

**Source Selection Statement for the
NASA/ Enterprise Applications Service Technologies (EAST)
Request for Proposals (RFP) NNM10266065R**

On October 25, 2010, I, along with senior officials from the Marshall Space Flight Center (MSFC) and NASA Headquarters, met with members of the Source Evaluation Board (SEB) to hear their findings based on the evaluation of proposals for the NASA/ Enterprise Applications Service Technologies (EAST) procurement.

I. PROCUREMENT DESCRIPTION

The purpose of the EAST procurement is to competitively acquire services to operate, maintain, enhance, and expand the full range of Enterprise Applications managed by NASA's Enterprise Applications Competency Center (NEACC) at the George C. Marshall Space Flight Center (MSFC) in Huntsville, Alabama.

This effort will be performed under a firm fixed price type contract with an Indefinite Delivery/Indefinite Quantity (ID/IQ) feature for the implementation of new applications/major enhancements. The resulting contract will utilize various methods to calculate deductions from the potential fixed price based on specified service level standards defined as the Expected Service Levels (ESL) and Minimum Service Levels (MSL) under this contract. Additionally, this contract contains a special feature for the calculation of service credits and debits for application enhancement services under Performance Work Statement (PWS) 3.2. The contract consists of a two-year base period with one option of two years and another option of one year, for a potential five year total period of performance.

The SEB members included representatives from the Office of the MSFC Chief Information Officer, NASA Headquarters Office of Protective Services, and the MSFC Procurement Office. To aid in the evaluation, the SEB appointed evaluators and internal advisors with expertise in both technical and pricing disciplines in order to provide assessments of strengths and weaknesses for each offeror's proposal, as measured against the EAST solicitation's factors and subfactors.

The final Request for Proposals (RFP) NNM10277065R for the EAST procurement was released to industry on January 6, 2010. The RFP required offerors to provide the Information Technology (IT) services required to operate and maintain the NEACC facility in Huntsville, AL.

Seven amendments to the RFP were issued as follows:

- Amendment No. 001 was issued on January 26, 2010, and provided Offerors with a replacement pricing template based on industry comments/questions.

- Amendment No. 002 was issued on February 8, 2010, and provided Offerors with answers to written comments/questions received in response to the RFP, as well as certain replacement RFP pages.
- Amendment No. 003 was issued on February 12, 2010, and corrected a misalignment of spreadsheet formulas in the Government's Excel Pricing Model (EPM) and addressed two additional written questions from industry.
- Amendment No. 004 was issued on February 17, 2010, and based on industry comments/questions provided exclusions/exceptions to the proposal page limits and extended the proposal due date by one week, to March 15, 2010.
- Amendment No. 005 was issued on February 19, 2010, and provided changes to Attachment L-A5 to accommodate variations in Fringe/Overhead and G & A rates across contract years.
- Amendment No. 006 was issued on March 1, 2010, and provided written responses to Industry questions/comments.
- Amendment No. 007 was issued on March 2, 2010, and provided written responses to Industry questions/comments. In addition, a note was added to Clause H.20, Associate Contractor Agreement.

The EAST procurement was conducted as a full and open competition in accordance with FAR Part 15, entitled "Contacting by Negotiations." By March 15, 2010, two companies submitted timely proposals:

<u>Company</u>	<u>Date Received</u>
CIBER, Incorporated (CIBER) 6363 South Fiddlers Green Circle, Suite 1400 Greenwood Village, CO 80111	March 15, 2010
Science Applications International Corporation (SAIC) 1710 SAIC Drive, T1-13-1 McLean, VA 22102	March 12, 2010

II. EVALUATION PROCEDURES

The proposals were evaluated in accordance with the procedures prescribed by FAR Part 15 and NFS Part 1815. The Government evaluated the proposals in two steps:

Step One – An initial evaluation was performed to determine if all information had been provided and that the Offeror had made a reasonable attempt to present an acceptable proposal. At the conclusion of this step, no proposal was determined to be unacceptable.

