

Corrected Source Selection Statement for the Financial and Business Management Services Effort

1. On November 10, 2011, I met with members of the Streamlined Procurement Team (SLPT) appointed to evaluate the proposals for the Financial and Business Management Services (FBMS) acquisition, Request for Proposal (RFP) NNJ11333395R. Several other officials of the Johnson Space Center also attended the meeting.
2. FBMS is an indefinite delivery/indefinite quantity contract with cost-plus-fixed-fee and firm-fixed price task orders. The FBMS contract consists of a three year base period and two-one year option periods with a 31-day phase-in period. The not-to-exceed amount for the contract is \$45,000,000, with a guaranteed minimum amount of \$50,000. This contract is not a follow-on contract. The procurement is a total small business 8(a) set-aside.
3. The scope of the FBMS effort includes the following: program management, resources management, assessment, scheduling, accounting, configuration management, data management, earned value management, and process improvement.

Background

4. On March 9, 2011, the contracting officer issued Request for Proposal (RFP) NNJ11333395R with a proposal receipt date of April 26, 2011. Six amendments were issued to the RFP.
5. RFP Section M, Introduction, Provision M.3.1 states, in part, that:
The Government will award to the Offeror whose proposal offers the best overall value to the Government that meets all solicitation requirements and is determined responsible in accordance with FAR 9.104. ...This procurement shall be conducted using a combination of technical acceptability and a tradeoff between past performance and cost.

The RFP, Section M, Combination of Technically Acceptable and Trade-off Between Past Performance and Cost/Price, Provision M.3.3 states in part, that "All Technically Acceptable and Potentially Acceptable Offerors will be evaluated against past performance and cost/price." The provision also stated that technical acceptability will be rated as acceptable, potentially acceptable, or unacceptable, and that all technical acceptability criteria must be passed to be considered technically acceptable. Provision D, Tradeoff Process, of Section M.3.3 provides that:

- (1) For those Offerors who are determined to be technically acceptable, tradeoffs will be made between Past Performance and cost/price. Past Performance is significantly more important than cost.
- (2) If all offers are of approximately equal past performance, award will be made to the Offeror with the lowest most probable cost and price (cost type contracts).

(3) The Government will consider awarding to an Offeror with higher past performance if the difference in probable cost/price is commensurate with added value.

(4) The Government will consider making award to an Offeror whose offer has lower past performance if the probable cost/price differential between it and other offers warrant doing so.

Evaluation Procedures

6. The proposals were evaluated in accordance with the RFP. The evaluation process was as follows: (1) An initial evaluation was performed to determine if proposals were unacceptable in accordance with NFS 1815.305-70, Identification of Unacceptable Proposals. (2) The offerors were checked against the "List of Parties Excluded from Federal Procurement and Non-Procurement Programs", and proposals were reviewed for compliance with the solicitation instructions. (3) All remaining proposals were evaluated against the factors listed in the RFP.

7. Technical acceptability was assessed with ratings of technically acceptable (TA), potentially acceptable (PA), or technically unacceptable (TU). Pursuant to the RFP, for technical acceptability, offerors were required to meet the following baseline requirements: key personnel, total compensation plan, safety and health plan, and technical scenarios. Offerors whose proposals received a TU rating were eliminated from further consideration.

8. Each technically acceptable and potentially acceptable proposal received a past performance confidence assessment rating based on the SLPT's evaluation of available information regarding each offeror's relevant past performance on recent projects. The SLPT relied upon each offeror's narrative, questionnaires submitted by each offeror's customers, information contained in the Past Performance Information Retrieval System, information contained in the Federal Awardee Performance and Integrity Information System, and telephone interviews of customers. In accordance with the RFP, the following past performance level of confidence ratings were utilized: [1] Very High, [2] High, [3] Moderate, [4] Low, [5] Very Low, and [6] Neutral.

9. All technically acceptable and potentially acceptable offerors' proposals were evaluated against cost/price. The Government performed a price analysis to determine prices were fair and reasonable. A cost realism analysis was conducted and a probable cost was developed for selection that included the basic period and all options. The cost/price confidence levels utilized were high, medium and low.

