SOURCE SELECTION STATEMENT

National Aeronautics and Space Administration (NASA)
Langley Research Center (LaRC) Simulation and Aircraft Services (SAS)
Request For Proposal (RFP): NNL15544449R

On December 2, 2015, I, as the designated Source Selection Authority (SSA) for the subject acquisition, met with the Source Evaluation Board (SEB) appointed to evaluate proposals for the Simulation and Aircraft Services (SAS) contract.

Procurement History

The SAS contract is for the simulation related hardware and software technology support services to provide analysis, design, development, verification, validation, operations, maintenance, modification, and systems integration for the LaRC Flight Simulation Facilities and Research Aircraft Systems.

Market research was conducted in order to determine the existing small business capabilities and assess how well they compare with LaRC requirements. A sources-sought synopsis was issued on February 13, 2015 seeking capability statements from potential sources under NAICS code 541330, Engineering Services ($15 million size standard). Based on the responses received, the Contracting Officer determined, with the concurrence of the Small Business Specialist and the Small Business Administration Procurement Center Representative that an inadequate number of small business concerns existed to allow this procurement to be conducted as a Total Small Business set aside.

A Procurement Strategy Meeting was held on May 20, 2015 at LaRC and the procurement strategy was subsequently approved. The procurement was conducted as a full and open competition. The SSA appointed the SEB on April 6, 2015 for the purpose of evaluating proposals received in response to the solicitation. A Draft Request for Proposal (RFP) was issued on July 16, 2015 for comments from industry and a Pre-Solicitation Conference was conducted on July 30, 2015. The Final RFP was issued on August 19, 2015. Two amendments to the RFP were issued to respond to questions received from potential offerors and to make minor corrections.

The RFP contemplated the award of a cost plus fixed fee contract with a potential period of performance of five years (three year base period plus a two year option period).

The following companies (listed in alphabetical order) responded to the RFP by the due date and time of September 18, 2015 2:00 PM:

- American Systems Corporation (ASC)
    - o * Significant Subcontractor - Adaptive Aerospace Group, Inc. (AAG)
    - o * Significant Subcontractor - J F Taylor, Inc. (JFTI)
- International Computer Systems, Inc. (ICS)
- Unisys Corporation (Unisys)

* Significant Subcontractor is defined as subcontracts over $1,000,000 annually in value, in accordance with RFP Provision L.5.

Evaluation Factors

The appointed SEB conducted an evaluation of proposals received in response of the RFP. The evaluation was conducted in accordance with the evaluation factors and instructions set forth in the solicitation. The offerors were evaluated in alphabetical order. The RFP set forth the following three evaluation factors:

Factor 1: Mission Suitability
Factor 2: Cost/Price
Factor 3: Past Performance

The RFP stated that proposals received in response to this solicitation will be evaluated by a SEB in accordance with NASA Federal Acquisition Regulation (FAR) Supplement (NFS) 1815.3.

The RFP also stated the SSA, after consultation with the SEB and other advisors, would select the Offeror that can perform the contract in a manner most advantageous to the Government, all factors considered. The SSA would make an integrated assessment of each offer and comparatively evaluate competing offers, considering input from the SEB. The SSA would consider adjectival ratings and point scores assigned by the SEB; however, the SSA would base selection on substantive proposal differences that are reflected by the adjectival ratings and point scores as opposed to basing selection on mere differences in ratings or scores.

The RFP stated that overall, in the selection of a Contractor for contract award, Mission Suitability, Cost, and Past Performance, would be of approximately equal importance. All evaluation factors other than Cost, when combined, are significantly more important than Cost.

Factor 1 - Mission Suitability

The Mission Suitability Subfactors and their weights were as follows:

Subfactor 1 - Understanding the Requirement and Technical Approach (UTRA)   500 points
    URTA 1 - Approach to the Statement of Work (SOW)
    URTA 2 - Risks and Approach to Risk Mitigation
Subfactor 2 - Management (MGMT)   400 points
    MGMT 1 - Organizational Structure
    MGMT 2 - Recruiting, retaining, and motivating employees
Subfactor 3 - Small Business Utilization (SBU)   100 points
    Small Business Subcontracting
    Commitment to Small Business

The SEB used the adjectival and numerical ratings in accordance with RFP Provision M.2(d) and findings definitions in accordance with RFP Provision M.2(e) in its evaluation of the Mission Suitability Factor.

