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## Decision

**Matter of:** CWTSatoTravel  
**File:** B-404479.3; B-404479.4  
**Date:** September 24, 2012

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### DIGEST

1. Protest that agency unreasonably and unequally evaluated proposals is denied where record reflects that evaluation was reasonable and consistent with solicitation's evaluation criteria and that differences in offerors' evaluation findings did not result from unequal treatment.
2. Protest that discussions were misleading is denied where, notwithstanding agency representative's remarks regarding measures that might mitigate significant weakness for protester's approach of making requirements available for testing post-award, discussions transcript reflects that agency's program manager clearly conveyed that if protester continued such approach in its final proposal revision, that approach would remain a significant weakness, and highest available proposal rating would be marginal.
3. Protest challenging agency's determination to award single indefinite-delivery/ indefinite-quantity contract valued over \$103 million is denied where record reflects reasonable basis for agency's conclusion that only one offeror was qualified and capable of performing work at reasonable price.

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## DECISION

CW Government Travel, Inc., d/b/a CWTSatoTravel (CWT), of Arlington, Virginia, protests the nonselection of its proposal for award under request for proposals (RFP) No. QMAD-JM-100001-N, issued by the General Services Administration (GSA), for a government-wide electronic travel management service. The agency selected another offeror, Concur Technologies, Inc., of Redmond, Washington, for award. CWT contends that the agency's evaluation of its and Concur's proposals was unreasonable and unequal. CWT also contends that the agency's discussions with it were misleading and that the agency's justification for making a single award, rather than dual awards, was inadequate.

We deny the protest.

## BACKGROUND

The solicitation, which was issued on August 23, 2012 and amended thirteen times,<sup>1</sup> contemplated the award of either one or two indefinite-delivery/indefinite-quantity (ID/IQ) fixed-price contracts for a web-based, end-to-end, electronic travel management service for civilian federal executive agencies. RFP §§ C.1, E.5; Revised Contracting Officer's Statement at 3. The service, which is known as E-Gov Travel Service 2.0, or ETS2, was to cover "all aspects of official Federal business travel, including travel planning, authorization, reservations, ticketing, fulfillment, expense reimbursement, and travel management reporting."<sup>2</sup> RFP § C.1. Each award was to have a base period of 3 years and three 4-year option periods. Id. §§ B.2.1, B.2.2.

The solicitation established a two-phase source selection process. In Phase I, proposals were to be evaluated using the following seven factors: performance work statement (PWS), project management plan (PMP), demonstration, key

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<sup>1</sup> Before the solicitation's closing date, CWT filed a protest with our Office challenging numerous terms of the solicitation. CWTSatoTravel, B-404479.2, Apr. 22, 2011, 2011 CPD ¶ 87. In a written decision, our Office found that none of CWT's claims had merit, except one claim regarding a solicitation ambiguity. Id. at 12-14. In response, the agency modified the solicitation to clarify the ambiguity. RFP amend. 0013.

<sup>2</sup> ETS2 is to succeed, and significantly enhance, the current electronic travel management service, which is known as ETS1. Revised Contracting Officer's Statement at 1. CWT is an ETS1 prime contractor. Id.

personnel/résumés, socio-economic, past performance, and price.<sup>3</sup> RFP § F.3. In Phase II, the agency would “invite the most highly rated Offeror(s)” to participate in an independent verification and validation (IV&V) evaluation, during which their proposed travel systems would be tested against the solicitation’s requirements. Id. §§ F.3, F.5.1. Based on the test results, ratings were to be assigned under the following four Phase II technical evaluation factors, which were stated to be of equal importance: IV&V computational, IV&V functional/usability, IV&V security, and IV&V section 508/accessibility.<sup>4</sup> Id. §§ F.5.1, F.6, F.6.1. Then, after considering both the Phase 1 and Phase II evaluation ratings, the agency was to select for award the proposal or proposals that represented the “best value” to the government. Id. §§ F.3, F.5.1.

