technical, and analytical support services. CACI challenges the agency's evaluation of Serco's proposal and the agency's best-value tradeoff source selection decision.

We deny the protest.

BACKGROUND

On July 24, 2023, using the procedures of Federal Acquisition Regulation (FAR) subpart 16.5, the agency issued the solicitation on an unrestricted basis to holders of the Navy's Seaport Next Generation multiple-award, indefinite-delivery, indefinite-quantity (IDIQ) contracts. Agency Report (AR), Tab 1, RFP at 1-2.¹ The Naval Surface Warfare Center issued the solicitation seeking proposals for "Scientific, Engineering, Technical, and Analytical (SETA) support services for: Naval Sea Systems Command (NAVSEA), Naval Shipyards (NSY) and Naval Industrial Base efforts related to workforce/workload management, logistic services, business operations, and total force initiatives in support of NSY Corporate Project Execution, support, and workforce training." *Id.* at 2, 7.

The solicitation contemplated issuance of a single cost-plus-fixed-fee, level-of-effort order with a 1-year base period and four 1-year option periods. RFP at 2. Award was to be made on a best-value tradeoff basis considering the following factors: (1) technical; (2) past performance; and (3) cost. *Id.* at 74-75. The technical factor was more important than past performance, and the two non-cost factors combined were significantly more important than cost. *Id.* at 75. The technical factor comprised three subfactors of equal importance: (a) technical approach; (b) management approach; and (c) personnel approach. *Id.* The solicitation established that the agency would assign offerors' proposals an adjectival rating of outstanding, good, acceptable, marginal, or unacceptable for the overall technical factor, and would not separately rate the three subfactors. *Id.* at 75-76. For past performance, the agency would assess the recency and relevancy of submitted references and assign an overall performance confidence assessment ranging from substantial confidence to no confidence. *Id.* at 76-77. Offerors' proposed costs were to be evaluated for realism. *Id.* at 77.

The agency received four timely proposals, including those submitted by CACI--the incumbent contractor--and Serco. AR, Tab 19, Source Selection Evaluation Board Report (SSEB Rpt.) at 3. The evaluators assessed the protester's and awardee's proposals as follows:

	CACI	Serco
Technical	Outstanding	Good
Past Performance	Substantial Confidence	Substantial Confidence
Proposed Cost	\$125,468,595	\$97,089,895
Total Evaluated Cost	\$126,851,777	\$98,854,981

AR, Tab 20, Source Selection Decision Memorandum (SSDM) at 7. Based upon the evaluations and a comparative assessment of proposals, the source selection authority (SSA) "determined that Serco is the overall best value to the Government." *Id.* at 21.

¹ Our citations to the RFP are to the conformed copy of the solicitation provided at tab 1 of the agency's report.

The SSA noted that CACI submitted the highest rated proposal under the most important factor (technical) but concluded that CACI's "technical advantages do not justify the payment of its \$27,996,796 higher cost as compared to Serco's very capable proposal." *Id.*

After being notified of the award decision and receiving a debriefing, CACI filed this protest with our Office.²

DISCUSSION

The protester contends the agency's cost realism evaluation unreasonably failed to recognize that the awardee, Serco, proposed unrealistically low labor costs. Additionally, CACI argues the agency failed to evaluate Serco's non-key personnel in accordance with the solicitation. Further, CACI challenges the agency's best-value tradeoff source selection decision. While we do not address in detail every argument, or the plethora of permutations, raised by CACI, we have considered them all and find that none provides a basis to sustain the protest.³

² The protested order's value exceeds \$25 million; thus, this matter is within our jurisdiction to hear protests of orders placed under defense agency IDIQ contracts. 10 U.S.C. § 3406(f)(1)(B).

³ For example, the solicitation delineated seven key personnel positions. AR, Tab 1.b, RFP attach. 2, Personnel Qualifications at 6. CACI asserts the "record demonstrates that Serco's Personnel Approach was based on a material misrepresentation as to the availability of its key personnel." Protest at 25. In support of this allegation, CACI represents that "since the award notice, Serco and its team have approached" seven of CACI's key personnel. *Id.* CACI maintains these recruitment overtures show "that Serco's proposed key personnel are not in fact available and Serco materially misrepresented its ability to provide qualified, experienced and suitable key personnel," because "[a] company simply does not solicit key personnel after award if it has them in place while preparing its proposal." *Id.*

The Navy, in the agency report, provided the portions of the awardee's proposal that identified Serco's key personnel and included their resumes. AR, Tab 2.a.1, Serco Personnel Approach at 1; Tabs 2.a.3-2.a.9 Serco Key Personnel Resumes. In response, the protester notes that CACI "is no longer pursuing" its key personnel "original ground of protest." Comments at 1 n.1. Accordingly, we consider this protest argument to be withdrawn. In any event, as our decisions have explained, a non-incumbent awardee's efforts to recruit and hire incumbent personnel post-award is neither unusual nor inherently improper and does not establish that the non-incumbent personnel proposed by the awardee were unavailable to perform the contract.

HumanTouch, LLC, B-419880 et al., Aug. 16, 2021, 2021 CPD ¶ 283 at 9.

Cost Realism Evaluation

CACI contends the Navy failed to perform “a proper cost realism analysis,” and that “Serco proposed unrealistically low labor costs which the Agency failed to properly analyze and evaluate.” Protest at 19. The agency responds that “NAVSEA’s cost realism analysis was reasonable and consistent with the solicitation.” Contracting Officer’s Statement and Memorandum of Law (COS/MOL) at 2. We agree.