Factor 2 - Cost/Price

In accordance with FAR 15.404-1(b), the Government conducted a price analysis by evaluating the prices proposed in response to this solicitation. Specifically, the evaluation included, but was not limited to, comparing the prices proposed in response to this solicitation and comparing the proposed prices to the independent Government cost estimate. The total overall evaluated price was for CLINs 1 through 5.

In accordance with FAR 15.404-1(d), the Government conducted a cost realism analysis by independently reviewing and evaluating specific elements of each offeror's proposed cost estimate to determine whether the estimated proposed cost elements are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the unique methods of performance and materials described in the offeror's technical proposal. The Government would derive a probable cost, which was determined by adjusting each offeror's proposed cost, and fee when appropriate, to reflect any additions or reductions in cost elements to realistic levels based on the results of the cost realism analyses performed. The probable cost may differ from the proposed cost and will reflect the Government's best estimate of each offeror's proposal. The probable cost shall be used for the purposes of evaluation to determine the best value.

Factor 3 - Past Performance

Under the Past Performance factor, the SEB considered each offeror's current/recent record (including the record of any significant subcontractors, but not the past performance of individuals who are proposed to be involved in the required work), of performing services or delivering products as demonstrated on the individual contracts offered for relevance and independent performance information on all previous contracts.

In assessing pertinence, the SEB considered the degree of similarity of work performed in size in dollars per year, content, and complexity of each relevant contract of the prime and each significant subcontractor considering the amount and type of work each firm is proposed to perform to the requirements in this solicitation, as well as the recency and duration of the past performance. For the purpose of determining size, the SEB compared the size of work performed for the referenced contracts to the total price proposed for CLIN 2 and CLIN 4 for the prime and the significant subcontractors were compared against their portion of CLIN 2 and CLIN 4 as evidenced by the cost proposal.

In assessing performance, the SEB made an assessment of the offeror's overall performance record using Past Performance Questionnaires (PPQs) and Past Performance Information Retrieval System (PPIRS) information for meeting technical, schedule, cost, management, safety, security, overall mission success, subcontracting goals, and other contract requirements.

The SEB used a level of confidence rating for past performance in accordance with RFP Provision M.3 and NFS 1815.305. The RFP stated that each of the confidence ratings has a "performance" component and a "pertinence" component with the offeror having to meet the requirements of both components to achieve a particular rating.

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Evaluation Procedures

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The SEB conducted the evaluation of proposals in accordance with Section M of the RFP. Upon receipt of Technical Proposals (Volume I), Business Proposals (Volume II), and Past Performance Proposal (Volume III), the SEB conducted an initial review of each Volume, with the Cost/Price Analyst providing a review of the Factor 2 - Cost/Price proposal information, to determine if any were unacceptable proposals as defined in NFS 1815.305-70. The Contract Specialist reviewed each model contract, applicable terms and conditions and Representations and Certifications for each offeror. All proposals in accordance with RFP Provision M.2(c), except ICS, were found to warrant a full evaluation. ICS was eliminated on October 28, 2015 as

unacceptable in accordance with 1815.305-70(a)(1). ICS was properly notified and no further evaluation of their proposal was performed.

The SEB members performed a detailed individual review of each offeror's Technical Proposal and documented strengths and weaknesses for each Mission Suitability subfactor. After completion of the individual evaluations for each subfactor, the SEB convened to discuss individual findings and to develop consensus on strengths and weaknesses for each of the offerors. The SEB then reviewed the findings for each offeror to ensure that all proposals were evaluated consistently and objectively. Upon completion of the evaluation of all subfactors for all offerors, the SEB assigned adjectival ratings and percentage scores to each subfactor based on the consensus findings, calculating a point score for each subfactor by multiplying the assigned percentage score and the available points, then summing the subfactor point scores to derive the overall Mission Suitability point score in accordance with NFS 1815.305.

