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Decision

Matter of: cFocus Software, Inc.

File: B-422970; B-422970.2

Date: December 4, 2024

John R. Tolle, Esq., and H. Todd Whay, Esq., Baker, Cronogue, Tolle & Werfel, LLP, for the protester.

John J. O'Brien, Esq., Cordatis Law LLP, for KeyLogic Systems, LLC, the intervenor.

Katherine Vernet, Esq., General Services Administration, for the agency.

Todd C. Culliton, Esq., and Tania Calhoun, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that the agency unreasonably evaluated the protester's corporate experience is denied where the record shows that the evaluation is consistent with the terms of the solicitation.

DECISION

cFocus Software, Inc., of Largo, Maryland, protests the issuance of a task order contract to KeyLogic Systems, LLC, of Morgantown, West Virginia, under request for quotations (RFQ) No. 47QFDA23Q0052, issued by the General Services Administration (GSA) for operation and maintenance of the Environmental Protection Agency's (EPA) budget formulation system (BFS).¹ cFocus argues that the agency unreasonably evaluated its quotation.

We deny the protest.

BACKGROUND

¹ The General Services Administration (GSA) issued the RFQ and conducted the acquisition on behalf of the EPA. Contracting Officer's Statement (COS) at 1.

On December 20, 2023, GSA issued the RFQ to procure operation and maintenance services for the EPA's BFS. Agency Report (AR), exh. B, RFQ at 11-12.² The BFS is used as a centralized information technology (IT) tool critical to the agency's budget planning, formulation, and execution process. *Id.* The system links budget and performance data, and agency personnel use the data generated to submit budgeting information to the Office of Management and Budget (OMB) and to Congress. *Id.*

The agency issued the RFQ to all vendors holding federal supply schedule contracts under special item number 54151S, IT Professional Services, and conducted the acquisition in accordance with Federal Acquisition Regulation subpart 8.4. RFQ at 2. The RFQ contemplated the issuance of a hybrid fixed-price, time-and-material, and labor-hour task order to be performed over a 1-year base period and four 1-year option periods. *Id.* at 3, 30. Award would be made on a best-value tradeoff basis considering technical and price factors; when combined, the technical factors were more important than price. *Id.* at 64. The RFQ included three technical factors: federal agency level budget formulation and execution experience; corporate experience; and key personnel. *Id.* at 65.

The selected contractor would be expected to operate, enhance, and maintain the EPA's BFS. RFQ at 12-13. The RFQ set forth the following tasks: task one, project management; task two, custom computer programming services; task three, BFS application development and customization; task four, intermittent IT support; task five, optional cloud hosting; and task six, optional cloud platform migration. *Id.* at 16-25.

As relevant here, task two, custom computer programming services, requires the selected contractor to maintain the existing BFS. RFQ at 20. This task contained two subtasks: subtask 1, BFS operation and maintenance, and subtask 2, maintenance and implementation of a disaster recovery plan. *Id.* 21-23. Under subtask 1, the selected contractor would be required to correct deficiencies, upgrade and optimize functionality, and respond to budget directives from OMB, Congress, and EPA executives. *Id.* at 21.

Task three, BFS application development and customization, requires the selected contractor to enhance the BFS through measures like better interfacing with other EPA systems, developing additional data manipulation capabilities, and creating custom reporting tools. RFQ at 23. The selected contractor must test and deliver the enhancements with minimal to no defects. *Id.*

When demonstrating corporate experience, the RFQ instructed vendors to identify three contracts that are collectively similar in scope to the instant acquisition. RFQ at 62. The RFQ advised that the agency would evaluate corporate experience on a "relevant" or "not relevant" basis. *Id.* at 67. A "relevant" rating would be assigned when the referenced experience is collectively similar in size and scope to the instant acquisition, and collectively demonstrated the following:

² When citing to the report, GAO references the Adobe PDF page numbers.

- (a) collectively have an average annual ceiling value of \$4 million annually or greater;
- (b) were performed within the last ten (10) full Federal Government budget cycle years (October 01 through September 30) within two (2) years of performance completed on at least one of the specific contract examples;
- (c) are similar in scope to the requirements in Tasks 1, 2, 3, 5, and 6 identified in the RFQ;
- (d) demonstrates experience with Agile development at the enterprise, agency-wide level with a minimum of 1,000 registered users;
- (e) demonstrating a working knowledge and experience with the [relevant commercial software and a statement demonstrating compliance capability with cybersecurity requirements].