Relevant here, the solicitation provided that the agency would “perform a cost realism analysis of the cost proposal” and would “evaluate the proposed cost elements to determine whether they are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the technical proposal.” RFP at 77. The solicitation also established that the agency would make upward adjustments to any costs considered unrealistically low, and “may also assign risk, weaknesses, and/or deficiencies to proposals that contain unrealistically low costs, unsupported costs, and/or costs inconsistent with the technical volume.” *Id.*

To facilitate the cost evaluation, the solicitation required offerors and their subcontractors to submit cost spreadsheets in the format prescribed by RFP attachment 1, as well as “a cost proposal narrative that fully substantiates the reasonableness and realism of the proposed costs.” RFP at 70. Specific to labor rates, the solicitation instructed:

Offeror and cost reimbursement subcontractors shall describe the basis of estimate for each direct labor rate proposed and provide substantiating information that fully corroborates each direct labor rate proposed. For each current employee named in the cost proposal spreadsheet, Offeror and cost reimbursement subcontractors shall provide a screenshot that captures pertinent information from the employer’s payroll system, incurred within the last three months preceding release of this solicitation.

Id. at 71. For any contingent hires, offerors were required to provide a letter of intent (LOI) “that explicitly list[ed] the agreed upon annual salary.” *Id.* Similarly for any positions without a candidate--*i.e.*, to be determined (TBD) positions--the solicitation instructed offerors to “provide payroll data for a comparable position.” *Id.*

Also relevant here, the record describes the methodology used by the agency for the evaluation of labor rates. Specifically, the cost evaluators “verified that proposed base period direct labor rates corresponded to the applicable payroll screen-captures or LOIs.” AR, Tab 4, Cost Eval. Rpt. at 4. For any instances where the provided payroll or LOI information indicated a rate that was higher than the proposed rate, the evaluators assessed “the Offeror’s rationale provided in the Cost Narrative Volume,” and if they concluded the narrative did not sufficiently support the lower proposed rate the evaluators “noted this discrepancy and upward[ly] adjusted the proposed rate.” *Id.* at 4-5.

The protester notes the solicitation here “provided all offerors with plug numbers for Labor Hours and Escalation,” and “prescribed plug numbers for ODCs [other direct costs].” Protest at 19. Based on this RFP structure, CACI’s own rate build-up, and the total evaluated costs of both CACI and Serco, the protester claims that Serco’s proposed labor costs “were a whopping 36 [percent] lower than CACI’s.” *Id.* at 19-20. The protester maintains that “[t]his was a substantial red flag,” which the agency’s cost realism evaluation failed to recognize. *Id.* at 20. Specifically, CACI contends that in order to achieve a 36 percent lower cost Serco must either have proposed “lower compensation” or proposed “a labor mix with much diminished skills and experience,” and that either approach “would create enormous risk.” *Id.*

Citing to the description of the Navy’s cost evaluation of the protester’s own proposal provided to CACI as part of its debriefing, the protester also contends that the agency failed to compare “Serco’s proposed labor rates to any meaningful source of data other than Serco’s own data. Protest at 20. According to the protester, the agency “limited its cost analysis solely to internal cost data provided by Serco but did not assess the realism of Serco’s proposed rates through such methods as comparison of the rates to the prevailing market rates, the rates CACI paid to incumbent employees, or the rates proposed by other offerors, including CACI.” *Id.* at 21. The protester describes this evaluation as “nothing more than a math check” that “does not qualify as a cost realism evaluation.” *Id.* Had the agency performed a proper cost evaluation, the protester maintains, the Navy “would have found Serco’s proposed labor costs to be woefully unrealistic, and adjusted them upwards significantly.”⁴ *Id.*

In response, the agency explains that the cost evaluators “compared the proposed direct labor rates with the [payroll] screen captures to confirm consistency,” in accordance with the solicitation, and made upward adjustments where appropriate. COS/MOL at 8. The agency argues that “[a]lthough CACI does not believe the Navy’s evaluation qualifies as a reasonable cost realism evaluation, the solicitation informed Offerors that NAVSEA intended to evaluate cost realism in this manner.” *Id.* at 9 (citing RFP at 71, requiring offerors to provide payroll data to substantiate direct labor rates). Further, the agency notes that despite the protester’s complaint that the cost evaluators “did not compare Serco’s labor costs against CACI’s incumbent rates,” there was no requirement in the solicitation to conduct such a comparison, especially where Serco and CACI proposed different personnel and the evaluators “had data more relevant to Serco’s proposal for evaluation purposes”—namely the current salaries being paid to the personnel proposed by Serco. *Id.* at 10 n.6.

⁴ CACI also asserts that had the agency performed a proper cost evaluation, it would have found Serco’s unrealistically low labor costs “to be an indicator of significant performance risk for purposes of the technical evaluation,” and assigned Serco’s proposal a rating of marginal or unacceptable under the technical factor. Protest at 21, 23-24. As discussed herein, we find no merit to the protester’s contention that Serco proposed unrealistically low costs. Accordingly, we also find meritless CACI’s derivative technical evaluation challenge.