The SEB reviewed each offeror's Business Proposal to determine whether the costs proposed were reasonable, realistic and consistent with the technical approach. The cost proposals were assessed in accordance with the Cost/Price evaluation factor. The SEB provided the results of its review to the Cost/Price Analyst who incorporated the results into the detailed analysis of the offeror's cost proposals.

The SEB performed a comprehensive review of each offeror's Past Performance Proposal, all of the PPQs, and information obtained from the PPIRS. To determine work content, the SEB reviewed each offeror's submitted contracts, comparing the description of the contract to the work in the SAS PPQ technical performance elements. The SEB also reviewed the past performance information to determine size and complexity for each offeror. The SEB then reviewed the Technical Proposals for each offeror to determine which entity (Prime and/or Significant Subcontractor) was proposed to do each section of the SOW. The SEB then assigned an overall pertinence rating for each offeror based on an integrated assessment of the size, content, and complexity for each offeror in relation to the SAS contract. The SEB collected and reviewed performance information on all Prime and Significant Subcontractors and assigned an overall performance rating for each offeror. The SEB then assigned an overall past performance confidence rating for each offeror, based on the performance and pertinence ratings.

The Contracting Officer carefully reviewed the facts presented in the initial findings and discussed the findings with the SEB. The RFP stated the Government anticipated award would be made without discussions, [ref. RFP provision at FAR 52.215-1(f)(4) and RFP Provision L.9(c)] and based on the initial findings of the SEB, it was evident that the potential for an award without discussions existed. Therefore, no Competitive Range was determined and the SEB met with me, the SSA, on December 2, 2015 to present its findings.

Evaluation Findings

Factor 1 - Mission Suitability

Set forth below is a summary of the Mission Suitability ratings and findings for the offerors:

Offeror	Adjectival Rating	Numerical Rating
ASC	Good	661
Unisys	Very Good	746

ASC

ASC received a Mission Suitability score of 661. ASC's proposal included Strengths and Weaknesses as summarized below.

Subfactor 1, URTA

ASC received an adjectival rating of Good for Subfactor 1.

Approach to the SOW URTA 1

ASC received a Strength for its approach to perform the broad range of services of SOW Section 2.2.2 which reflected a thorough understanding of this requirement. ASC proposed numerous contractor provided software models of many avionics and air vehicle systems that allow for effective design and development of software products.

ASC received a Strength for its approach to perform the broad range of services of SOW Section 2.2.10 which reflected a thorough understanding of this requirement. ASC proposed reach-back and surge capability to support multiple research activities and flight research experiments simultaneously.

Risks and Approach to Risk Mitigation URTA 2

ASC received a Strength for its approach to capture the vast experience and expertise of key positions to support high fidelity human-in-the-loop flight simulation development and operations.

ASC received a Strength for its understanding of the risks associated with the successful performance of this contract. ASC identified five (5) significant risks and mitigation approaches that the SEB considered appropriate, clearly stated, and realistic.

Subfactor 2, MGMT

ASC received an adjectival rating of Good for Subfactor 2.

Organizational Structure MGMT 1

ASC received a Strength for its proposed organizational structure demonstrating efficiency and effectiveness in managing and communicating within the team and with the Government.

ASC received a Strength for clearly describing the responsibilities and authority of the Contract Program Manager.

ASC received a Weakness for not clearly identifying the specific SOW sections the prime and each significant subcontractor is proposed to perform.

Recruiting, retaining, and motivating employees MGMT 2

ASC received a Strength for its approaches for staffing the contract including incumbent retention and recruiting, retaining, and motivating highly qualified personnel.

Subfactor 3, SBU

ASC received an adjectival rating of Good for Subfactor 3.

ASC received a Strength for subcontracting goals (overall subcontracting goals and individual subcontracting goals by small business category) which exceeded the goals established for this procurement.

ASC received a Weakness for its small business plan not meeting the requirements of FAR 19.704 (c) because the plan did not contain separate statements and goals for the basic contract and for each option.