Step Two – All acceptable proposals were evaluated against the three evaluation factors contained in the RFP (Mission Suitability, Price, and Past Performance). Based on this

evaluation, the Government had the option to utilize one of the following methods: (1) make selection and award without discussions; or (2) establish a Competitive Range and, after discussions with all Offerors, afford each Offeror that remains in the Competitive Range an opportunity to revise its proposal, and then make selection.

The RFP, in provision M.3(e), prescribed the three evaluation factors: Mission Suitability, Price and Past Performance. The RFP specified the relative order of importance of the factors as follows: “All evaluation factors, Mission Suitability, Past Performance, and Price, are essentially equal to each other. All evaluation factors other than cost or price, when combined, are significantly more important than cost or price.” The process the SEB used in evaluating proposals is described as follows:

Mission Suitability: The RFP established that only the Mission Suitability factor would be point scored in the evaluation process using the adjectival rating, definitions and percentile ranges at NFS 1815.305(a)(3)(A). The Mission Suitability factor was used to evaluate the feasibility and soundness of the Offeror's proposed approach in satisfying the requirements of the Performance Work Statement (PWS), including the appropriateness of the Offeror’s proposed resources. The Mission Suitability factor consisted of the following four subfactors with assigned points as indicated in the chart below. Results for this factor, including subfactor findings, were reported to me.

Mission Suitability Subfactor	Weighting
Subfactor A: Management and Staffing Approach	350 points
Subfactor B: Technical Approach	500 points
Subfactor C: Safety, Health and Environment (SHE)	50 points
Subfactor D: Small Business Utilization	100 points
TOTAL	1000 points

Price: The price evaluation was conducted in accordance with FAR 15.305(a)(1) and NFS 1815.305(a)(1). The SEB evaluated the adequacy, reasonableness, and realism of Offeror’s price and any elements of price. Consistency between the Mission Suitability and the Price Volumes were considered in determining the Offeror’s understanding of the EAST PWS.

In accordance with the RFP, the Offeror’s total price for the contract requirements was calculated as the sum of the mission services price for the contract period of performance, including:

1. All contract period of performance options, all Application Point Band options, and the price of the following Phase-In Purchase Orders:
 - i. Contract Transition
 - ii. Approach For Continuity of Integrated Collaboration Environment (ICE) Operations
 - iii. Approach For ICE Transition to NEACC
2. A Government-calculated ID/IQ value using Offeror-provided staffing distribution applied to a Government predetermined number of labor hours and the Offeror/Subcontractor ID/IQ rates;
3. A Government-calculated Application Point Unit Price (APUP) value using Offeror-provided Application Point Unit Prices applied to a Government predetermined number of annual Applications Points.

Based on the price analysis, the SEB identified any price or elements of price that appeared to be out-of-line, inadequate, unrealistic or unreasonable for the services priced. After identification of omissions, inconsistencies, out-of-line, inadequate, unrealistic or unreasonable prices or elements of prices, the SEB determined if these inconsistencies represented a risk to providing the services in accordance with the terms of the contract. In accordance with the RFP, the SEB assessed a price risk of high, medium, or low for each proposal. The Offeror's total price as described in subparagraph M.5, (a) of the RFP plus the ID/IQ price value and the Application Point Unit Price (ARC/RRC) value were reported to me, along with the SEB's assessment of price risk.

Past Performance: The Past Performance evaluation was conducted in accordance with FAR 15.305(a)(2) and NFS 1815.305(a)(2), "Past performance evaluation".

The Offeror's overall corporate past performance, including the corporate past performance of any proposed teammates/subcontractors, were evaluated. Emphasis was given to the extent of direct relevant corporate experience and quality of past performance on previous contracts that are relevant to the effort defined in the RFP. Greater emphasis was placed on more recent experience and past performance. This area was not numerically scored, but was assigned an adjective rating that was reported to me. The adjective rating system/definitions set forth in NFS 1815.305(a)(2)(A) were utilized in the evaluation of past performance.

