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Comptroller General
of the United States

United States Government Accountability Office
Washington, DC 20548

Decision

Matter of: Wizdom Systems, Inc.

File: B-299829

Date: August 3, 2007

Steven Kroll for the protester.

Janine S. Benton, Esq., and Kathy C. Potter, Esq., Benton & Potter, PC, for Teracore, Inc., an intervenor.

Emily E. Parkhurst, Esq., and Alton E. Woods, Esq., Department of the Interior, for the agency.

Glenn G. Wolcott, Esq., and Ralph O. White, Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency procurement record reasonably supports agency's rejection of protester's quotation on the basis of various deficiencies and weaknesses in protester's quotation under each of the solicitation's non-price evaluation factors.

DECISION

Wizdom Systems, Inc. protests the award of a contract to Teracore, Inc. by the Department of the Interior, on behalf of the Department of Defense's U.S. Military Entrance Processing Command (USMEPCOM), pursuant to request for quotations (RFQ) No. 1406-04-06-RQ-63792 for technical services to support development of USMEPCOM's virtual interactive processing system (VIPS).¹ Wizdom protests that the agency improperly evaluated Wizdom's quotation and improperly selected Teracore's higher-priced quotation.

We deny the protest.

¹ USMEPCOM is developing VIPS to assist in enforcing its enlistment standards and in ensuring the quality of personnel entering the U.S. armed forces by capturing, evaluating, storing and communicating applicant pre-qualification, qualification, and enlistment data in a net-centric environment. USMEPCOM is preparing to enter the acquisition milestone B program development phase for VIPS.

BACKGROUND

In September 2006, the agency issued this solicitation, pursuant to Federal Acquisition Regulation (FAR) part 8.4, via the General Services Administration's e-Buy website.² In general, the solicitation contemplates performance of three basic activities: development of the business process reengineering (BPR) specification document, development of the functional requirements document (FRD), and development of the software requirements specification (SRS) documents.³ Agency Report (AR), Tab 4, RFQ at 17. The solicitation contemplated award of a fixed-price contract for a 1-year base period, with four 1-year option periods, provided that award would be made on a "best overall value" basis, and established the following evaluation factors: personnel qualifications, technical approach, price, and past performance.⁴ RFQ at 3-8.

Four vendors, including Teracore and Wizdom, submitted quotations by the December 1 due date.⁵ Thereafter, the quotations were reviewed and evaluated.⁶

² The solicitation had been initially issued in February 2006, but was cancelled in June 2006 at the request of USMEPCOM.

³ The BPR and FRD will be used to support development of the SRS documents which, in turn, will be used to support development of the joint capabilities integration and development system's (JCIPS) capability development document (CDD). Id.

⁴ The solicitation provided that the personnel qualifications factor was more important than technical approach or price, which were of equal importance, and which were, in turn, more important than past performance. RFQ at 6.

⁵ Wizdom submitted its quotation as part of an arrangement with HMR TECH, a service-disabled veteran-owned small business; the quotation stated "Wizdom personnel will be performing the majority of this contract." AR, Tab 5, Wizdom Quotation, at 22. The quotations of the other two vendors are not relevant to resolution of Wizdom's protest and are not further discussed.

⁶ With regard to the non-price evaluation factors, the solicitation advised vendors that the agency would assign adjectival ratings of "outstanding," "excellent," "good," "fair," "poor," or "unacceptable." RFQ at 6-7. Of relevance to this protest, the solicitation defined an "unacceptable" rating as follows:

Serious deficiencies exist in significant areas. The proposal cannot be expected to meet the stated requirements without major revisions. The proposal only indicates a willingness to perform in accordance with

(continued...)

Wizdom's quotation offered a price of \$5,663,977, based on 43,800 manhours; Teracore's quotation offered a price of \$11,455,964, based on 78,075 manhours.⁷ AR, Tab 8, Award Summary, at 4, Overall, the contracting officer rated Wizdom's quotation as "unacceptable," stating:

The risk level for this proposal is high.^[8] The proposal contains deficiencies and significant weaknesses. Based on the information provided, there is doubt that the contractor understand[s] the services required to meet contract requirements. Much of the detail to obtain product completion, task organization or how problems would be solved is missing. Major weaknesses were in not addressing the primary input and planning for SRS and FRD. The proposal did not clearly define or document a broad program concept of identification that encompasses all the modular capabilities.