Unisys

Unisys received a Mission Suitability score of 746. Unisys's proposal included Significant Strengths, Strengths, and a Weakness as summarized below.

Subfactor 1, URTA

Unisys received an adjectival rating of Very Good for Subfactor 1.

Approach to the SOW URTA 1

Unisys received a Significant Strength for its proposed innovations for SOW Sections 2.2.2 and 2.2.9 which include a development methodology for managing software tasks that will enhance communication and collaboration among team members, improve effectiveness of software development, and the delivery of operational software more effectively with improved efficiency and quality. The approach included a technique to improve the efficiency and cost-effectiveness of systems development and testing processes.

Unisys received a separate Significant Strength for its approach in performing the services in SOW 2.2.2. This is based on Unisys's extensive domain knowledge of core software that they combine with Open Source software to create a common software environment for simulation and flight operations. The approach enables cost effective, highly reusable, scalable, portable, re-configurable, and maintainable software products to be developed reducing downtime and schedule delays.

Unisys received a Strength for its innovation to perform the services in SOW 2.2.10 providing a cost-effective and flexible environment for designing, developing, testing, operating, and

maintaining real-time, high fidelity flight simulations for multiple aeronautics and space exploration simulation studies, infrastructure engineering services, and flight research experiments.

Risks and Approach to Risk Mitigation URTA 2

Unisys received a Strength for its proposed risk mitigation approach to optimize staff skills and utilization by reducing delays in project schedules, avoiding cost inefficiencies caused by idle or underutilized staff, and ensuring there are qualified employees and subcontractors to perform the work.

Subfactor 2, MGMT

Unisys received an adjectival rating of Good for Subfactor 2.

Organizational Structure MGMT 1

Unisys received a Strength for its proposed organizational structure that has clear lines of responsibility, authority, and communication within the team and with the Government.

Recruiting, retaining, and motivating employees MGMT 2

Unisys received a Strength for its proposed approach for staffing the contract which includes a fully trained and ready-to-perform staff ensuring continuity of support and enabling the retention of highly qualified employees.

Subfactor 3, SBU

Unisys received an adjectival rating of Good for Subfactor 3.

Unisys received a Strength for its subcontracting goals which exceed the goals established for this procurement and its participation in the NASA Mentor Protégé program.

Unisys received a Weakness for its small business plan not meeting the requirements of FAR 19.704 (c) because the offeror plan did not contain separate statements and goals for the basic contract and for each option.

Factor 2 - Cost/Price

The SEB and Cost/Price Analyst performed an analysis of the proposed prices to assess price reasonableness and cost realism; and to determine whether the proposed cost elements are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the unique methods of performance and materials described in the offeror's technical proposals. Based on the analysis conducted by the SEB and Cost/Price Analyst and in accordance with FAR 15.402, the Contracting Officer has determined that the offerors' proposed prices are fair and reasonable based on the comparison of the proposed prices and comparison of the proposed prices to the independent Government cost estimate (IGCE).

The IGCE and a summary of each offeror's proposed cost is shown in the table below:

Offeror	Proposed Cost
ASC	Highest
Unisys	Lowest
IGCE	$43.6M

ASC

ASC's proposed price was lower than the IGCE. The SEB found the price proposal to be realistic for the work to be performed, reflected a clear understanding of the SAS contract requirements, and was consistent with the various elements of the technical proposal. The price proposal was found to be fair and reasonable. ASC had the highest proposed cost among the offerors evaluated.

Unisys

Unisys's proposed price was lower than the IGCE. The SEB found the price proposal to be realistic for the work to be performed, reflected a clear understanding of the SAS contract requirements, and was consistent with the various elements of the technical proposal. The price proposal was found to be fair and reasonable. Unisys had the lowest proposed cost among the offerors evaluated.