The agency received three proposals by the solicitation’s amended closing date. Two were submitted by Concur (one as a primary proposal and the other as an alternative proposal). Revised Contracting Officer’s Statement at 3. The third proposal was submitted by CWT. Id. A source selection evaluation board (SSEB) and price evaluation board (PEB) evaluated the proposals. Id. at 4. The SSEB evaluated the proposals under the Phase I non-price evaluation factors and identified proposal strengths, weaknesses, and deficiencies. See Agency Report (AR), Tab 121, SSEB Consensus Reports. Following the Phase I evaluation, both CWT and Concur were invited to participate in Phase II. Id. at 4-5. After the Phase II IV&V testing was completed, the agency conducted discussions and requested final proposal revisions (FPR) from both offerors. Id. at 5. In connection with the submission of FPRs, the agency conducted a second round of IV&V testing. Revised Contracting Officer’s Statement at 11.

Following evaluation of the FPRs, the offerors’ proposal strengths, weaknesses, and deficiencies were adjusted, and the proposals were assigned final ratings. Id. at 11-14. The SSEB and PEB then presented their findings to a source selection advisory council (SSAC) and a source selection authority (SSA), which, after

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<sup>3</sup> The PWS, PMP, demonstration, and key personnel/résumés factors were said to be of equal importance and to be collectively more important than the other factors. RFP § F.3.1. The socio-economic factor was said to be more important than past performance. Id. The non-price factors were said to be collectively more important than the price factors. Id. Because the solicitation contemplated either single or dual awards, offerors were to submit separate pricing for both a single award scenario and a dual award scenario. Id. § E.6.3.5.

<sup>4</sup> The last factor in this list relates to section 508 of the Rehabilitation Act of 1973, as amended, which generally requires that agencies’ electronic and information technology be accessible to people with disabilities. See 29 U.S.C. § 794d (West 2012).

deliberation, adopted the SSEB's ratings. Id. at 16-17. The final proposal ratings, together with the total evaluated prices, are shown in the table below.

	<b><u>Concur Proposal A</u></b>	<b><u>Concur Proposal B</u></b>	<b><u>CWT</u></b>
PWS	Very Good	Very Good	Marginal
PMP	Very Good	Very Good	Marginal
Demonstration	Very Good	Very Good	Acceptable
Key Personnel/Résumés	Very Good	Very Good	Very Good
Socio-Economic	Outstanding	Outstanding	Very Good
Past Performance	Very Good	Very Good	Acceptable
IV&V - Computational	Acceptable	Acceptable	Acceptable
IV&V - Functional/Usability	Acceptable	Acceptable	Marginal
IV&V - Security	Acceptable	Acceptable	Marginal
IV&V - Section 508	Marginal	Marginal	Marginal
<b>Overall Rating</b>	<b>Very Good</b>	<b>Very Good</b>	<b>Marginal</b>
<b>Single Award Price</b>	<b>\$1,352,997,478</b>	<b>\$1,196,549,911</b>	<b>\$1,427,876,623</b>
<b>Dual Award Price</b>	<b>\$1,476,368,603</b>	<b>\$1,347,148,895</b>	<b>\$1,562,846,138</b>

AR, Tab 103, Proposal Analysis Report (PAR), at 3, 6.

The SSAC prepared a report that summarized its analysis of the evaluation results and included a comparative analysis of the proposals. AR, Tab 103, PAR. In the report, the SSAC concluded that CWT was not capable of fulfilling the government's requirements essentially for two reasons. First, the SSAC found that CWT's proposal did not meet requirements in six general areas and contained numerous weaknesses, significant weaknesses, and a security-related deficiency. Id. at 21-22. Second, the SSAC found that CWT's proposal did not meet 99 requirements because the firm proposed to make the requirements available for IV&V testing after award, in November 2012. Id. at 20-22. With regard to the latter issue, the SSAC documented concerns regarding whether the requirements actually would be available for testing in November 2012, whether the testing would be successful, and whether remediation would be required following the testing. Id. at 21. The SSAC also documented a collateral concern regarding the potential for delayed system deployment, which could prevent agencies from performing numerous electronic travel service functions. Id.