The evaluation considered past performance information provided by Offerors and information from other sources. In addition to Offeror provided references, the NASA past performance database and references known to the SEB were checked as deemed necessary. The Interview/Questionnaire form was used to solicit assessments of the Offeror's performance from the Offeror's previous customers. All pertinent information, including customer assessments and any Offeror rebuttals, if appropriate, were made part of the evaluation records and included in the evaluation. Relevancy of past performance was assessed utilizing, as a minimum, the areas of: (1) types of services provided; (2) size and complexity of the contract; and (3) contract type.

However, Offerors without a record of relevant past performance or for whom information on past performance was not available, were not evaluated favorably or unfavorably on past performance. (FAR 15.305(a)(2)(iv)).

The Offeror's safety, health, and environmental performance and Lost Time Case (LTC) rate were also evaluated as part of this factor. Each referenced contract/ project LTC rate was averaged (3 years) and compared to the latest available Department of Labor (DOL) Bureau of Labor Statistics (BLS) LTC rate national average for the given NAICS.

III. EVALUATION OF INITIAL PROPOSALS AND COMPETITIVE RANGE DECISIONS

All offers received were determined to be acceptable and were evaluated consistent with the criteria identified in the RFP. The initial findings of the SEB were presented to me on June 28, 2010, at NASA Headquarters in Washington D.C. Based on those findings, I concurred with the Contracting Officer's determination that award on initial proposals was not appropriate, and to establish a competitive range of the most highly rated proposals. The Contracting Officer concluded (and I concurred) that given an opportunity to address informational inadequacies contained in both proposals through the discussion process, both Offerors could improve their competitive position. Accordingly, both CIBER, Inc. and SAIC were included in the competitive range and discussions were held. Accordingly, on August 12, 2010, each Offeror was provided with its Significant Weaknesses, Weaknesses, Price Risks, and Clarification Questions. Offerors were to respond in writing by August 30, 2010, and both Offerors did so.

Based on a thorough evaluation of both Offerors' responses to the discussion letters, the SEB determined that CIBER's competitive position had declined, but that SAIC's competitive position had substantially improved. In accordance with FAR 15.306 (c)(3), the Contracting Officer determined, and I concurred, that CIBER's proposal was no longer one of the most highly rated proposals. Because CIBER's proposal had no realistic prospect of award, CIBER's proposal was eliminated from consideration for award and was no longer included in the competitive range for this procurement. By a letter dated October 5, 2010, CIBER was informed of this decision. On October 5, 2010, the EAST contracting officer sent a letter requesting Final Proposal Revisions (FPRs) to SAIC with a due date for receipt of FPRs on October 8, 2010. Subsequently, this final proposal was evaluated consistent with the criteria identified in the RFP.

IV. EVALUATION OF FINAL PROPOSAL REVISIONS

As a result of the discussion process and the Final Proposal Revisions, SAIC increased its Mission Suitability numerical score. Specifically, in the Management and Staffing Approach subfactor, the Contracting Officer noted that SAIC's response successfully addressed the only significant weakness that had been assigned. In addition, at the completion of discussions, the Contracting Officer noted that SAIC's response successfully addressed all 27 weaknesses that had been assigned under the Management and Staffing Approach and Technical Approach subfactors. Thus, SAIC's proposal does not have any significant weaknesses or weaknesses under the Mission Suitability factor.

The Contracting Officer also noted that SAIC decreased its overall proposed firm-fixed price. SAIC also successfully addressed all identified Price Risks and its price risk was accordingly reassessed from High to Low. SAIC's Past Performance adjective rating did not change. The final evaluation results based upon the FPR are summarized below.

SAIC

In the Mission Suitability factor, SAIC's proposal received an overall score of 964 (out of 1,000 possible points). SAIC had no deficiencies, sixteen (16) significant strengths, thirty-four (34) strengths, no significant weaknesses, and no weaknesses.