Evaluation of Initial Proposals

10. Eleven offerors submitted proposals in response to the RFP. The firms that submitted proposals are (in alphabetical order): (1) Aetos Systems, Incorporated; (2) Ask International, Incorporated; (3) Build Better Business Solutions, LLC; (4) DLB Systems, Incorporated; (5) ePro, LLC; (6) International Computer Systems, Incorporated; (7) Key & Associates, P.C.; (8) Logical Innovations, Incorporated; (9) MSDS Consulting Services, LLC; (10) The Millennium Group, International and (11) Wichita Tribal Enterprises, LLC.

11. None of the offerors took exception to the RFP requirements. The proposal submitted by the Millennium Group was late and therefore not considered for evaluation and award. The proposals submitted by MSDS Consulting Services, LLC and International Computer Systems, Incorporated were determined to meet the conditions of an unacceptable proposal in accordance with NFS 1815.305-70(a), and therefore were not considered for evaluation and award. The remaining proposals were evaluated in accordance with the RFP as well as the Federal Acquisition Regulation (FAR) Part 15 and NASA FAR Supplement Part 1815. At the conclusion of the initial evaluation, the SLPT determined proposals submitted by Ask International, Incorporated; Build Better Business Solutions, LLC; DLB Systems, Incorporated; ePro, LLC; Key & Associates, P.C.; were technically unacceptable and could no longer be considered for award, and thus removed from the competitive range and the source selection competition. Each offeror was notified in writing pursuant to FAR 15.503, Notification to Unsuccessful Offerors. Ask International, Incorporated; Build Better Business Solutions, LLC; DLB Systems, Incorporated; Key & Associates, P.C.; and MSDS Consulting Services, LLC requested and received pre-award debriefings. ePro, LLC and International Computer Systems, Incorporated requested post-award debriefings.

12. The SLPT further determined the proposal submitted by Wichita Tribal Enterprises, LLC (Wichita) was technically acceptable, and the proposals submitted by Aetos Systems Incorporated (Aetos) and Logical Innovations, Incorporated (Logical) were potentially acceptable. The SLPT evaluated the past performance and price/cost of these three remaining proposals.

Discussions and Evaluation of Final Proposal Revisions

13. Wichita, Aetos and Logical were informed of their inclusion in the competitive range. Written discussions were held with all offerors in the competitive range. At the conclusion of written discussions, the offerors were given an opportunity to submit a final proposal revision (FPR) and a signed model contract reflecting the offerors intent to be contractually bound. Offerors were also given an opportunity to revise their FPR and model contract. After evaluation of the offerors' FPRs and FPR Revisions, the SLPT determined proposals submitted by Wichita, Aetos and Logical to be technically acceptable. The past performance level of confidence rating was assessed after evaluating aspects of each offeror's recent past performance that were relevant to the RFP effort.

Individual Past Performance

14. Wichita's past performance level of confidence rating is High. The SLPT evaluated past performance information for Wichita and its two major subcontractors, Stinger Ghaffarian Technologies, Incorporated (SGT) and Barrios Technology, LTD (Barrios). On two somewhat relevant contracts in which they performed as a subcontractor, the customer commented that Wichita's performance was excellent. For SGT, four contracts were determined to be very relevant and three somewhat relevant. On three very relevant contracts and three somewhat relevant contracts, SGT received excellent ratings. On one very relevant contract, they received excellent and very good ratings. Barrios received excellent ratings on a very relevant contract and on a relevant contract. The SLPT determined Wichita has a high level of safety and

environmental past performance. The Key Personnel's experience was rated as very relevant, recent, and excellent.

15. Aetos' past performance level of confidence rating is Moderate. The SLPT evaluated past performance information for Aetos and its major subcontractor, Manufacturing Technical Solutions, Inc., (MTS). On three somewhat relevant contracts, Aetos received excellent ratings from the customer references. On a somewhat relevant contract, where Aetos performed as a subcontractor, the customer commented that Aetos' performance was excellent to very good. MTS received excellent ratings on a relevant contract. On two relevant contracts and one somewhat relevant contract where MTS performed as a subcontractor, the customer commented that their performance was excellent. The SLPT determined Aetos has a high level of safety and environmental past performance. The Key Personnel's experience was rated as very relevant, recent, and excellent.