When an agency evaluates proposals for award of a cost-reimbursement task order 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. FAR 15.305(a)(1), 15.404-1(d). *Tridentis, LLC*, B-410202.2, B-410202.3, Feb. 24, 2015, 2015 CPD ¶ 99 at 7. An agency's realism analysis need not achieve scientific certainty, however, but must provide a reasonable measure of confidence that the costs proposed are realistic based on information reasonably available to the agency at the time of its evaluation. *ORBIS Sibro, Inc.*, B-421626.5 *et al.*, Dec. 12, 2023, 2024 CPD ¶ 5 at 8. An agency is not required to conduct an in-depth cost analysis, or to verify each and every item in assessing cost realism. FAR 15.404-1(d)(1); *In re Sys. & Proposal Eng'g Co.*, B-421494, June 7, 2023, 2023 CPD ¶ 138 at 7. Rather, the evaluation requires the exercise of informed judgment by the contracting agency, and agencies are given broad discretion to make cost realism evaluations. *CACI, Inc.--Fed.*, B-421626.6, B-421626.9, Dec. 13, 2023, 2024 CPD ¶ 6 at 13. Consequently, our review of an agency's cost realism evaluation is limited to determining whether the cost analysis is reasonably based and not arbitrary. *Id.*

Here, the record reflects that Serco proposed the requisite number of labor hours, did not propose to deviate from the RFP's recommended labor mix, and proposed 100 percent named employees for whom actual salary data was provided to substantiate Serco's direct labor rates. AR, Tab 2, Serco Cost Proposal at 9-10, 18-45; Tab 2.a.2, Serco Staffing Plan at column A (showing all named individuals with no "TBD" entries). The Navy performed a cost realism analysis for Serco and one of its subcontractors, which was proposed to perform more than 10 percent of the total labor hours. AR, Tab 4, Cost Eval. Rpt. at 22. For Serco's own proposed personnel, the evaluators found the "proposed base rates for all named personnel matched the pay rates reflected in the submitted payroll screen captures except for" one individual. *Id.* at 27. The evaluators upwardly adjusted the rate for this individual and made associated adjustments to Serco's overhead, general and administrative (G&A) costs, and fee. *Id.* at 27, 29-31.

For the evaluated subcontractor, the agency found the "proposed base rates for all named personnel matched the pay rates reflected in the submitted payroll screen captures." AR, Tab 4, Cost Eval. Rpt. at 24. The evaluators observed, however, that the subcontractor had "adjusted all payroll data rates for location using salary survey information," and concluded the subcontractor "did not provide [a] reasonable explanation along with supporting information to corroborate the calculations and adjustments." *Id.* Accordingly, the evaluators made upward adjustments to the rates of each of the subcontractor's proposed personnel, as well as corresponding adjustments to the subcontractor's overhead, G&A, and fee. *Id.* at 25-27. In total, the evaluators upwardly adjusted Serco's proposed costs by approximately \$1.76 million. *Id.* at 31.

In challenging the agency's evaluation of Serco's proposal, the protester relies on what CACI itself proposed, arguing that it was unreasonable for the Navy not to compare Serco's proposed rates to either CACI's incumbent rates or CACI's proposed rates. Protest at 21. There is no requirement, however, for an agency to adjust an offeror's

proposed rate simply because it does not mirror the incumbent's rates. *CACI, Inc.-- Fed., supra* at 13. Despite the protester's insistence that Serco's proposed labor rates are unrealistically low, the protester has failed to establish that the agency's evaluation was unreasonable, inconsistent with the solicitation, or otherwise contrary to applicable law and regulation.

The record here shows that the solicitation required offerors to submit payroll data to substantiate direct labor rates, and, in accordance with the solicitation, the Navy cost evaluators reasonably assessed the realism of the actual salary data for the actual people proposed by Serco. Accordingly, we deny the protester's challenges to the agency's cost evaluation. See *e.g., In re Sys. & Proposal Eng'g Co., supra* at 7 (finding no basis to question cost evaluation where consistent with the solicitation the evaluators made comparisons between direct labor rates to payroll data rates); *Logistics Mgmt. Inst., B-417601 et al.*, Aug. 30, 2019, 2019 CPD ¶ 311 at 13-14 (finding reasonable agency's evaluation judgment that proposed direct labor rates based on actual salaries of current employees were realistic).

Personnel Approach Evaluation

In addition to challenging the agency's evaluation of Serco's proposed costs, CACI argues that the agency failed to evaluate Serco's non-key personnel in accordance with the solicitation, and that had the agency done so it would have found Serco's proposal deficient and unawardable. See *generally* Supp. Protest at 4-13. The agency responds that CACI's argument "relies on unstated evaluation criteria and an interpretation of the [personnel approach subfactor's] staffing plan requirements that is inconsistent with the Solicitation and [CACI's] own contemporaneous interpretation." Supp. MOL at 2. Moreover, the agency represents it reasonably assessed Serco's non-key personnel as meeting the solicitation's requirements. *Id. generally* at 3-5. For the reasons explained below, we deny this protest ground.