Under Subfactor A, Management and Staffing Approach, SAIC's proposal received an adjectival rating of Excellent. SAIC received eight (8) significant strengths, eighteen (18) strengths, no significant weaknesses, and no weaknesses. The eight (8) significant strengths are summarized below:

Significant Strengths: 8

- A significant strength of the proposed management structure is the dual focus on both the supply and demand sides of the NASA Enterprise Applications Competency Center (NEACC) Factory, to enable successful factory operations.
- A significant strength is the proposed concise and thorough approach to the integration of the EAST Service Management System and processes with the GOVERNMENT's I³P Tier 1 Enterprise Service Desk. The proposed approach increases the potential of a successful integration of NASA Tier 1 and EAST Tier 2 systems and processes.
- A significant strength is that the proposed Phase-In Plan provides an exceptionally well thought-out and comprehensive approach to implementing and integrating key supporting toolsets during the 90 day phase-in period that are required for the successful management of NEACC factory and the EAST contract.
- A significant strength is that the proposed Project Manager is well qualified for the position, with 28-years of program management experience with multi-billion dollar contracts delivering software solutions through collaborative environments. The candidate received excellent feedback from customer references.
- A significant strength is that the proposed Technical Director / Deputy Program Manager has 28 years of Information Technology experience. In addition, the proposed individual has acted in the role of Technical Director for the UNITEs contract and has over five years of management experience across the NEACC Lines of Business (LoBs) and Delivery Functions. The candidate is a certified Project Management Professional (PMP) and is ITILv3 Foundation Certified. The candidate received excellent customer feedback.
- A significant strength is that the proposed Factory Management Support Manager has over 15 years of Information Technology experience and over five years of experience performing day to day operational management tasks within the NEACC environment, across all Lines of Business (LoBs) and Delivery Functions. The candidate is a certified Project Management Professional (PMP), Certified Scrum Master (CSM), and is ITILv3 Foundation Certified. The candidate received excellent customer reviews.
- A significant strength is the proposed Quality Assurance Manager. The proposed candidate has 11 years of Information Technology experience and has executed the role of Quality

Assurance Manager within the NEACC UNITEs organization for 4 years. The candidate is a certified Project Management Professional (PMP), Certified Scrum Master (CSM), and is ITILv3 Foundation Certified. The candidate received excellent customer reviews.

- A significant strength is the proposed Application Development Manager. The proposed candidate has 12 years of Information Technology (IT) experience and proven experience in application development management. The candidate has 12 years of experience working in the NEACC environment and over 3 years of experience as an Application Development Manager within the NEACC. The candidate is ITILv3 Foundation Certified. The candidate received excellent customer reviews. The combination of these factors greatly enhances the potential for successful contract performance.
- Under Subfactor B, Technical Approach, SAIC received an adjectival rating of Excellent. SAIC received four (4) significant strengths, nine (9) strengths, no significant weaknesses, and no weaknesses. The four (4) significant strengths are summarized below:

Significant Strengths: 4

- A significant strength is that the proposed Sustaining Factory Operations Approach outlines a set of end-to-end processes and tools that are exceptionally thorough and innovative, and extremely well-suited to effectively manage and optimize technical operations within the NASA Enterprise Applications Competency Center (NEACC) factory.
- A significant strength is that the proposed Factory Management approach describes a comprehensive and cohesive set of ITILv3-aligned procedures and supporting tools that greatly enhance the potential for successful execution of overall service delivery and effective factory capacity management. The proposed approach includes excellent and innovative detailed plans.
- A significant strength is the Technical Approach Risk Assessment's thoroughness in terms of both the identified risks, as well as the innovative and effective nature of the proposed risk mitigations. The proposed technical risks were categorized into organizational changes, assessment changes, landscape changes, and relationship changes. The proposed Technical Approach Risk Assessment is comprehensive and incorporates methods to ensure completeness, identification of effective mitigations, and thorough follow-through.
- A significant strength is that the proposed ID/IQ Task Order Approach describes a well thought-out, reliable, repeatable process for analyzing and implementing Indefinite Delivery/Indefinite Quantity (ID/IQ) task orders that lends itself well to Firm Fixed Price task orders.