The SSAC's report also considered the risks and benefits of single versus dual awards and contrasted the offerors' pricing under the single and dual award scenarios. Id. at 16-18. Ultimately, the SSAC concluded that a single award based

on Concur's alternative proposal (i.e., proposal B) was in the government's best interest essentially for two reasons. First, as previously stated, the SSAC viewed CWT as not qualified and capable of fulfilling the government's requirements. AR, Tab 103, PAR, at 20-22. Second, Concur's alternative proposal offered the lowest pricing under either the dual or single award scenarios. Id. at 22-24. The SSA considered and adopted the analysis and recommendations contained in the SSAC's report. See AR, Tab 103, Source Selection Decision Document (SSDD), at 31. Award was made to Concur. This protest followed.

## DISCUSSION

CWT asserts that the agency's evaluation of proposals was unreasonable and unequal. CWT also asserts that the agency's discussions with the firm were misleading and that the agency's determination to make a single award rather than dual awards was improper. For the reasons discussed below, we disagree with CWT on all counts.

### Evaluation of Proposals

CWT asserts that the deficiency and significant weaknesses assigned to the firm's proposal were unreasonable and that the agency evaluated the proposals in an unequal manner. Protest at 16-24; Comments at 21-36, 39-45; Supp. Comments at 15-34. The evaluation of proposals is a matter within the discretion of the contracting agency, and, in reviewing protests against allegedly improper evaluations, it is not our role to reevaluate proposals. Marinette Marine Corp., B-400697 et al., Jan. 12, 2009, 2009 CPD ¶ 16 at 11. Rather, our Office examines the record to determine whether the agency's judgment was reasonable, in accord with the evaluation factors set forth in the solicitation, and whether the agency treated offerors equally in its evaluation of their respective proposals and did not disparately evaluate proposals with respect to the same requirements. Id. An offeror's mere disagreement with an agency's judgment is insufficient to establish that the agency acted unreasonably. Id. We have considered all of CWT's arguments regarding the evaluation of proposals and conclude that none have merit. CWT's principle arguments are discussed below.

CWT asserts that the agency unreasonably assigned a deficiency to its proposal under the IV&V security factor. Protest at 20; Comments at 40-41. CWT's proposal received this deficiency based on the finding that a proposed CWT subcontractor "does not have a Data Recovery Center; there are no [continuity] or [disaster recovery] plans; all backup tapes are stored at the same site." AR, Tab 103, PAR, at 80-81. The agency viewed this as a deficiency because "government data is at risk if [the] offeror is not prepared to recover after a potential disaster." Id. at 81. The agency also concluded that this deficiency could prevent CWT from receiving authority to operate, and that nothing in CWT's proposal showed that the firm would be able to satisfactorily resolve the deficiency. Id. at 22.

CWT states that in its FPR it proposed to remove the subcontractor in question from the “accreditation boundary.”<sup>5</sup> Comments at 40. CWT asserts that the deficiency was unreasonable because by virtue of removing the subcontractor from this boundary, the subcontractor “was no longer subject to [the] more stringent Government security requirements required for accreditation, but instead subject to commercial security standards.” Id.

As relevant to this issue, the solicitation provided as follows:

The Contractor shall apply commercially accepted security risk management standards, processes, and frameworks . . . for all components outside the accreditation boundary. This would be accomplished using a . . . commercially accepted framework[] that can be mapped back to achieve the same desired security outcomes found under FISMA [Federal Information Security Management Act], NIST [National Institute of Standards and Technology], and GSA Policy. Specifically, security control objectives based on the NIST 800-53 Rev. 3 Control Families . . . .

RFP § C.6.1.1(1)(b) (emphasis added). Additionally, the solicitation provided that “[t]he Contractor will . . . apply, at a minimum, the appropriately tailored set of baseline security controls in NIST Special Publication 800-53 Rev. 3, *Recommended Security Controls for Federal Information Systems and Organizations.*” Id. § C.6 (italics in original).