Additional Background

The solicitation at issue here is for a services contract; that is, the contractor will not be supplying goods but will be supplying personnel who perform various tasks for the Navy. To that end, the solicitation specified the number of employee labor hours the successful contractor will be required to provide--1,280,400 hours, including surge hours, across the 5-year potential life of the contract. RFP at 66. The solicitation instructed offerors to "provide a staffing plan using the format provided in Attachment 04--Staffing Plan," and stated that "Offeror[s] shall propose staffing in accordance with Attachment 02--Personnel Qualifications." *Id.* at 69 (emphasis omitted). Further, the solicitation provided: "Offeror[s] shall propose a staffing plan in the technical volume that fully aligns with the staffing included in the cost proposal. Discrepancies between the proposed staffing identified in the technical and cost proposal may result in an identification of risk, a lowering of the adjectival rating in the technical proposal, and/or an upward cost adjustment to the proposed cost." *Id.* at 70.

Relevant here, while the solicitation mandated the number of labor hours offerors were to propose, it did not mandate the labor categories or labor mix offerors must propose. AR, Tab 1.b, RFP attach. 2, Personnel Qualifications at 1-2. Rather, the solicitation provided that offerors “have the latitude to propose the labor mix they believe is best to accomplish the requirements.” *Id.* at 1. Attachment 2 provided, among other things, a “labor mix estimate” that was “based on historical requirements,” and established that the estimate would “be considered in evaluating proposals.” *Id.* The solicitation permitted offerors to “deviate” from the estimate but required that “such deviation shall be explained in the Offeror’s Staffing Plan Narrative,” which specifically should “describe how/why the proposed labor mix will result in a high quality, efficient, and cost effective solution.” *Id.*

Attachment 2 also included descriptions for each of the labor categories included in the labor mix estimate, but other than a section header reading “Government Defined Labor Categories,” the attachment did not provide any prefacing information to the list of non-key personnel labor category descriptions. AR, Tab 1.b, RFP attach. 2, Personnel Qualifications at 3-6. With respect to key personnel, attachment 2 stated there were seven required key personnel positions, and included a table listing each position “as well as the Government’s desired attributes for each.” *Id.* at 6-8.

Attachment 4 to the RFP was a Microsoft Excel spreadsheet that offerors were required to complete with the following information for each proposed employee: name; employer; company labor category; “eCRAFT”⁵ labor category; performance work statement (PWS) task area supported; location; labor hours proposed for the base year and each option year; percentage of the employee’s total time dedicated to the contract; years of relevant experience; highest education degree attained; the area of the degree; security clearance level; citizenship; relevant certifications obtained; and any other “notes” the offeror chose to provide. AR, Tab 1.d, RFP attach. 4, Staffing Plan at row 5, columns A-S. In the employee name column of the staffing plan, the solicitation mandated that offerors “preface the names of contingent hires with ‘Contingent -’,” and “preface the names of key personnel with ‘Key -’.” RFP at 69. For non-key personnel, the solicitation permitted offers to “use ‘TBD’ for non-key positions that [did] not have identified personnel.” *Id.*

With respect to evaluation of the personnel approach subfactor, the solicitation set forth that the agency would “evaluate the extent to which the staffing plan addresses the labor hours identified in Section B and proposed personnel are able to perform all aspects of the SOW [statement of work]/PWS,” as well as “the extent to which the proposal demonstrates a staffing plan and key personnel that are qualified, experienced, and suitable for performing the requirements.” RFP at 75. As discussed above, the solicitation explained that the three subfactors of the technical factor-- technical approach, management approach, and personnel approach--would not be individually rated; instead the agency would assign the technical factor overall an

⁵ eCRAFT is the agency’s Electronic Cost Reporting and Financial Tracking System. RFP at 24.

adjectival rating of outstanding, good, acceptable, marginal, or unacceptable. *Id.* at 75-76.

The record reflects that the SSEB assigned Serco's proposal a rating of good for the overall technical factor. AR, Tab 19, SSEB Rpt. at 30. For the personnel approach subfactor, the evaluation report states that "the SSEB evaluated [Serco's] proposal to determine 'the extent to which the staffing plan addresses the labor hours identified in Section B and proposed personnel are able to perform all aspects of the SOW/PWS'" and "further evaluated 'the extent to which the proposal demonstrates a staffing plan and key personnel that are qualified, experienced, and suitable for performing the requirements.'" *Id.* at 31 (quoting RFP at 76). Additionally, the record shows the SSEB assessed five strengths and zero weaknesses or deficiencies in Serco's proposal, and that each of the assessed strengths related to one of Serco's proposed key personnel. AR, Tab 19, SSEB Rpt. at 31-33.

Solicitation Interpretation

The parties disagree over the manner in which the agency was required to evaluate offerors' non-key personnel and the extent to which those personnel met the qualifications set forth in RFP attachment 2. When a protester and agency disagree over the meaning of solicitation language, we will resolve the matter by reading the solicitation as a whole and in a manner that gives effect to all of its provisions. *MSK TriTech Group, LLC*, B-421814, Oct. 3, 2023, 2023 CPD ¶ 235 at 6. An interpretation is not reasonable if it fails to give meaning to all of a solicitation's provisions, renders any part of the solicitation absurd or surplus, or creates conflicts. *HumanTouch, LLC*, B-419880 *et al.*, Aug. 16, 2021, 2021 CPD ¶ 283 at 6. Further, the integrity of the protest process does not permit a protester to espouse one interpretation or position during the procurement, and then argue during a protest that the interpretation or position is unreasonable or otherwise improper. *Raytheon Co.*, B-417524.2, B-417524.3, Dec. 19, 2019, 2020 CPD ¶ 50 at 8.