Factor 3 - Past Performance

The SEB evaluated the offerors' past performance in accordance with RFP Provision M.3 and a confidence rating was assigned in accordance with NFS 1815.305. Set forth below is a summary of the Past Performance confidence ratings and findings for the evaluated offerors:

Offeror	Pertinence Rating	Performance Rating	Level of Confidence
ASC	Highly Pertinent	Exceptional	High
Unisys	Very Highly Pertinent	Exceptional	Very High

ASC

The SEB assigned a confidence rating of High to ASC's Factor 3 - Past Performance. For overall Pertinence, a rating of Highly Pertinent was assigned, where size, content, and complexity were reviewed. For size, ASC received a Very Highly Pertinent rating. For overall content, ASC team was rated as Highly Pertinent. ASC team received Very Highly Pertinent on most SOW Sections. ASC received a rating of Highly Pertinent in SOW Sections 2.2.1 & 2.2.2, in particular ASC did not demonstrate experience in flight simulation hardware services and infrastructure. ASC received a rating of Pertinent in SOW Sections 2.2.3 - 2.2.6, in particular ASC did not fully demonstrate experience in performing the requirements of SOW Sections 2.2.5 (Graphics Programming) and 2.2.6 (Real-Time Visual Displays/Visual Scene Models Programming for Image Generation Systems). Therefore, the overall content rating was

determined to be Highly Pertinent. For complexity, it was determined that the ASC team demonstrated experience in all areas relevant to the SAS contract challenges and complexities.

Performance ratings across the referenced contracts for the ASC team were Exceptional and Very Good with the majority being rated as Exceptional. ASC performance rating is Exceptional. Therefore, ASC's Overall Pertinence rating of Highly Pertinent and Performance rating of Exceptional resulted in a High Level of Confidence for the Past Performance Factor.

Offeror	Pertinence Rating	Performance Rating	Level of Confidence
ASC	Highly Pertinent	Exceptional	High

Unisys

The SEB assigned a confidence rating of Very High to Unisys's Factor 3 - Past Performance. For overall Pertinence, a rating of Highly Pertinent was assigned, where size, content, and complexity were reviewed. For size, Unisys received a Very Highly Pertinent rating as Unisys's largest referenced contract equaled the Government estimated SAS dollars per year. For overall Content, Unisys was rated as Very Highly Pertinent. Unisys received Very Highly Pertinent on all SOW Sections. Therefore, the overall content rating was determined to be Very Highly Pertinent. For complexity, it was determined that the Unisys demonstrated experience in all areas relevant to the SAS contract challenges and complexities.

Performance rating for the reference contract for Unisys was Exceptional. Unisys performance rating is Exceptional. Therefore, Unisys's Overall Pertinence rating of Very Highly Pertinent and Performance rating of Exceptional resulted in a Very High Level of Confidence for the Past Performance Factor.

Offeror	Pertinence Rating	Performance Rating	Level of Confidence
Unisys	Very Highly Pertinent	Exceptional	Very High

COMPARATIVE ANALYSIS

I am convinced that the SEB conducted a thorough, fair, and objective evaluation of all proposals in accordance with the established evaluation criteria in the RFP. I asked questions about specific aspects of the mission suitability, cost, and the past performance evaluations in order to enhance my understanding. After all questions were answered, I fully understood the SEB's findings. I comparatively assessed the proposals against the evaluation factors and subfactors in the RFP. I also considered all factors, and their relative weights, in the selection of the offeror that can perform the contract in a manner most advantageous to the Government.

In comparing the Offerors in Factor 1, Mission Suitability, Unisys had an adjectival rating of Very Good compared to ASC's adjectival rating of Good.

Under Subfactor 1, Understanding the Requirement and Technical Approach (URTA), I noted that ASC received no Significant Strengths for URTA 1, Approach to the SOW. ASC received two (2) strengths under URTA 1, which included a strength to perform SOW 2.2.2 that will allow for effective design and development of software products and another strength for SOW 2.2.10 for its proposed reach back and surge capability. Unisys received two (2) Significant Strengths

for URTA 1, which included innovation in key areas of the SOW 2.2.2 and 2.2.9 and a comprehensive approach to SOW 2.2.2. In addition to the significant strengths, Unisys received a strength for its innovative and cost-effective approach to perform the broad service required by SOW 2.2.10. In my assessment of Subfactor 1, I noted that Unisys was the only offeror to receive significant strengths. I feel that these significant strengths will appreciably increase the probability of successful performance. For URTA 1, I felt Unisys had a superior proposal for its understanding the requirements and technical approach compared to ASC.