CWT has not shown that the solicitation permitted ETS2 system components that are outside the accreditation boundary to operate without a data recovery center, as CWT proposed.<sup>6</sup> The agency, on the other hand, points out that NIST Special Publication 800-53 Rev. 3--i.e., the publication that the solicitation stated to be the “baseline” for security controls--establishes information security controls that include alternate sites for information storage and information processing. Revised Contracting Officer’s Statement at 30-31 (citing AR, Tab 114, NIST Special Publication 800-53 Rev. 3, app. F, at F-50). The agency also cites two instances under ETS1 where database failures occurred and CWT’s proposed subcontractor’s lack of a backup database prevented system users from employing certain system

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<sup>5</sup> The solicitation defined the accreditation boundary as “the scope of protection for the Contractor’s information systems[,] includ[ing] the people, processes, and information technologies that are part of the systems supporting the Contractor’s mission and business processes.” RFP § C, app. B, at B-1.

<sup>6</sup> The agency represents that CWT’s FPR stated that its intended subcontractor “does not support off-site storage,” but that this was being reviewed by the CWT team’s security personnel. Revised Contracting Officer’s Statement at 31.

functions. Revised Contracting Officer's Statement at 14 (citing AR, Tab 112, ETS1 Security Incident Reports). On this record, we see no merit to CWT's challenge against the evaluated deficiency.

CWT next asserts that the agency unreasonably assigned CWT's proposal a significant weakness for failing to offer the capability to produce reports that would provide government-wide data. Protest at 21-22; Comments at 42-43. Relevant to this issue, the solicitation provided that "[t]he Contractor shall provide basic reporting capabilities to users for process and operational information needs, as well as to GSA for Governmentwide summary-level reporting." RFP § C.9.1(1). During discussions, the agency identified CWT's response to this requirement as a significant weakness, stating: "CWT's proposal . . . does not specify whether reports available to GSA are 'government-wide' (all customer data) or available to GSA agency by agency. . . . Please address." AR, Tab 84, CWT Discussions Letter (Dec. 6, 2011), at 6. CWT in its FPR addressed this discussions item as follows:

The suite of reports available for reports administrators is built on TAVS [travel authorization and voucher system] and TMC/PNR [travel management center/passenger name record] report data sources and comprehensively covers all data flowing through the ETS2 E2 Solutions system to include: process information (e.g. pending approvals, required policy reports) and operational information (e.g. travel plans, locations). Report data is available to individual client agencies, as well as to GSA, as required.

AR, Tab 113, CWT FPR, Vol. 2, Tab 3, at 117.

In response to CWT's protest claim, the agency states that the SSEB evaluated the above-quoted FPR language and determined that it did not clarify whether report data would be available on a government-wide basis, as opposed to an agency-by-agency basis. Revised Contracting Officer's Statement at 34. We agree with the agency that CWT's response is reasonably read as failing to clarify the issue. The agency further states that it considered the issue to be a significant weakness due to the potential that the agency itself would have to manipulate data to create government-wide reports. Id. Based on this record, we consider the agency's evaluation finding to be reasonable.

CWT alleges that the agency evaluated its proposal unequally relative to Concur's proposal in numerous areas. Protest at 23; Comments at 22-36; Supp. Comments at 15-34. We have considered all of CWT's allegations and conclude that with respect to nearly all of them, the record reflects that the evaluation outcomes were not the result of unequal treatment, or that CWT's allegations amount to mere disagreement with the agency.

For example, CWT contends that the agency treated the offerors unequally by failing to downgrade Concur's proposed approach of offering to provide four agency-specific travel service capabilities after award. Comments at 23-25 (referencing RFP §§ C.3.2.1(8), (9), (10), (11)(1); AR, Tab 120, Concur FPR, Vol. 2, Tab 4, at 53-54); Supp. Comments at 18-19. CWT argues that this aspect of the evaluation reflects unequal treatment of the offerors because the agency adversely evaluated CWT's plan to make numerous requirements available for testing after award. Comments at 24; Supp. Comments at 18.