The protester argues that the agency "failed to evaluate how Serco's 'proposed personnel are able to perform all aspects of the SOW/PWS.'" Supp. Protest at 10. Specifically, CACI contends the technical evaluators "only discussed Serco's key personnel; there was no evaluation of Serco's non-key personnel, even though the Solicitation clearly mandated the Agency undertake one." *Id.* Further, CACI asserts that Serco's proposal of at least 12 employees with labor category names that did not match the labor categories in the RFP's recommended labor mix "**entirely prevent[ed]** the Agency from being able to accurately assess whether Serco's proposed personnel are qualified to perform the work required under the Solicitation or whether Serco's labor mix meets the Solicitation's requirements." *Id.* at 4, 11.

The agency maintains that the solicitation's plain language "required offerors to propose non-key personnel based on qualifications established in Solicitation Attachment 2," which "were extracted into the Solicitation Staffing Plan template, Solicitation Attachment 4." Supp. MOL at 2. In contrast, for key personnel qualifications, the Navy

points out that the RFP required offerors “to provide extensive detail and supporting evidence in the form of resumes,” and that “[t]he entirety of the offerors’ staffing plan and proposal of non-key personnel was to be included in the Staffing Plan template,” however. *Id.* at 3. Thus, the agency argues, “CACI fails to recognize the starkly different Solicitation requirements for key and non-key personnel and fails to recognize that Serco complied with the Solicitation.” *Id.*

With respect to CACI’s contention that the lack of matching labor categories made it impossible for the agency to assess Serco’s proposed non-key personnel, the agency explains “[t]he fact that the ‘company labor category’ was different than the ‘government labor category’ for the non-key personnel had no impact on the SSEB’s evaluation, as the SSEB expected that there would be differences in these categories.” AR, Tab 21, Decl. of SSEB Chair at 1-2 ¶¶ 7. In fact, the agency notes that the staffing plan provided in the RFP as attachment 4 “contained separate columns for the ‘company labor category’ and ‘[government] labor category,’ recognizing that the current job titles of proposed personnel may be different from the Government’s job titles.” Supp. MOL at 3; see AR, Tab 1.d, RFP attach. 4, Staffing Plan at row 5, columns C-D. Additionally, because the labor categories provided in the solicitation’s labor mix estimate are specific to the task order, the agency asserts “only an incumbent contractor like CACI is likely to have personnel with the exact job titles contemplated.” Supp. MOL at 3.

Moreover, the agency represents that “offerors were permitted to propose non-key personnel as ‘To Be Determined (TBD)’ and provide *no* ‘company labor category,’ ‘years of experience’ or ‘education,’” which “CACI itself” had done. Supp. MOL at 3.⁶ For each of these TBD non-key personnel, the agency contends, “clearly, the SSEB was unable to determine with any certainty whether those unnamed individuals met the Solicitation requirements by the standards CACI alleges should have applied to Serco.” *Id.* Thus, the agency highlights CACI’s protest as “inconsistent with the Solicitation and its own contemporaneous interpretation.” *Id.* at 2.

As noted above, the solicitation instructed that offerors “*shall* propose staffing in accordance with Attachment 02--Personnel Qualifications.” RFP at 69 (emphasis added). The solicitation, however, also permitted offerors to propose “TBD” employees for non-key personnel positions. *Id.* With respect to the evaluation, the solicitation provided that the agency would assess if “proposed personnel are able to perform all aspects of the SOW/PWS,” and “the extent to which the proposal demonstrates a staffing plan and key personnel that are qualified, experienced, and suitable for performing the requirements.” *Id.* at 75.

The solicitation here is not a model of clarity. At first blush, the instruction for offerors to propose staffing that met the requirements of RFP attachment 2, coupled with the criterion that the agency would evaluate an offeror’s “staffing plan and key personnel,” may appear to suggest that the agency was required to evaluate every proposed non-key person to determine if they met the requisite qualifications, as argued by the

⁶ Citing AR, Tab 18, CACI Staffing Plan at column A, rows [DELETED].

protester. This reading, however, fails to give effect to the language in the solicitation that allowed offerors to use unidentified TBD employees for non-key personnel positions.

If, as the protester argues, the solicitation required the agency to assess the qualifications of every single non-key person who would be involved in providing the required 1,280,400 labor hours, then an offeror's proposal of a TBD employee--without any identified qualifications, educational degree, *etc.*--would create an absurd situation where the solicitation permitted offerors to submit proposals that would be impossible for the agency to evaluate in accordance with the solicitation.⁷ Accordingly, we find the protester's reading of the solicitation unreasonable. *See e.g., CBF Partners JV, LLC, B-419846.2 et al.*, Dec. 14, 2021, 2022 CPD ¶ 10 at 10 (rejecting protester's solicitation interpretation that produced an absurd result barring the agency "from evaluating aspects of a proposal addressing the involvement of entities possibly performing almost half of the work").

