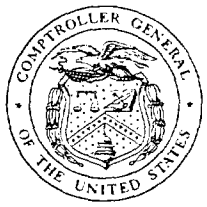
Proc I

DECISION



THE COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

10,493

FILE: B-192008 DATE: June 18, 1979

MATTER OF: Moshman Associates, Inc.
[Protest of HEW Contract Award]

DIGEST:

While following initial technical evaluation awardee's proposal was rated 9.8 points lower than highest rated technical proposal, resolution of two areas of concern through site visit had effect of reducing point differential. Therefore, procuring agency had rational basis for concluding proposals were essentially equal from technical standpoint and award based on lower cost is not objectionable.

CNG 01939

On January 16, 1979, our Office issued its decision on the protest of Moshman Associates, Inc. (B-192008, 79-1 CPD 23), against the award of a contract to Analysis, Management and Planning, Inc. (AMPI) by the Department of Health, Education, and Welfare (HEW), under request for proposals No. HRA-230-7B-0567. Since HEW found the offers to be essentially equal technically, award was made to AMPI based on its lower proposed cost.

DHG00635

Following the initial technical evaluation of the proposals, Moshman received 92.2 points out of a possible 100 points and AMPI scored 82.4 points, or a point difference of 9.8 points. Following best and final offers, which were not numerically rescored, HEW determined the proposals to be essentially equal from a technical standpoint. Our prior decision noted that nothing in the record supported this determination and we requested HEW to supply our Office with the rationale behind this action.

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HEW has now submitted to our Office its response to our January 16, 1979, decision explaining the rationale utilized by the contracting officer.

Following receipt and review of this explanation, Moshman has requested our Office not to accept the reasons advanced by HEW and to recommend termination of AMPI's performance under Phase II of the contract (option portion), which was awarded on March 29, 1979. Moshman contends that the majority of HEW's response relates to cost and not the technical ratings of the two offerors and adds nothing new to the record which supports HEW's award.

HEW explains that two areas of concern with AMPI's proposal were the sufficiency of the staff in the company's local office and the availability of a word processing system at that locale. Following a site visit, it was confirmed that the Project Director and Logistics Coordinator were full-time staff at the local office and that AMPI did have a word processing system.

Moshman argues that while the fact that a site visit was made was evident in HEW's initial report to our Office on the protest, that report only noted the site visit was made and not what was resolved during the visit.

Regarding the difference in the technical point scores of the two offerors, we have consistently stated that techincal point ratings are useful as guides for intelligent decision-making, but whether a given point spread between two competing proposals indicates a significant superiority of one proposal over another depends upon the facts and circumstances of each procurement and is primarily a matter within the discretion of the procuring agency. Grey Advertising, Inc., 55 Comp. Gen. 1111 (1976), 76-1 CPD 325. Our Office has found a point difference as great as 8.1 percent not sufficient to render one proposal technically superior to the lower rated proposal. 52 Comp. Gen. 686 (1973) and Southern California Ocean Studies Consortium, 56 Comp. Gen. 725 (1977), 77-1 CPD 440.

Therefore, while following the initial technical evaluation the two proposals were 9.8 points apart, we believe the site visit and the resolution of the two areas of concern would have had the effect of narrowing the difference and reasonably support the contracting officer's conclusion that the proposals were essentially equal technically.

Once proposals have been determined to be essentially equal technically, cost can become the determining factor in the award process, notwithstanding that cost was designated a relatively unimportant evaluation factor in the solicitation. Bunker Ramo Corporation, 56 Comp. Gen. 712 (1977), 77-1 CPD 427.

Accordingly, we find HEW has rationally supported its award selection.

R. F. Keller

Acting Comptroller General
of the United States