The solicitation included a table that listed each requirement that the agency would test during the IV&V evaluation. RFP § E.6.3.6.3. None of the four requirements at issue here are listed in this table. Id. Additionally, neither CWT's nor Concur's proposal was assigned a weakness specifically related to these four requirements. See AR, Tab 103, PAR, at 55-63, 73-82. For these reasons, we see no basis to conclude that the agency treated the offerors unequally with respect to these requirements.

As another example of purported unequal treatment, CWT complains that Concur's proposal was not downgraded for stating that the firm would demonstrate compliance with security standards after award, yet, as discussed above, CWT's proposal's was assigned a deficiency for failing to meet a security standard. Comments at 25; Supp. Comments at 19-20.

CWT's claim is based on the following statement that appears in a summary of Concur's commercial security practices for systems and services that are outside the accreditation boundary: "Additional evidence of compliance to documented commercial standards will be provided outside the scope of the proposal in the updated Security Management Plan after contract award." AR, Tab 120, Concur FPR, Vol. 2, Tab 4, at 118. This statement does not reflect that any aspect of Concur's proposal failed to meet any of the solicitation's security requirements. Further, CWT has not pointed to any portion of the record that reflects a failure on the part of Concur to meet the solicitation's security requirements. In contrast, and as discussed above, the record reflects that CWT's proposal failed to demonstrate compliance with a "baseline" security protocol; namely, the existence of an alternate site for information storage and information processing. Accordingly, contrary to CWT's claim, we find that the record does not reflect unequal treatment by the agency in the area of security compliance.

As stated above, we find that CWT's claims of unequal treatment are nearly all without merit or reflect mere disagreement with the agency's judgments. With respect to a select few of CWT's allegations of unequal treatment, however, the agency's response to CWT's claims was inadequate for us to conclude that the claims were without merit. Yet, even assuming for the sake of argument that unequal treatment occurred as CWT alleges, we find that CWT did not suffer competitive prejudice. Prejudice is an essential element of every viable protest;



we will not sustain a protest unless the protester demonstrates a reasonable possibility that it was prejudiced by the agency's actions. Armorworks Enters., LLC, B-400394.3, Mar. 31, 2009, 2009 CPD ¶ 79 at 3. Here, the primary basis of the agency's determination not to award a contract to CWT was CWT's failure to meet numerous mandatory requirements. AR, Tab 103, SSDD, at 21-25. We see no reasonable likelihood that a favorable reevaluation for CWT or an adverse reevaluation for Concur in the select areas at issue would overcome the failure to meet these requirements such that CWT would be deemed capable and qualified for award.

For example, CWT points out that the agency evaluated numerous pricing assumptions contained in CWT's proposal as representing significant cost or performance risks. Comments at 26-27. This was unfair, according to CWT, because the agency failed to evaluate a pricing assumption that Concur "embedded" in its technical proposal. Id.; see also Supp. Comments at 24-25.

As relevant to this claim, a portion of Concur's technical proposal discussed the possibility that accommodated travel management centers<sup>7</sup> (ATMC) would absorb certain fees or reimburse Concur for certain costs. See AR, Concur FPR, Tab 120, Vol. 2, Tab 3, at 46. The agency states that its evaluation of a pricing assumption that was included in Concur's price proposal encompassed any risk that may result from the portion of Concur's technical proposal at issue. See Supp. Contracting Officer's Statement at 19.

We do not view the Concur pricing assumption named by the agency as necessarily covering the scenario described in Concur's technical proposal where an ATMC would absorb fees or reimburse Concur for certain costs. However, we view the possibility that the addition of one hypothetical high-risk cost assumption with respect to Concur's proposal would tilt the balance in favor of a dual award as too remote to furnish a basis for sustaining the protest. Accordingly, this basis of protest is denied.