Id. at 6.

In contrast, the agency evaluated Teracore's quotation as "very good." In explaining the basis for this rating, the agency's summary award document states:

[Teracore has] an excellent staff of experienced people ready to assist USMEPCOM to achieve all deliverables and objectives. The PD [project director] is well qualified and Teracore has vast experience in BPR, FRD, and SRS efforts. Teracore fully understand[s] how to navigate through JCID's [joint capabilities integration and development system] process to ensure compliance with the SOO [statement of objectives] that will support the creation of the necessary

(...continued)

the requirements document without specifying how or demonstrating the capability to do so. Only vague indications of the required capability are present.

Id. at 7-8.

⁷ The independent government cost estimate for this procurement was \$14,982,720 based on 65,280 manhours. AR, Tab 8, at 4, 7.

⁸ Here, as well as throughout the solicitation itself, the record refers to vendors' responses as "proposals," rather than "quotations." As discussed above, the solicitation contemplated an evaluation and source selection scheme similar to those used in negotiated procurements; accordingly, whether vendors' submissions are referred to as "proposals" or "quotations" has no effect on the outcome of Wizdom's protest. See, e.g., LexisNexis, Inc., B-299381, Apr. 17, 2007, 2007 CPD ¶ 73; GC Servs. Ltd. P'ship, B-298102, B-298102.3, June 14, 2006, 2006 CPD ¶ 96.

documentation required attaining MS [milestone] B CDD with follow-on support activities leading to MS C development efforts. BPR methodology is . . . an effective yet flexible methodology to meet unique challenges of the organization under process redesign. Teracore recognizes that the VIPS project will have multiple work streams that will require continuous oversight.

All 11 sub-modules were listed under Enhance Data Capture. All 4 sub-modules were listed under Enhance Data Accessibility. All 3 sub-modules were listed under Enhance System Management. Strength of the BPR methodology is that risks are identified at the start of each BPR, FRD and SRS discover and plan phase, a critical process phase. In conjunction with identifying risks, Teracore has developed an extensive risk register, plan and matrix to mitigate risks. Engage management is the program's management stage and cornerstone of success. This is where USMEPCOM approves after reviewing the program plan, mobilization (VIPS) plan (execution) and manage and improve program phase. Their design and implement phase is the future process design stage (FRD), which leads to describing the reengineered processes to the level of detail to finalize the development plan with specific requirements leading to and supporting an SRS.

Id. at 5.

Following its evaluation of quotations, the agency opted not to engage in further communications with the vendors and made its selection decision on the basis of initial quotations, selecting Teracore's quotation as the best overall value based on its technical superiority. This protest followed.

DISCUSSION

Wizdom first protests that the agency's source selection decision "ignored best value," and complains that the agency's statements regarding deficiencies in Wizdom's quotation were "untrue, perhaps due to a poor review of the original proposal, or perhaps fabricated to justify the bad decision to award the contract to Teracore." Protest at 1, 2.

As discussed below, the record clearly supports the agency's evaluation. More specifically, in evaluating Wizdom's quotation, the agency reasonably identified various deficiencies and weaknesses with regard to each of the solicitation's non-price evaluation factors.

First, with regard to the most important evaluation factor, personnel qualifications, the solicitation provided that vendors must submit letters of commitment for all key personnel,⁹ and required submission of a staffing plan, stating:

This section of the quote must include:

- Organizational Structure (Organization chart and resource headcount required to support the requirement)
- Identification of roles and specify responsibilities for each role
- Definition of the primary skill set required for each role
- Description of resource planning processes and procedures to support the changing needs of the environment
- Description and definition of management methods and processes for all types of support activities
- Description of resource training, skills development and certification approach
- Description of management and status reporting approaches
- Quality Assurance Plan (QAP)

RFQ at 4.

Wizdom's quotation listed eight individuals as potentially available to work on the project, identifying two as "key staff." Above the list of all eight personnel, including the two "key staff", Wizdom's quotation stated:

The following pages contain the resumes of the individuals who may be available from Wizdom depending on start date. In addition to the personnel represented by the following resumes, and depending on

⁹ The solicitation's statement of objectives further provided: "Individuals designated as key personnel shall be committed to the project for its duration and cannot be substituted or replaced without the written agreement of the Contracting Office." AR, Tab 4, at 23.

start dates, Wizdom has other BPR experts with significant MEPCOM specific experience as possible options to choose from to work on this project.

