



G A O

Accountability * Integrity * Reliability

**Comptroller General
of the United States**

**United States Government Accountability Office
Washington, DC 20548**

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.

Decision

Matter of: GC&E Systems Group, Inc.

File: B-401315; B-401315.2

Date: July 9, 2009

Michael H. Payne, Esq., Cohen Seglias Pallas Greenhall & Furman, for the protester.
Timothy A. Furin, Esq., Department of the Army, for the agency.
Mary G. Curcio, Esq., and John M. Melody, Esq., Office of the General Counsel, GAO,
participated in the preparation of the decision.

DIGEST

Protest that agency misled protester into increasing its staffing and, consequently, its price, when it provided vendors with government's minimum estimated staffing is denied where agency specifically advised offerors that estimate was just that, and that it was vendor's responsibility to determine adequate staffing.

DECISION

GC&E Systems Group, Inc., of Norcross, Georgia, protests the issuance of a task order for communications services to Altech Services, Inc., of Oklahoma City, Oklahoma, under a task order proposal request (TOPR) issued by the Department of the Army under contract No. W91RUS-08-D-0004. GC&E maintains that the agency misled it into increasing its staffing unnecessarily.

We deny the protest.

The TOPR provided for the issuance of a task order to the vendor whose proposal provided the "best value" to the government considering technical support (with subfactors for technical expertise, services, and quality control) and price. TOPR at 6. As relevant here, under the technical expertise subfactor vendors were required to address staffing levels, including a detailed description of the staffing outline for all positions. *Id.* The solicitation, as issued, included historical workload data to assist vendors in developing their staffing plans, but after receiving and evaluating initial quotations the agency provided vendors with the government's estimated minimum staffing. Army E-mail, Mar. 17, 2009. The Army also sent each vendor discussion questions concerning specific weaknesses in their proposals. Following the receipt and evaluation of final proposal revisions, both Altech's and GC&E's proposals were rated acceptable for each non-price factor. Altech proposed

a price of \$15,386,930.68, and GC&E a price of \$18,933,348.40. The agency selected Altech's proposal for issuance of the task order.

GC&E asserts that the agency misled it into increasing its price unnecessarily. Specifically, the protester states that it initially offered to perform with a staff of 40, but that it increased its staff to 51 after the agency provided the minimum staffing estimate showing a staff of 51. GC&E states it believed the estimate reflected the agency's minimum requirements, and that it only learned after award that the estimate was not intended to establish a minimum. GC&E asserts that this increase in its proposed staffing resulted in a substantial increase in its price, and concludes that, had it not increased its staffing, it would have received the task order.

This argument is without merit. The e-mail transmitting the staffing estimate advised vendors that, "The staffing provided is not the solution, but represents the Government's minimum staffing to perform the requirements of the PWS." Army E-mail, Mar. 17, 2009. Vendors questioned this statement, and the Army responded to all vendors that, "The minimum staffing provided is only an estimate. It is the contractor's responsibility to determine how to staff to support the requirements of the PWS." Questions and Answers, Mar. 20, 2009. Since the response expressly stated that the minimum staffing was only an estimate, and provided that vendors were to determine their own staffing, there was no reasonable basis for GC&E to treat the estimate as a minimum requirement; if GC&E believed that its initially proposed staffing was adequate to perform the requirements of the task order, it should have been clear that it was free to leave its staffing unchanged.¹

The protest is denied.

Daniel I. Gordon
Acting General Counsel

¹ The protester complains that the agency concluded that the seven other vendors' initially proposed staffing was too low, but failed to inform those vendors that their staffing appeared low. However, as noted, the estimate was provided to vendors after initial proposals were received. The agency also provided these offerors with questions concerning their staffing. Contracting Officer's Statement at 8. This had the effect of informing vendors of the adequacy of their staffing.