Another example of an area where the agency's response to the protest was inadequate for this Office to conclude that a claim was without merit pertains to Concur's proposed approach of correcting a number of weaknesses under the IV&V functional/usability factor within 60 days after award. See Comments at 25-26; Supp. Comments at 20-24. With regard to this issue, the record reflects that for ten IV&V functional/usability factor weaknesses, Concur's FPR stated that the "usability

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<sup>7</sup> The solicitation defined an ATMC as a travel management company under contract with a customer agency to provide travel services for federal employees. RFP § C, app. B, at B-1.

review” would be available “post award.”<sup>8</sup> AR, Tab 102, Concur FPR, Vol. 6, Tracking Nos. 127-29, 131-36, 138. The agency responds that the SSEB considered these 10 areas to be weaknesses, “but not to the degree that it would impact the rating given to Concur.” Supp. Contracting Officer’s Statement at 18.

The SSEB report includes the following reference to this issue: “Due to not re-testing usability, usability weakness comments previously evaluated remained as weaknesses.” AR, Tab 121.3, SSEB Consensus Report, CWT Proposal B, at 19. The SSAC report does not appear to address the issue. AR, Tab 103, PAR, at 59. The SSAC report does, however, reflect that CWT’s approach of offering post-award testing was evaluated adversely under the IV&V functional/usability factor. Specifically, the report states that CWT’s offer to include a certain requirement in November 2012 was a significant weakness. Id. at 80.

We recognize that the specific IV&V functional/usability factor requirements at issue in the evaluation of Concur’s post-award testing approach are different than the IV&V functional/usability factor requirement that was the basis for the above-discussed significant weakness in CWT’s proposal. Nevertheless, in our view, the agency has not adequately explained why Concur’s proposed approach of post-award testing under this factor was acceptable, yet CWT’s was viewed as a significant weakness. But even assuming that this was the result of unequal treatment on the part of the agency, we fail to see how it competitively prejudiced CWT, which proposed 99 requirements for testing post-award, compared to Concur, which proposed 10 requirements for testing post-award. Accordingly, this basis of protest is denied.

## Discussions

CWT asserts that the agency misled the firm during discussions with regard to how the agency would evaluate CWT’s approach of making numerous requirements available for IV&V testing post-award. Protest at 24-25; Comments at 37-39; Supp. Comments at 34-36. According to CWT, the agency indicated that some form of “consideration” offered by CWT--such as a price discount or concession--could “address” the agency’s concerns about CWT’s approach. Comments at 37. Therefore, CWT argues, the agency misled the firm to believe that it could make the requirements available for testing in November 2012 and remain eligible for award. Id.

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<sup>8</sup> CWT alleges that there were 16 areas where Concur proposed post-award testing. Supp. Comments at 21. However, the record reflects that for six of the areas named by CWT, Concur’s proposal stated that its remediation approach would be available for testing during the second round of IV&V. See AR, Tab 102, Concur FPR, Vol. 6, Tracking Nos. 10, 13, 96-99; Revised Contracting Officer’s Statement at 11.

It is a fundamental precept of negotiated procurement that discussions, when conducted, must be meaningful; that is, they may not mislead offerors and must identify proposal deficiencies and significant weaknesses that could reasonably be addressed in a manner to materially enhance the offeror's potential for receiving award. Lockheed Martin Corp., B-293679 et al., May 27, 2004, 2004 CPD ¶ 115 at 7.

By way of background, during negotiations, but before face-to-face discussions, the following written exchange occurred between the agency and CWT:

[Agency Statement:] CWT's proposal indicates that a preponderance of functionality [is] not available until "FOC," [full operational capability] which increases risk to the agency's deployment schedules. This is considered a significant weakness and CWT is urged to fully address this. . . .

[CWT Response:] . . . CWTSatoTravel has documented that it meets over 70 percent of the 1,000 plus requirements . . . . The remaining requirements will be delivered in accordance with the timeframes presented in our [PMP]. The final set of requirements will be implemented in November 2012.