Id. Any vendor receiving a “not relevant” rating would be considered ineligible for award. *Id.*

Seven vendors, including cFocus and KeyLogic, submitted quotations prior to the January 29, 2024, close of the solicitation period. AR, exh. D, Award Decision Document (ADD) at 3-4. From January 30 through February 21, the technical evaluation board (TEB) reviewed and evaluated the quotations. Contracting Officer’s Statement (COS) at 3. On February 22, the TEB completed its initial consensus evaluation report, and provided that information to the contracting officer. *Id.*

On June 11, the contracting officer determined that discussions were necessary based on a review of the TEB’s findings.³ COS at 3. Regarding cFocus, the agency determined that the firm’s referenced corporate experience did not demonstrate experience similar to task two, custom computer programming services, or task three, BFS application development and customization. *Id.* Specifically, the agency determined that cFocus’s referenced contracts did not demonstrate experience maintaining or enhancing a BFS at the appropriate “Agency level” (*i.e.*, a federal agency that receives its own appropriation and submits its own budget formulation submissions). *Id.*

On June 28, GSA amended the RFQ, set a new due date for revised quotations, and conducted discussions with vendors. COS at 3. During its discussions with cFocus, the agency explained that the firm’s corporate experience did not demonstrate experience

³ An agency is not required to conduct discussions under simplified acquisition procedures; however, the procedures do not preclude an agency from engaging in exchanges with offerors that would be considered discussions. FAR 13.106-2(b)(3); *see also Academy Leadership, LLC*, B-419705.2, Sept. 30, 2021, 2021 CPD ¶ 333 at 5. Here, the agency refers to the exchanges that it conducted with the protester as discussions, and, for ease of understanding, we use that terminology for purposes of this decision. See COS at 3.

similar to tasks two or three because none of the firm's experience reflected experience with an "Agency-level" BFS. AR, exh. G, Req. for Revised Quotation at 1.

On July 3, cFocus submitted a revised quotation. When evaluating the firm's revised quotation, GSA again concluded that cFocus's corporate experience was "not relevant" because the firm did not demonstrate experience with "Agency level" BFS. COS at 4. cFocus was therefore evaluated as ineligible and not considered for award. *Id.* at 5-6.

On September 12, EPA issued the task order to KeyLogic at a value of \$18,249,911. On September 27, EPA provided cFocus with a brief explanation of award. This protest followed.

DISCUSSION

cFocus argues that the agency unreasonably evaluated its corporate experience. Principally, cFocus contends that the agency misinterpreted the solicitation as requiring vendors to demonstrate managing, operating, and enhancing a BFS at the "Agency level"; instead, cFocus argues that the RFQ required only that vendors demonstrate experience managing a comparable budgeting system for any major federal agency. Supp. Protest at 11; see *also* Comments at 14. Additionally, cFocus argues that it referenced a contract operating and maintaining the BFS for the Defense Health Agency (DHA), which satisfied the requisite experience requirement. See Supp. Protest at 15-19; Comments at 13-14.

GSA counters that cFocus failed to demonstrate the requisite experience. GSA explains that the RFQ required vendors to demonstrate corporate experience similar to task two, custom computer programming services, and task three, BFS application development and customization. MOL at 8. GSA further explains that these tasks require the vendor to operate, maintain, and enhance the EPA's BFS, and that, therefore, a vendor must demonstrate experience operating, maintaining, and enhancing a similar BFS. *Id.* Since EPA is an independent federal agency and its BFS manages the agency's appropriation and submits budget formulations to Congress and OMB, GSA explains that only experience managing this type of BFS would be considered "relevant" under the solicitation's requirements. See *id.* Because cFocus only demonstrated experience for sub-agencies, GSA argues that it reasonably evaluated the firm's experience as "not relevant." *Id.*

By way of additional background, cFocus identified three contracts as part of its quotation. The first contract referenced performance providing Agile development services to the Army North's (ARNORTH) BFS.⁴ AR, exh. E, cFocus Revised Tech. Quotation at 5. The second contract referenced the firm's performance providing Agile

⁴ The Army North is a component of the Northern Command, and provides ground forces to deter, detect, and defend against threats to the continental United States. U.S. Army North--Mission, www.arnorth.army.mil/About/Mission/ (last visited, Nov. 26, 2024).

development services to the EPA's various financial systems, including the enterprise audit management system and funds monitoring and tracking system. *Id.* at 10. The third contract referenced performance by a proposed subcontractor operating and maintaining a BFS for DHA. *Id.* at 15. cFocus explained that the DHA contract requires supporting all of that agency's programming, budgeting, and execution activities. *Id.*

The agency evaluated cFocus's corporate experience as "not relevant." The agency evaluators concluded that the referenced contracts were not similar to task two, custom computer programming services. *Id.* The agency noted that cFocus's referenced contracts did not demonstrate experience performing various functions (e.g., correcting deficiencies, optimizing system performance, and responding to budget directives) on a BFS at the "Federal Agency level" (i.e., a federal agency that receives its own appropriation and submits its own budget formulation submissions). AR, exh. C, TEB Report at 41. In this regard, the GSA noted that ARNORTH and DHA are Department of Defense components and do not receive their own appropriations. *Id.* The agency also noted that cFocus's second referenced contract involved managing an enterprise audit management system, not a BFS. *Id.* Similarly, the agency's evaluators determined that cFocus did not demonstrate experience relevant to task three, BFS application development and customization. AR, exh. C, TEB Report at 42. The agency noted that cFocus developed application enhancements for "sub-Agency level" BFS, which was not similar to the stated requirement. *Id.*

Where, as here, an agency issues an RFQ to FSS contractors under FAR subpart 8.4 and conducts a competition, we will review the record to ensure that the agency's evaluation is reasonable and consistent with the terms of the solicitation. *Technology, Automation & Mgmt., Inc.*, B-418063.3, B-418063.4, Oct. 2, 2020, 2020 CPD ¶ 343 at 6. In reviewing a protest challenging an agency's technical evaluation, our Office will not reevaluate the quotations; rather, we will examine the record to determine whether the agency's evaluation conclusions were reasonable and consistent with the terms of the solicitation and applicable procurement laws and regulations. *TSC Enter., LLC*, B-415731, Feb. 8, 2018, 2018 CPD ¶ 71 at 2. A protester's disagreement with the agency's judgment does not establish that an evaluation was unreasonable. *Amyx, Inc.*, B-416734.2, Apr. 9, 2019, 2019 CPD ¶ 143 at 3.