Moreover, not only would the protester's reading of the solicitation create a conflict between the RFP's evaluation criteria and its allowance of the use of unidentified employees to fill non-key personnel positions, but it also is contrary to the interpretation of the solicitation CACI adopted when it crafted its proposal. The protester does not dispute that the solicitation permitted offerors to propose "TBD" individuals to fill non-key personnel positions. Nor does the protester dispute that in CACI's own direct staffing plan--not including the staffing plans from CACI's various subcontractors--the firm entered "TBD" for approximately [DELETED] positions and [DELETED] positions, leaving blank the staffing plan columns for "Years of Relevant Experience"; "Highest Education Degree Attained"; "Degree Area"; "Security Clearance Level"; "Citizenship"; "Certifications"; and "Notes."⁸ Thus, under CACI's interpretation--and in the protester's own words--the lack of information in CACI's proposal "**entirely prevent[ed]** the Agency from being able to accurately assess whether [CACI's] proposed personnel are qualified to perform the work required under the Solicitation." Supp. Protest at 11. Accordingly, we reject the protester's attempt to take a position in litigation that differs from the position taken by CACI when it structured its proposal submission. *See e.g., Raytheon Co., supra* at 8 (denying solicitation interpretation based evaluation challenge where

⁷ To the extent that the protester's arguments can be read as a challenge to the lack of clarity in the solicitation, we note any ambiguity that may exist was apparent from the face of the solicitation. As such, the ambiguity was patent, and any post-award allegation of such an ambiguity in the terms of the solicitation would be untimely. 4 C.F.R. § 21.2(a)(1); *see e.g., NOVA Corp., B-408046, B-408046.2, June 4, 2013, 2013 CPD ¶ 127* at 8 (finding untimely protester's technical evaluation challenge where it was contrary to the clear terms of the solicitation and, at best, identified a patent ambiguity).

⁸ AR, Tab 18, CACI Staffing Plan at columns M-S, rows [DELETED]. In contrast, Serco's own direct staffing plan proposed zero TBD non-key positions. *See* AR, Tab 2.a.2, Serco Staffing Plan.

“given its effect on [the protester’s] own proposal” the protester’s interpretation presented in the litigation was unreasonable).

Reasonableness of the Evaluation

Having rejected the protester’s interpretation of the solicitation underpinning its contention that the agency failed to evaluate in a manner consistent with the solicitation, we turn to CACI’s challenges to the reasonableness of the evaluation. In reviewing protests challenging an agency’s evaluation of proposals, our Office does not reevaluate proposals or substitute our judgment for that of the agency; rather, we examine the record to determine if the agency’s judgment was reasonable and in accord with the stated evaluation criteria and applicable procurement laws and regulations. *Logistics Mgmt. Inst., supra* at 4. A protester’s disagreement with the agency’s judgment, without more, is insufficient to establish that the agency acted unreasonable. *CACI, Inc.--Fed., supra* at 6-7.

CACI argues that “[h]ad the Agency evaluated Serco’s Staffing Plan, it would have found the proposal deficient and Unacceptable.” Supp. Protest at 11. In support of this argument, CACI points to numerous alleged errors in Serco’s staffing plan. For example, the protester cites to a so-called “Qualifications” column in Serco’s staffing plan, claiming that the “minimal narrative provided in this column fails to explain how [Serco’s] proposed personnel meet the Government’s labor category definitions.” *Id.* at 6. Similarly, CACI takes issue with the degrees held by four of Serco’s proposed non-key personnel, asserting that “Serco failed on multiple occasions to propose personnel who had degrees that were relevant to their Government labor categories.” *Id.* at 6-7. The protester also makes these same assertions with respect to five of the personnel proposed by Serco’s subcontractors. *Id.* at 7-8. In sum, CACI asserts that the errors in Serco’s proposal “were pervasive and material,” that “Serco’s deficient personnel represent tens of thousands, if not hundreds [of] thousands, of hours of work under the Solicitation,” and that “[t]his widespread, error-plagued proposal” so significantly increases the risk of unsuccessful performance that Serco’s Staffing Plan “should have received a deficiency, rendering it unacceptable.”⁹ *Id.* at 12.

⁹ CACI further contends that “[t]he Agency’s failure to properly evaluate Serco’s Staffing Plan also directly impacts its evaluation of Serco’s Proposal” under the technical approach and management approach subfactors. Supp. Protest at 13. Specifically, CACI asserts that the personnel approach subfactor portion of Serco’s proposal “demonstrates that its staff does not have the capability or experience to perform” the requirements set forth under the technical approach subfactor. *Id.* at 14. Similarly, CACI maintains that “Serco’s failure to provide qualified personnel” under the personnel approach subfactor “directly prevents its ability to propose a viable” proposal under the management approach subfactor, and “because Serco proposed unqualified staff, by natural extension, it has not presented an effective management structure.” *Id.* at 15-16. As discussed herein, we find reasonable the agency’s evaluation of Serco’s proposal under the personnel approach subfactor. Accordingly, CACI’s derivative

(continued...)

The SSEB chair represents that the agency's evaluation "focused on strengths, weaknesses, significant weaknesses, deficiencies, and risks of offerors' proposals," and that, for non-key personnel, "the SSEB reviewed each offeror's Staffing Plan holistically to assess the degree to which they demonstrated the ability to successfully meet the requirements of the SOW/PWS." ¹⁰ AR, Tab 21, Decl. of SSEB Chair at 1 ¶ 6. Additionally, the agency explains that "[t]he SSEB reviewed Serco's Staffing Plan line by line to determine that each proposed non-key personnel met the Section B hour requirements, degree requirements and experience level," and "did not identify any deficiencies or weaknesses associated with any of the non-key personnel." *Id.* at 1 ¶ 7. Based on this review, "the SSEB determined that the Staffing Plan met the requirements," and that "[n]o strengths, weaknesses or deficiencies were identified for Serco's non-key personnel." *Id.* at 2 ¶ 8 (quoting AR, Tab 19, SSEB Rpt. at 30). Thus, the agency argues the evaluators "determined that Serco's proposed non-key personnel met all requirements of the Solicitation and documented that finding accordingly." Supp. MOL at 5.