AR, Tab 5, Wizdom Quotation, at 27.

Additionally, Wizdom's "staffing plan" provided virtually no information regarding the particular roles or responsibilities that any of its personnel would perform in meeting the solicitation requirements.

In evaluating Wizdom's personnel staffing plan, the agency stated: "The only information provided was basically a synopsis of potential personnel that may or may not be used." AR, Tab 7, at 4. The evaluation team's summary document further noted that Wizdom's quotation failed to comply with the solicitation requirement to identify the specific roles and responsibilities that each of the proposed personnel would perform, stating:

Unclear from the management staffing plan (p 27-31) on how the offeror will organize personnel against each task and allocate resources throughout the entire project, thereby creating risk to the government on project completion and a phased objective.

Unclear on how the resumes and qualifications of personnel are linked to specific job responsibilities, requirements of the RFP and overall costs. . . .

Unclear how the QA [quality assurance] program will be utilized or who would be responsible for this critical task.

AR, Tab 7, at 9.

With regard to the next most important non-price evaluation factor, technical approach, the solicitation required that quotations include the following:

- (1) Discussion of proposed methods and techniques for completing each task.
- (2) Discussion which supports how each task will be evaluated for full performance and acceptability of work from the Offeror's viewpoint.
- (3) Discussion of any anticipated major difficulties and problem areas, along with potential recommended approaches for their resolution.
- (4) Discussion of major logistical considerations.

(5) A Project Management Plan that is simple, easy to read, and clearly and concisely describes project responsibilities and personnel, any proposed subcontracting arrangements, communication and coordination, scheduling of all tasks and subtasks, meetings, and deliverables. All staff needed to conduct the work and produce any required training and deliverables must be identified.

RFQ at 4.

Wizdom's quotation listed various tasks and deliverables associated with the BRP document, the first of the three required deliverables, but provided no projected schedule or timeline for completion of the tasks associated with any of the three deliverables. Further, Wizdom's quotation provided only limited information regarding the tasks and subtasks associated with providing the FRD and SRS documents, the second and third deliverables required by the solicitation.

In evaluating Wizdom's proposed technical approach, the agency evaluation team concluded:

Much of the detail to obtain product completion, task organization or how problems would be solved is missing. Major weaknesses were in not addressing the primary input and planning for SRS and FRD. The proposal did not clearly define or document a broad program concept of identification that encompasses all the modular capabilities--the vision; scope or operational definitions that link the modular capabilities into the Capabilities Development Document (CDD). . . .

Proposal does not include a project schedule/timeline for BPR/FRD/SRS as required in the SOO.

AR, Tab 7, at 8.

Additionally, Wizdom's technical approach contemplated reliance on its own proprietary modeling tools, referred to generally as the "Minerva" methodology, AR, Tab 5, Wizdom Quotation, at 13-21, although the solicitation made various references to the agency's prior reliance on a different modeling tool, referred to as Borland Caliber RM 2005. RFQ at 21, 23, 25. Other than asserting the superiority of its own tools, Wizdom's quotation provided no discussion of any particular problems or challenges that would be encountered in replacing the agency's prior reliance on the Borland Caliber tools with reliance on Wizdom's tools.

In evaluating Wizdom's technical approach, the agency stated :

Unclear on how [Wizdom's] "Minerva" methodology used exclusively by offeror in technical evaluation of business process improvement and requirements analysis will be accomplished--will USMEPCOM

members/SME's [subject matter experts] require special training on tool--will tool become labor intensive and cause a possible distraction to the USMECOM participation in this project. . . .

Proposal did not present sufficient detail to determine the intent, focus or the plan to address potential problem areas within the project.

Offeror did not respond in any detail on any other logistical issues involving USMEPCOM and the government.

AR, Tab 7, at 8.

Finally, with regard to past performance, the solicitation stated:

The Offeror shall identify three (3) contracts/task orders with the Federal Government and/or commercial customers that demonstrate recent and relevant past performance. [¹⁰] Recent is defined as within the last three (3) years. Relevant is defined as work similar in complexity and magnitude of the work described in this SOO.

RFQ at 4.