On this record, we do not find any basis to object to the agency's evaluation. First, we do not find unreasonable GSA's position that vendors were required to demonstrate experience operating, managing, and enhancing a BFS for an agency receiving and managing its own appropriation. To illustrate, the RFQ advised that corporate experience examples would be considered "relevant" when, in part, they collectively demonstrated performance similar in scope to the requirements in tasks two and three. RFQ at 67. Task two requires the selected contractor to operate and maintain the EPA's BFS, including responding to emergency budget directives and requests from Congress and OMB. *Id.* at 20-21. Task three requires the selected contractor to enhance the EPA's BFS. *Id.* Since GSA explains that EPA receives its own appropriation as an independent agency and that its BFS must manage that

appropriation, see MOL at 8, we see nothing unreasonable about interpreting the solicitation as requiring vendors to demonstrate experience at that level.

While cFocus may argue that vendors needed only demonstrate experience managing a BFS at the highest-level within any sub-agency (e.g., DHA), we do not find that interpretation reasonable. An interpretation is reasonable when it is consistent with the solicitation when read as a whole and gives effect to each of its provisions. *Anders Constr., Inc.*, B-414261, Apr. 11, 2017, 2017 CPD ¶ 121 at 3. In this regard, we agree with GSA that cFocus's interpretation is unreasonable because the firm ignores that tasks two and three require the vendor to operate a maintain the EPA's BFS and that the RFQ specifically advised that experience would be considered "relevant" only when the experience was similar in scope to those tasks.⁵ MOL at 7-8 ("cFocus's selective reading of the RFQ fails to account for the clear requirement for federal agency-level experience necessary to meet EPA's needs.").

Next, we agree with GSA that it reasonably evaluated cFocus's experience as "not relevant." Our review of the record confirms that cFocus did not demonstrate any experience managing and operating a BFS for an agency receiving and managing its own appropriation. As explained above, cFocus referenced contracts managing the BFS for ARNORTH and DHA. GSA explains, and the protester does not refute, that the Department of Defense uses its appropriation to support both ARNORTH and DHA; in other words, both ARNORTH and DHA are sub-agencies that do not receive individual appropriations from Congress. MOL at 8 ("DHA does not submit federal agency-level budget formulation submissions such as the OMB submission requirement because it does not receive an appropriation; rather, the Department of Defense ([DOD]) uses its appropriation to support DHA activities.") and ("Indeed the ARNORTH system provides input to the [DOD's] broader budget system, rather than operating its own top-level budget formulation and execution system for reporting to Congress, OMB, and agency-wide purposes."). Thus, we do not object to the evaluation because cFocus did not demonstrate corporate experience as required by the solicitation.

Although cFocus may assert that its DHA contract demonstrated sufficient experience because DHA is a major federal agency and the firm managed DHA's entire budget execution system, we are unpersuaded. See Comments at 17-19. We view this argument as constituting nothing more than disagreement because it merely disputes the agency's judgment regarding the degree of similarity between DHA's BFS and the instant requirement. See *Amyx, Inc.*, *supra*. Further, we note that cFocus admits that

⁵ cFocus also points out that the RFQ permitted vendors to reference contracts for EPA, other government agencies, non-federal agencies, and non-government entities as corporate experience. Comments at 14. While we acknowledge that the RFQ permitted vendors to reference contracts performed for an array of different entities, that does not alter the RFQ's requirement that the vendor must still demonstrate experience similar to tasks two and three. Instead, we interpret the RFQ as permitting vendors to use a wide variety of contracts to collectively demonstrate the requisite experience. RFQ at 62, 66-67.

DHA is a DOD entity. See Comments at 13 (stating “DHA is a major federal agency within the [DOD]”). Accordingly, we deny the protest.⁶

The protest is denied.

Edda Emmanuelli Perez
General Counsel

⁶ cFocus also argues that the agency unreasonably conducted the tradeoff analysis because cFocus’s proposed price was lower than the awardee’s. Supp. Protest at 20. We dismiss this allegation because cFocus is not an interested party to challenge the tradeoff decision since its quotation was evaluated as ineligible for award. See RFQ at 66; see also *SOC LLC*, B-418487.2, B-418487.3, Feb. 4, 2021, 2021 CPD ¶ 75 at 15 16 (concluding that the protester was not an interested party to challenge the selection decision because the firm’s proposal was ineligible for award due to a unacceptable rating assigned to its technical approach).