In Subfactor C, Safety, Health, and Environmental Plan, SAIC received an adjectival rating of Very Good. SAIC received one (1) significant strength, one (1) strength, no significant weaknesses, and no weaknesses. The one (1) significant strength is summarized below:

Significant Strengths: 1

- A significant strength is that the SHE Plan is comprehensive, of exceptional merit and thorough in addressing each 1293SA-001 MSFC Core Program Requirements (CPR) and

sub-elements in sufficient detail and proposed additional safety initiatives beyond the MSFC SHE requirements. The comprehensive SHE Plan and additional safety initiatives greatly enhances the potential for successful contract performance.

In Subfactor D, Small Business Utilization, SAIC received an adjectival rating of Excellent. SAIC received three (3) significant strengths, six (6) strengths, no significant weaknesses, and no weaknesses. The three (3) significant strengths are summarized below:

Significant Strengths: 3

- It is a significant strength that the proposal's subcontracting percentage goals exceed the recommended subcontracting percentage goals in all categories, which greatly enhances the potential for successful contract performance.
- A significant strength in the Small Business Plan is a clear demonstration of an exceptional management commitment to utilize small businesses (SB) as subcontractors in high technology areas and high quality areas (vs. a mere pass through) and integration of the subcontracted work into the total effort.
- A significant strength in the Small Business Plan is that it clearly demonstrates an exceptional level of commitment to utilize SB concerns and to support their development. Proposed procedures and organizational structure for SB outreach, assistance, counseling, market research, and SB identification, and relevant purchasing procedures provide a logical and systematic approach significantly enhancing the probability of success.

In the Past Performance factor, SAIC received one (1) significant strength, five (5) strengths, no significant weaknesses, and one (1) weakness which resulted in a High Level of Confidence rating. The one (1) significant strength is summarized below:

Significant Strengths: 1

- It is a significant strength that the proposal cites very effective performance on a highly pertinent contract which is very comparable in contract value to the EAST contract and demonstrates nearly 100% overlap between the cited past performance and the EAST Lines of Business and Delivery Functions. Additionally, customer ratings substantiated the Offeror's excellent past performance on the referenced contract. Evidence of successful past performance within the broad and complex landscape of all EAST Lines of Business and Delivery Functions greatly enhances the potential of successful contract performance.

In the Price factor, the SEB determined the proposed price was reasonable, complete, and ensured that all PWS requirements were reflected in the price. All price risks identified by the SEB during the initial proposal evaluations were resolved during the discussion process and the resolution of the price risks was confirmed in the FPR. The SEB assessed SAIC's proposal at a Low Price Risk level.

V. DECISION

In addition to the briefing I received on the SEB's findings, I have thoroughly reviewed the SEB's report of its findings based on its evaluation of SAIC's Final Proposal Revision. With respect to the process and findings, I determined that the SEB followed the RFP and the Evaluation Plan. Further, I determined that the findings presented by the SEB, as documented in the report, were reasonable and valid for purposes of making a selection decision. I then analyzed more closely the SEB's findings for the three evaluation factors listed in Section M.3(e) of the RFP: Mission Suitability, Past Performance, and Price. The RFP specified the relative order of importance of the factors as follows: "All evaluation factors, Mission Suitability, Past Performance, and Price, are essentially equal to each other. All evaluation factors other than cost or price, when combined, are significantly more important than cost or price." The RFP also stated that award would be made on the best value trade-off process, as described in FAR 15.101-1.

During the course of the presentation, I solicited and considered the views of senior NASA MSFC and NASA HQ personnel who heard the presentation and who have responsibilities related to this procurement, hereinafter referred to as "senior officials." I considered the report and the presentation from the SEB along with the views of senior officials in making my decision.