In responding to CACI's specific contention regarding the "minimal narrative" included in the "Qualifications" column of Serco's staffing plan, the agency points out that neither the staffing plan template included in the RFP, nor Serco's submitted staffing plan spreadsheet, included a "Qualifications" column. Supp. MOL at 4 (citing AR, Tab 2.a.2, Serco Staffing Plan). Rather, the staffing plan spreadsheet included columns for years of experience, highest degree attained, degree area, security clearance, citizenship, certifications, and a final "Notes" column. AR, Tab 1.d, RFP attach. 4, Staffing Plan at row 5, columns M-S; Tab 2.a.2, Serco Staffing Plan at row 5, columns N-T. The agency explains that "[t]o the extent that CACI is referencing the 'Notes' column at the far-right side of the staffing spreadsheet, that column was only included so that offerors could add any additional bits of information that they wanted NAVSEA to consider," but the RFP's "instructions did not ask offerors to put any information in the

challenges to the evaluation of Serco's proposal under the other two technical subfactors provides no basis to sustain the protest.

¹⁰ The protester urges that we ignore the SSEB chair's declaration, which CACI contends "presents *post hoc* litigation statements with no basis in the record." Supp. Comments at 9 n.10. In reviewing an agency's procurement actions, we do not limit our consideration to contemporaneously documented evidence, but instead consider all the information provided, including the parties' arguments and explanations. *McLaughlin Research Corp.*, B-421528 *et al.*, June 16, 2023, 2023 CPD ¶ 146 at 10 n.14. While we accord greater weight to contemporaneous materials as opposed to judgments made in response to protest contentions, post-protest explanations that provide a detailed rationale for contemporaneous conclusions, and simply fill in previously unrecorded details, will generally be considered in our review of the rationality of selection decisions--so long as those explanations are credible and consistent with the contemporaneous record. *AllWorld Language Consultants, Inc.*, B-414244, B-414244.2, Apr. 3, 2017, 2017 CPD ¶ 111 at 4 n.3. Here, we find the SSEB chair's explanations credible and consistent with the contemporaneous record.

'Notes' column, and offerors were not required to do so. Supp. MOL at 4. Finally, the agency points out that, once again, "CACI's allegations related to the 'Notes' column are entirely undermined by the fact that CACI itself provided almost no information in the entire 'Notes' column of its own spreadsheet." *Id.*

Our review of the record confirms the agency's explanation. For example, Serco included supplemental information such as "Retired US Air Force," "Advanced Japanese Language Capability," "Currently supporting Serco in Yokosuka," or "Writing for over 18 years, her experience has covered a broad range of technical jobs," in the "Notes" column of its staffing spreadsheet. AR, Tab 2.a.2, Serco Staffing Plan at cells T41, T48, T69, T189. Likewise, the protester included supplementary information in the "Notes" column of its staffing spreadsheet, such as "Veteran-Army," "Veteran-Air Force," "Veteran-Navy," or "Veteran-Marine Corps." AR, Tab 18, CACI Staffing Plan at cells S31, S57, S246, S294.

As a further example of CACI's evaluation challenges, we address the four personnel whom CACI claims lack degrees relevant to their government labor category. Supp. Protest at 6-7. Three of the four challenged employees are proposed to perform at varying levels as "Business Process Analyst[s]," two of them hold law degrees, and the third holds a degree in political science. *Id.* at 7 (citing AR, Tab 2.a.2, Serco Staffing Plan at cells D69, D71, D80, P69, P71, P80). The agency explains that degrees in law and political science are "broad degrees that can be applied to" business process analysis. Supp. MOL at 5 n.2. CACI's disagreement with the agency's judgment in this respect does not provide a basis for us to question the Navy's assessment of the broad nature of the proposed employees' degrees. See e.g., *CACI, Inc.--Fed.*, *supra* at 11 (denying challenge to evaluation of awardee's staffing plan where protester disagreed with the evaluation but had not shown it was unreasonable or inconsistent with the RFP terms).

With regards to the fourth employee ("Y") whose degree relevancy the protester challenges, CACI claims that Serco proposed Y to perform as a "Language Interpreter," but Y's degree is in a non-relevant area--business administration. Supp. Protest at 7 (citing AR, Tab 2.a.2, Serco Staffing Plan at cells D44, P44). The agency responds that CACI's claim is premised on an incomplete accounting of Y's duties. Specifically, the Navy notes that Serco proposed Y to fill two positions; half the time performing as a language interpreter and the other half working as a functional analyst. CACI's challenge, pointedly, fails to mention the latter duties of Y's position. Supp. MOL at 5 n.1 (citing AR, Tab 2.a.2, Serco Staffing Plan at cells A44, D44, H44, A164, D164, H164). The agency contends that Y's bachelor's degree in business analytics "is clearly appropriate for a Functional Analyst." Supp. MOL at 5. Further, the agency explains that with respect to Y's proposed role as a language interpreter, Serco indicated in the "Notes" column for Y: "Fluent in Japanese (reading, writing, and speaking) Taught Japanese. Executive Director of Japanese American Veteran's Association." *Id.* (citing AR, Tab 2.a.2, Serco Staffing Plan at cell T44). Thus, the agency maintains Y "is qualified for the positions" proposed. Supp. MOL at 5. We agree.