AR, Tab 90, CWT Response to Dec. 6, 2011 Discussions Letter (Dec. 13, 2012), at 3. During the subsequent face-to-face discussions, a member of the agency's negotiation team raised the issue of only "70 percent of the requirements being ready at the time of award." AR, Tab 100, Transcript of Jan. 12, 2012 Negotiations, at 2. This individual then stated that "we'd like to understand a little better what considerations would be made related to the fact that . . . the service isn't completely ready for the requirements of the RFP." Id. at 2-3. Following a short, disjointed exchange related to the agency negotiator's statement, another member of the agency's negotiation team--the ETS2 program manager--made the following statements:

I think the only thing we need to say in terms of this is . . . it has been judged a significant weakness already, OK? And if in the final proposal revision, this continues to be the case, it would be a significant weakness.

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So the best score you could get would be a marginal score, OK, if these significant weaknesses continue, all right?

Id. at 8.

When reviewed in context, we find that the above-quoted statements by the agency's ETS2 program manager clearly convey that if CWT continued to propose its approach of making numerous requirements available for testing post-award, the agency would evaluate that approach as a significant weakness, and CWT's proposal would be rated as marginal. Further, even if CWT interpreted the remarks regarding "consideration" as implying that the agency would not adversely evaluate the approach of implementing requirements post-award, such an interpretation would have conflicted with the ETS2 program manager's clear statements. An agency's discussions are not misleading where a protester misinterprets them, if a reasonably diligent competitor would have at least sought clarification from the agency. American Sys. Corp., B-292755, B-292755.2, Dec. 3, 2003, 2003 CPD ¶ 225 at 7. Accordingly, under this scenario, CWT should have sought clarification. In sum, we see no merit to CWT's claim that the agency misled the firm during discussions.

### Single Award

CWT contends that the agency's determination to make a single award instead of dual awards was unreasonable for a variety of reasons. Protest at 11-16; Comments 6-20; Supp. Comments at 5-15. We have considered each of CWT's arguments in this area and conclude that none have merit. CWT's principle arguments are discussed below.

As an initial matter, for ID/IQ contracts valued in excess of \$103 million, including all options, agencies are required to award multiple contracts, unless the head of the agency determines in writing that one of four conditions is present, including when "[o]nly one source is qualified and capable of performing the work at a reasonable price to the Government." Federal Acquisition Regulation § 16.504(c)(1)(ii)(D)(1), (D)(1)(iii).

Here, the authority granted to the head of the agency to make a determination to award a single ID/IQ contract valued over \$103 million was delegated to the agency's Assistant Commissioner, Office of Travel, Motor Vehicle, and Card Services. See AR, Tab 125, Federal Acquisition Service Delegation of Head of Contracting Agency Authority, at 2. That individual executed a written determination and finding (D&F) that a single award was appropriate on the basis that only one source--Concur--was qualified and capable of performing the work at a reasonable price. AR, Tab 104, ETS2 D&F for Single Award, at 11-12. The underlying bases for the D&F were that CWT failed to meet 99 mandatory solicitation requirements as a result of offering full operational capability in November 2012; CWT failed 19 test cases in the second round of IV&V testing; and CWT's proposal received a security-related deficiency and numerous weaknesses. See id. at 10.

CWT argues that the “disqualification” of its proposal on the basis that it would not meet all requirements until November 2012 was unreasonable. Comments at 10-12.

As stated above, the solicitation established that IV&V testing was to occur as part of the evaluation process. RFP § F.5.1. CWT initially proposed to defer the testing for numerous requirements until after award. During discussions, the agency informed the firm that this approach was considered to be a significant weakness. AR, Tab 84, CWT Discussions Letter (Dec. 6, 2012), at 2; AR, Tab 100, Transcript of Jan. 12, 2012 Negotiations, at 8. Nevertheless, CWT maintained this approach in its FPR. AR, Tab 113, CWT FPR, Vol. 2, Tab 4, at 3, 7-9. On this record, we see no basis to question the agency’s judgment that at the conclusion of the evaluation, CWT was neither qualified nor capable of performing the work.