16. Logical's past performance level of confidence rating is Moderate. The SLPT evaluated past performance information for Logical and its two major subcontractors, Mathematical Research Incorporated Technologies (MRI) and Al-Razaq Computing Services (Al-Razaq). On a somewhat relevant contract, Logical received excellent and good ratings based on customer references. On three somewhat relevant contracts where Logical performed as a subcontractor, the customers commented that their performance was excellent. MRI received mostly excellent ratings on a relevant contract. On a somewhat relevant contract, MRI received very good to excellent ratings. On another somewhat relevant contract, the customers commented that their performance was excellent and very good. On one relevant contract where MRI performed as a subcontractor, the customer commented that their performance was excellent. Al-Razaq received satisfactory to very good ratings on one relevant contract. On another relevant contract, Al-Razaq received excellent ratings. The SLPT determined that Logical has a moderate level of safety and environmental past performance. The Key Personnel's experience was rated as very relevant, recent, and excellent.

Cost/Price

17. As part of the cost realism analysis, in May of 2011 the SLPT requested audits of all offerors and their major subcontractors' cost proposals from the Defense Contract Audit Agency (DCAA). The SLPT received information from the DCAA auditors which contained issues or findings that were specific to each offeror's cost proposal. For those audit issues or findings that the SLPT did not have sufficient proposal data to disposition, the SLPT requested the offerors to provide additional data to support their cost proposals during discussions. Based on the offerors' responses and supporting data, the SLPT determined that each offeror's responses and supporting data were adequate to determine the reasonableness of proposed costs.

18. The cost proposals were evaluated consistent with the evaluation criteria in Section M of the RFP. A cost realism analysis was performed for each proposal resulting in a probable cost.

19. Wichita's initial proposed cost and price, as evaluated in accordance with the RFP, was \$33.0M, and the Government's probable cost and price was \$34.8M. In the final proposal, Wichita's proposed cost and price was \$35.2M, and the Government's probable cost and price

was \$35.4M. [REDACTED] The SLPT cost confidence level for Wichita increased from Medium to High because Wichita provided adequate data in their FPR response to support the reasonableness of its proposed indirect rates.

20. Aetos' initial proposed cost and price, as evaluated in accordance with the RFP, was [REDACTED] and the Government's probable cost and price was [REDACTED]. In the final proposal, Aetos' proposed cost and price was [REDACTED] and the Government's probable cost and price was [REDACTED]. [REDACTED] The SLPT cost confidence level for Aetos increased from Low to High because the offeror addressed the SLPT's concern about their proposed subcontract costs which were unburdened in their FPR response.

21. Logical's initial proposed cost and price, as evaluated in accordance with the RFP, was [REDACTED] and the Government's probable cost and price was [REDACTED]. In the final proposal, Logical's proposed cost and price was [REDACTED] and the Government's probable cost and price was [REDACTED]. [REDACTED] The SLPT cost confidence level for Logical increased from Low to Medium because the offeror addressed the inconsistencies within its initial cost proposal in their FPR response.

22. For the firm-fixed price portion of the contract, the SLPT performed a price analysis to determine price reasonableness. The price proposals were evaluated for price reasonableness by comparison against the Government estimate and prices submitted by the other offerors. There was adequate price competition to enable the SLPT to determine that all of the price proposals were reasonable.

Source Selection Decision

23. With respect to the FBMS contract, my decision was based on selecting the proposal offering the best value and consistency with the RFP's stated criteria for award. I reviewed the SLPT evaluation and posed a variety of questions. After considering the SLPT's answers to my questions, I took no exceptions to and adopted its evaluation.

24. In assessing the relative value of the past performance findings for all proposals, I performed an evaluation of the past performance level of confidence ratings and their relative benefit to the Government. I placed a significantly higher relative weight on High ratings in comparison to Moderate or Low ratings.

25. I agree with the High past performance level of confidence rating the SLPT gave Wichita. The Key Personnel's experience was rated as very relevant, recent, and excellent. Of the past performance contract data reviewed, this offeror's subcontractors received mostly excellent ratings on five very relevant and recent contract, and one relevant and recent contract that was

either similar or greater in size or magnitude and similar or greater in scope and complexity as the required RFP effort. I recognize the offeror and its major subcontractors received mostly excellent ratings on five somewhat relevant contracts. On one of the somewhat relevant contracts, the offeror performed as a subcontractor. This offeror's customers provided many positive comments including, but not limited to: "provides excellent support...excellent job in retaining qualified personnel...excellent job in controlling costs...quality of work exceeded contract requirements...all metrics associated with timeliness of products are Gold (highest rating)." I also note this offeror has a high level of safety and environmental past performance, which demonstrates adequate loss prevention and a commitment to safety. Wichita's past performance demonstrates very effective performance that would be fully responsive to contract requirements, which is of significant benefit to the Johnson Space Center.