In sum, the record does not support CACI's claim that Serco submitted an "error-plagued proposal" offering "deficient personnel." Supp. Protest at 12. Rather, CACI's challenges, in this respect, are based on an unreasonable interpretation of the solicitation and a selective and incomplete reading of the awardee's proposal. Based on the record here, we find no basis to question the agency's evaluation of Serco's proposal under the personnel approach subfactor given the evaluation approach set forth in the RFP. While CACI disagrees with various aspects of the evaluation, it has not demonstrated that the agency's judgments were unreasonable or inconsistent with the solicitation. Accordingly, we deny the protester's various challenges to the personnel approach subfactor evaluation. *CACI, Inc.--Fed., supra* at 11 (denying challenge to evaluation of awardee's personnel where protester disagreed with various aspects of evaluation but had not shown it to be unreasonable or inconsistent with solicitation).

Best-Value Tradeoff

As a final matter, CACI challenges the agency's best-value tradeoff, contending that its own technically superior proposal offered the best value to the agency. Protest at 27. The record here shows that the SSA acknowledged the protester's technical superiority under the most important evaluation factor but concluded that CACI's technical advantages did not justify payment of its approximately \$28 million price premium "as compared to Serco's very capable proposal." AR, Tab 20, SSDM at 21.

When a solicitation provides for issuance of a task order on a best-value tradeoff basis, it is the function of the SSA to perform a price/technical tradeoff, that is to determine whether one proposal's technical superiority is worth its higher price. *Alliant Enter. JV, LLC*, B-410352.5, B-410352.6, July 1, 2015, 2015 CPD ¶ 209 at 13. An agency has broad discretion in making a tradeoff between cost and non-cost factors, and the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the solicitation. *CACI, Inc.--Fed., supra* at 14. An agency may properly select a lower-rated, lower-priced proposal when it reasonably concludes that the price premium involved in selecting a higher-rated proposal is not justified in light of the acceptable level of technical competence available at a lower price. *Id.*

The protester first argues that the alleged "evaluation errors render the Agency's source selection decision unreasonable." Protest at 27. This allegation is derivative of the protester's evaluation challenges. As discussed above, we find no basis to object to the agency's evaluation of the awardee's proposal. Accordingly, we dismiss this argument because derivative allegations do not establish an independent bases of protest. *DirectViz Solutions, LLC*, B-417565.3, B-417565.4, Oct. 25, 2019, 2019 CPD ¶ 372 at 9.

Next, CACI contends "that the SSA failed to consider the total evaluated cost (*i.e.*, most probable cost), as required by the [RFP], when making the best value award determination," and instead "only considered Serco's proposed cost." Protest at 28; Comments at 8. This assertion, however, is belied by the contemporaneous record.

As noted above, Serco proposed a cost of \$97,089,895, and the agency cost evaluators made upward adjustments of \$1,765,086, resulting in a total evaluated cost of \$98,854,981 for Serco's proposal. AR, Tab 4, Cost Eval. Rpt. at 6. Similarly, the evaluators determined that CACI's total evaluated cost was \$126,851,777, resulting in a difference of \$27,996,796 between CACI's and Serco's total evaluated costs. Relevant here, before documenting the SSA's comparative analysis and best-value tradeoff, the source selection decision memorandum summarized the assessment of proposals performed by the technical and cost evaluation teams. At the conclusion of that summary, the memorandum included a table that provided the offerors'--including Serco's--proposed cost, cost adjustments, and total evaluated cost. AR, Tab 20, SSDM at 7. Within the comparative analysis section of the memorandum (titled "CACI Compared to Serco"), the SSA twice accurately identified the price difference between the two proposals' total evaluated costs as \$27,996,796. *Id.* at 19, 21. Similarly, within the "Best Value Determination" section of the memorandum, the SSA again accurately noted the total evaluated cost difference between CACI and Serco. *Id.* at 21. In the final paragraph of the memorandum, in which the SSA makes the award recommendation, the SSA states that award is recommended in the amount of \$97,089,895--Serco's proposed, rather than total evaluated cost. *Id.* at 22.

The record clearly reflects the SSA considered offerors' total evaluated costs in making the comparative analysis and tradeoff decision, and the SSA was fully cognizant of the accurate difference between the protester's and awardee's total evaluated costs. The fact that the final paragraph of the decision memorandum identifies Serco's proposed cost, rather than total evaluated costs, simply denotes the agency's identification of the dollar value of the recommended award. COS/MOL at 12; see AR, Tab 20, SSDM at 22. Further, the record shows that the identification of Serco's proposed costs in the recommendation paragraph of the decision memorandum was appropriate as it matches the actual amount for which the task order was issued. AR, Tab 8, Notice of Award to Unsuccessful Offerors at 1 (showing award amount of \$97,089,894.59).

In sum, the record reveals CACI's challenge to the SSA's consideration of cost in the best-value tradeoff to be without a foundation. Accordingly, we deny the protester's challenge to the best-value tradeoff. See *e.g.*, *Alliant Enter. JV, LLC, supra* at 14 (denying allegation that the agency improperly converted the basis of a best-value tradeoff award to lowest-priced, technically acceptable where "[t]he protester misstate[d] the facts").

The protest is denied.

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General Counsel