CWT argues that even if it could not meet all of the requirements at the time of award, the agency’s determination not to award it a contract was nonetheless unreasonable because the ETS1 contract does not expire until November 2013. Comments at 10-12. According to CWT, there is “no reasonable basis for concluding that a 5-6 month delay in reaching full operational capacity after award, and a year before any transition, would negatively impact the Government so severely as to render CWT ineligible to perform the contract.” Id. at 10.

Underlying CWT’s argument is the supposition that performance of ETS2 will not occur concurrently with performance of ETS1. The record, however, shows that the agency intends to begin ETS2 performance--through transition activities--while performance of ETS1 is still underway. Specifically, the SSDD states that “[w]hile the current ETS1 contract does not expire until November 2013,” a “full year is needed in order to successfully transition services.” AR, Tab 103, SSDD, at 21; see also RFP § C.10 (discussing requirements for transition to ETS2). The reasons documented in the SSDD for overlapping performance were as follows:

[I]t takes time to build the required interfaces to agency financial and business systems. . . . These sophisticated and expensive integrations have historically taken significant time and effort. The process of transitioning ETS contractors is costly and complex and is estimated to take a minimum of 12 months . . . . Under ETS1, average transition time for agencies was 18 to 36 months and some have yet to fully transition. For example, the Department of Transportation took 2 years to transition, while USDA took 18 months. The US Coast Guard was never able to deploy under ETS1 because vendors could not support the required functionality as originally required.

AR, Tab 103, SSDD, at 22 (emphasis in original).

An agency is not required to afford an offeror multiple opportunities to cure a weakness remaining in a proposal that was previously the subject of discussions. Portfolio Disposition Mgmt. Group, LLC, B-293105.7, Nov. 12, 2004, 2004 CPD ¶ 232 at 2. Here, the agency documented with reasonable detail the reasons for its need to begin transition to the ETS2 service and therefore eliminate an offeror that did not meet numerous ETS2 solicitation requirements. CWT's arguments amount to mere disagreement with the agency's judgment and provide no basis on which to sustain the protest.

CWT also argues that the agency's determination to make a single award was flawed because the agency improperly interpreted CWT's overall rating of marginal to mean that CWT was incapable of performing the work. Comments at 6-10; Supp. Comments at 8-13. In this regard, CWT points out that the solicitation's definition of a marginal proposal included the statement that the "issues are correctable." Comments at 8 (quoting RFP §§ F.4, F.7). CWT also points out that the solicitation included a proposal rating of "unacceptable." Comments at 8. CWT reasons that because CWT's proposal received a rating of marginal and not unacceptable, the agency's conclusion that CWT was not qualified and capable to perform the work was flawed. Comments at 6-10; Supp. Comments at 8-13.

As an initial matter, while it is true that both the D&F and SSDD make references to CWT's overall proposal rating of marginal, the ultimate conclusions in both documents are based expressly on key evaluation findings that underlie the marginal rating; specifically, the failure to meet 99 requirements, the IV&V testing failures, and the evaluated deficiency and significant weaknesses.

Further, we disagree with CWT that a proposal with an overall rating of marginal necessarily reflects that the offeror is qualified and capable of performing the work. The solicitation defined a marginal proposal as a proposal that "does not meet Government requirements necessary for acceptable contract performance, but issues are correctable." RFP §§ F.4, F.7. While CWT chooses to focus on the statement within the definition that the "issues are correctable," the definition expressly states that a marginal proposal reflects a failure to meet "requirements necessary for acceptable contract performance." Thus, we read this definition to provide an agency with discretion to determine that, notwithstanding the possibility that proposal issues may be corrected during performance, a marginal proposal reflects an offeror that, at the time of award, is not qualified or capable of performing the work. Here, the agency documented a number of specific reasons--none of which we find unreasonable--against awarding a contract to an offeror--CWT--that, at the time of award, did not meet numerous solicitation requirements.

In sum, we conclude that the agency reasonably invoked the exception for the

requirement that an ID/IQ contract valued over \$103 million be awarded to more than one source on the basis that there was only one source that was qualified and capable of performing the work at a reasonable price.

The protest is denied.

Lynn H. Gibson  
General Counsel