Under the Mission Suitability factor, I noted that SAIC's proposal received "Excellent" ratings in the two most heavily weighted subfactors, Management and Staffing Approach and Technical Approach. I also noted that SAIC's proposal received a "Very Good" rating in the Safety, Health, and Environmental subfactor, and an "Excellent" rating in the Small Business Utilization subfactor. Details are discussed below.

For the Management and Staffing Approach subfactor, SAIC's proposal had eight (8) Significant Strengths and eighteen (18) Strengths. Together these strengths relate to SAIC's proposed innovative management structure, the Phase-in Plan, and the assigned key personnel who will perform this work. I also note that the Technical Director/Deputy Program Manager is dedicated 100% to this contract, which shows SAIC's high level of commitment to this effort. This approach will ensure that SAIC will be able to successfully manage a smooth flow of the work on both the supply and demand sides. There were no significant weaknesses or weaknesses for this subfactor, and after hearing the SEB's explanations, I am satisfied that SAIC adequately addressed the one (1) significant weakness and the sixteen (16) weaknesses that had existed prior to SAIC's Final Proposal Revision.

For the Technical Approach subfactor, SAIC's proposal had four (4) Significant Strengths and nine (9) Strengths. Together these strengths relate to the proposed factory management approach and supporting toolsets, the risk assessment, and the ID/IQ task order approach. The end-to-end processes and tools of the proposed approach, which aligns to the ITIL v3 procedures, are described in great detail and represent a highly innovative approach that will ensure that NASA is positioned well today and in the future. There were no significant weaknesses or weaknesses for this subfactor, and after hearing the SEB's explanations, I am satisfied that SAIC adequately addressed the eleven (11) weaknesses that had existed prior to SAIC's Final Proposal Revision.

For the Safety, Health, and Environmental (SHE) subfactor, SAIC's proposal received a "Very Good" rating. The one (1) Significant Strength and one (1) Strength assigned in this area demonstrate that this is an area of great importance to SAIC, and the fact that there were no significant weaknesses or weaknesses in this area show that SAIC is committed to following its comprehensive and thorough SHE plan and its additional safety initiatives in performing this contract.

For the Small Business Utilization subfactor, SAIC's proposal received an "Excellent" rating. The three (3) Significant Strengths and six (6) Strengths assigned in this area demonstrate that SAIC has an exceptionally strong level of commitment to utilize small business concerns and to support their development throughout contract performance. Likewise, the absence of any significant weaknesses or weaknesses in this area demonstrate that SAIC will be able to meet or exceed its proposed small business goals and small disadvantaged business targets, thus ensuring a successful contractor team.

For the Price factor, the SEB determined that SAIC's proposal represented a "Low Price Risk." I noted that SAIC's total evaluated price was fair, accurate, and reasonable, and was also lower than the Independent Government Cost Estimate. After hearing the SEB's explanations, it is my assessment that SAIC adequately addressed and clarified the seventeen (17) price risks (assumptions) that had existed prior to SAIC's Final Proposal Revision.

For the Past Performance factor, SAIC's proposal received a "High Level of Confidence." There was one (1) Significant Strength and five (5) Strengths, all relating to highly effective (mostly excellent) performance for SAIC and/or their subcontractors on contracts of similar size, scope and complexity to the EAST contract. There were no significant weaknesses, but there was one (1) weakness for this subfactor. This one weakness related to a subcontractor's total reportable injury rate average being greater than the Department of Labor's national average. After hearing the SEB's explanations, I have determined that this remaining weakness is based on a historical data point that does not pose a risk to successful contract performance, especially since SAIC has committed to monitor this area closely and promptly address any issues identified.

Based on the findings provided in the SEB's report, I considered SAIC's proposal overall to represent a proposal of exceptional technical merit. Furthermore, it represents an innovative approach that will deliver high quality services to NASA at an acceptable and reasonable price. In accordance with Section M of the RFP, it represents the best value to the Government. Consequently, I select SAIC's proposal for award of the Enterprise Applications Service Technologies (EAST) contract.


Nadine Tremper
EAST Source Selection Authority (SSA)


Date