Under URTA 2, Risks and Approach to Risk Mitigation, ASC received two (2) strengths that included a strength for its vast experience and expertise of key positions and another strength for its identification and mitigation of the significant risks. Unisys received one (1) strength for its risk mitigation approach. For URTA 2, I found ASC's proposal to be slightly superior to Unisys for its risks and approach to risk mitigation.

For Subfactor 2, Management, both offerors had an adjectival rating of Good.

Under MGMT 1, Organizational Structure, ASC had two (2) strengths associated with its organizational structure and clear lines of responsibilities and one (1) weakness associated with not identifying which entity would perform specific SOW sections. Under MGMT 1, Unisys had two (2) strengths associated with its organizational structure and approach for staffing the contract, with no weaknesses. The proposals were comparable in regards to the strengths; however, Unisys received no weaknesses under this subfactor. Therefore, I found Unisys's proposal to be slightly superior to ASC for MGMT 1.

Under MGMT 2, Recruiting, Retaining, and Motivating Employees, both offerors received one (1) strength, with no discernable discriminators in my opinion between the offerors for MGMT 2. Therefore, I considered the offerors to be essentially equal for MGMT 2.

Under Subfactor 3, Small Business Utilization, both offerors had an adjectival rating of Good, with both offerors receiving one (1) strength and one (1) weakness each. When I compared the offeror's respective strengths and weaknesses, I found the weaknesses to be similar for both offerors with no risk to contract performance and thus is not a discriminator in my selection decision. Regarding the respective strengths of each offeror, I found both to be equal in regards to exceeding the subcontract goals; however, I found Unisys's proposed NASA Mentor Protégé program to make Unisys slightly superior to ASC for Subfactor 3.

Regarding Factor 2, Cost/Price, an analysis of the proposed prices determined both offeror's proposed prices to be fair and reasonable and realistic for the work to be performed. Neither offeror required a probable cost adjustment. ASC's proposed cost/price was slightly higher than Unisys, with both offeror's being below the Government estimate.

Regarding Factor 3, Past Performance, I find ASC's confidence rating of High secondary to Unisys's confidence rating of Very High. Unisys's superior rating provides me with more confidence that they will successfully perform the SAS requirements and is of substantial benefit to NASA.

SOURCE SELECTION DECISION

In making the selection decision, I conducted an integrated assessment of each proposal and considered the relative weight of the evaluation factors and subfactors as indicated in the RFP recognizing that Mission Suitability and Past Performance, when combined, are significantly

more important than Cost/Price. After a review of all the information and based on my assessment of both proposals in accordance with the specified evaluation criteria, my comparative analysis clearly illustrates Unisys's proposal offers the best value to the Government. Of the two offerors, Unisys was the only Offeror to demonstrate significant strengths in Mission Suitability resulting in a Very Good rating compared to ASC's rating of Good. I find that Unisys's proposal provides superior benefit in Mission Suitability compared to ASC. Unisys offered a superior technical approach that provides me confidence that they will be able to perform the contract work successfully. Regarding the Management Approach (Subfactor 2), I noted that both ASC and Unisys were rated as Good, but the Unisys proposal was, in my opinion, slightly superior because of the ASC weakness identified in MGMT 1. Furthermore, Unisys had a superior past performance rating that provides me a very high level of confidence they can successfully perform the contract requirements. Finally, I find Unisys's cost of $38.4M to be fair and reasonable and lower than ASC's cost. Therefore, I find Unisys's proposal is the most advantageous to the Government. In making this decision I have considered the three evaluation factors to be approximately equal in importance, with Mission Suitability and Past Performance, when combined, significantly more important than Cost/Price.

Accordingly, I hereby select Unisys Corporation for award of the SAS contract.

Susan E. McClain

Susan E. McClain
Source Selection Authority