26. I agree with the Moderate past performance level of confidence rating the SLPT gave Aetos. Of the past performance data reviewed, I note this offeror's major subcontractor received mostly excellent ratings on one recent and relevant contract that was similar in scope and complexity, but significantly less than the size or magnitude of the RFP requirement. I recognize the offeror and its subcontractor received mostly excellent ratings on five somewhat relevant contracts. I note these somewhat relevant contracts were significantly less than the size or magnitude of and only slightly similar in scope and complexity to the RFP effort. I also note that on two of the relevant contracts, the offeror's subcontractor performed as a subcontractor. Again, the size or magnitude of these relevant contracts was significantly less than the RFP effort. I note the many positive comments provided by the offeror's customers. It concerns me that the largest dollar value of any single contract listed in the past performance volume by Aetos and its subcontractor and performed in the last 5 years was approximately \$9.4 million, as compared to the RFP not-to-exceed amount of \$45 million. I recognize the offeror's high level of safety and environmental past performance, which demonstrates adequate loss prevention and a commitment to safety.

27. I agree with the Moderate past performance level of confidence rating the SLPT gave Logical. Of the past performance data reviewed, I note this offeror performed as a prime on a somewhat relevant contract and performed as a subcontractor on three somewhat relevant contracts, that were significantly less than the size or magnitude and only slightly similar in scope and complexity to the RFP effort. I note its subcontractors received mostly excellent and some very good and good ratings on three recent and relevant contracts that were similar in scope, complexity and size or magnitude to the RFP effort. I note that on one relevant contract where one of the subcontractors performed as a subcontractor, the customer commented that they were excellent. I recognize on two somewhat relevant contracts, the offeror's subcontractor received excellent and very good ratings. I note, however, that these somewhat relevant contracts were significantly less than the size or magnitude and only slightly similar in scope and complexity to the RFP effort. I also note the offeror has a moderate level of safety and environmental past performance.


28. With regard to cost and price, I note that Aetos' proposed cost and price was less than Wichita and Logical's proposed cost and price, but that Wichita's probable cost and price is lower than Aetos' and Logical's probable cost and price. I recognized Aetos' advantage in proposed cost and price was based on lower overall proposed labor cost and price than Wichita

and Logical's proposed labor cost and price. I conclude the offerors' probable cost and price is a better indicator of actual cost and price for the FBMS contract.

Final Decision

29. In making my decision, I found the difference in the past performance to be the key discriminator in my selection decision. Wichita's proposal indicates a higher degree of demonstrated past performance on recent and very relevant and relevant contracts that involved a broad range of financial business management services that were either similar or greater in size or magnitude and similar or greater in scope and complexity as the required RFP effort. Although Wichita and one of its subcontractors had five somewhat relevant contracts for which Wichita received mostly excellent ratings, I placed greater consideration on the very relevant and relevant contracts. Wichita offers the highest past performance level of confidence and the lowest probable cost and price. Aetos' past performance level of confidence is lower and its probable cost and price are slightly higher than Wichita's probable cost and price. Based upon Aetos' higher probable cost and price and lower past performance rating, I conclude that Aetos' proposal does not offer the best value to the Government. Moreover, even if I consider Aetos' lower proposed cost and price, I would still determine that Wichita's proposal represents the better value to the Government because of its higher past performance level of confidence, which greatly offsets its slightly higher proposed cost and price. Logical's probable cost and price is higher than Wichita's probable cost and price and its past performance is rated lower than Wichita's past performance. Based upon Logical's higher probable cost and price and lower past performance rating, I conclude that Logical's proposal does not offer the best value to the Government.

30. The Contracting Officer has determined that Wichita is responsible in accordance with FAR 9.104. Therefore, in accordance with the RFP that states the Government will award to the offeror whose proposal offers the best overall value to the Government that meets all solicitation requirements, I find the proposal submitted by Wichita is the best value to the Government and select Wichita to perform the FBMS contract.



Laura G. Pepper
Source Selection Authority

12/21/2011
Date