Throughout Wizdom's quotation, as well as in its protest, Wizdom repeatedly touts its broad and extensive experience, for example, asserting in its protest that "Wizdom has successfully served dozens of Federal and commercial clients since its founding in 1986 and has completed some of the largest BPR projects undertaken within the Federal government." Protest at 2. In striking contrast to this assertion, the three contracts that Wizdom submitted as its own past performance references were valued at \$564,000, \$119,300, and \$150,000,¹¹ and reflected performance periods of 7 months, 3 months, and 6 months, respectively. AR, Tab 5, Wizdom Quotation, at 24-25. As noted above, the independent government cost estimate for this procurement was approximately \$15 million and the solicitation contemplates a 1-year base performance period with four 1-year option performance periods.

In evaluating Wizdom's quotation with regard to past performance, the contracting officer stated: "The current contract summaries reflect low dollar values/manhours and it appears they do not meet the size, scope and complexity of the SOO or the

¹⁰ The solicitation further required that each vendor "shall ensure that the Contractor Past Performance Questionnaire (Attachment #8) will be completed by three (3) separate customers and returned by the customers to this office." RFQ at 5.

¹¹ We note that HMR TECH submitted a past performance reference valued at just over \$2.5 million.

level [of] intense communication and coordination the project will require.” AR, Tab 8, at 6.

In reviewing protests alleging improper evaluation of proposals or quotations, this Office will examine the record to determine whether the agency’s judgments were reasonable and in accordance with the solicitation criteria along with applicable statutes and regulations.¹² E.g., Verizon Fed., Inc., B-293527, Mar. 26, 2004, 2004 CPD ¶ 186 at 4. A protester’s mere disagreement with the agency’s judgment does not establish that an evaluation was unreasonable. JAVIS Automotation & Eng’g, Inc., B-293235.6, Apr. 29, 2004, 2004 CPD ¶ 95 at 5.

Based on our review of the entire record, as discussed above, we find no basis to question the agency’s conclusion that Wizdom’s quotation contained various material weaknesses and deficiencies under each of the solicitation’s non-price evaluation factors. For example, the agency reasonably concluded that Wizdom’s quotation lacked adequate and required information concerning its personnel, project schedule, and relevant past performance. Accordingly, there is no basis to question the contracting officer’s determination that Wizdom’s quotation was unacceptable.

Throughout Wizdom’s protest, there appear express and implicit assertions that the agency should have considered information that Wizdom believes is, or should have been, general knowledge regarding Wizdom’s experience, capabilities, or how Wizdom intended to perform this contract.¹³ In this regard, an offeror/vendor bears the responsibility to submit an adequately written proposal/quotation that includes sufficiently detailed information to affirmatively demonstrate that the offeror/vendor will comply with the solicitation requirements. ADC, Ltd., B-297061, Oct. 14, 2005,

¹² When an agency uses vendors’ responses to a FAR Part 8.4 solicitation as a basis for a detailed technical evaluation, this Office will analyze the protester’s contentions by the standards applicable to negotiated procurements. E.g., Digital Sys. Group, Inc., B-286931, B-286931.2, Mar. 7, 2001, 2001 CPD ¶ 50 at 4-5.

¹³ For example, Wizdom complains that the agency “ignored experience” in selecting Teracore’s higher-priced quotation, maintaining that Wizdom “has been successfully completing this type of work for DOD for more than 20 years.” Protest at 1. Here, the solicitation did not include “experience” as a separate evaluation factor; rather, the agency considered an offeror’s experience as part of the past performance factor, requiring that past performance be “recent” and “relevant” and expressly providing that to be considered recent and relevant, the prior performance must have occurred within the last 3 years and the work must have been “similar in complexity and magnitude” to the work described in this solicitation. RFQ at 4. As discussed above, the agency considered the past performance references submitted by Wizdom, reasonably concluding that they were not sufficiently similar in size, scope and complexity to the solicitation requirements. Accordingly, there is no merit to Wizdom’s assertion that the agency “ignored experience.”

2005 CPD ¶ 178 at 5. To the extent Wizdom's protest is based on the premise that the agency should have considered information that was not provided within Wizdom's quotation, the protest is without merit.

The protest is denied.¹⁴

Gary L. Kepplinger
General Counsel

¹⁴ In pursuing this protest, Wizdom has raised various other complaints, including assertions that the agency evaluators were biased in favor of, or conflicted with regard to, Teracore's quotation, and that the agency was obligated to award the contract to Wizdom on the basis of its lower price. We have considered all of Wizdom's allegations and find no basis for sustaining its protest.