

**National Aeronautics and Space Administration
Ames Research Center
Moffett Field, CA 94035-1000**

**Selection of Contractor
For
Technical Services for Aerospace Systems Modeling and Simulation II
(SimLabs II)
NNA10345000R**

On June 4, 2012, I, along with certain NASA Source Evaluation Board (SEB) Ex-Officio members, met with the SEB members appointed to evaluate proposals for the Technical Services for Aerospace Systems Modeling and Simulation II (SimLabs II) procurement in support of the Aerospace Simulation Research & Development Branch and Aviation Systems Division under the Office of the Director of Aeronautics. During this meeting, the SEB presented the findings from its Evaluation Report. We discussed the relative merits of the proposals to assure that I had a full understanding of the SEB's evaluation.

I assessed the SEB's findings and evaluation of proposals. This Source Selection Statement reflects my independent judgment of the Strengths and Weaknesses of the proposals, and sets forth my selection decision.

Procurement Description

NASA Ames Research Center (Ames) currently has a requirement for support services for the Simulation Laboratory facilities at Ames which include engineering (research and development, operations, testing, maintenance) and modification services for software, hardware, hydraulic, and electrical/electronic systems.

This procurement was conducted in accordance with FAR Part 15 with Full and Open Competition. A Cost-Plus-Award Fee (CPAF), Definitive Core and Indefinite Delivery/Indefinite Quantity (IDIQ) requirement, hybrid contract will be awarded. Anticipated period of performance is as follows:

Base:	One Year	(October 2, 2012 – September 30, 2013)
Option I:	One Year	(October 1, 2013 – September 30, 2014)
Option II:	One Year	(October 1, 2014 – September 30, 2015)
Option III:	One Year	(October 1, 2015 – September 30, 2016)
Option IV:	One Year	(October 1, 2016 – September 30, 2017)

Evaluation Procedure

Proposals were evaluated in accordance with the requirements of FAR Subpart 15.3, "Source Selection," as supplemented by NFS Subpart 1815.3, "Source Selection." Solicitation provision FAR 52.215-1, Instructions to Offerors-Competitive Acquisitions, informed Offerors that the Government intended to award a contract based solely on initial offers. However, the provision also stated that the Government reserved the right to hold discussions if award on the basis of initial offers is determined not to be in the Government's best interest.

The Request for Proposals (RFP) identified the following three evaluation Factors: Mission Suitability, Past Performance, and Cost. Of the evaluation Factors identified, Mission Suitability is somewhat more important than Past Performance, and Past Performance is somewhat more important than Cost. Mission Suitability and Past Performance when combined are significantly more important than Cost.

The Mission Suitability Factor consists of three Subfactors. The Subfactors are shown below with their respective point allocation, indicative of the relative importance of those evaluation areas.

Mission Suitability Subfactors	Assigned Weight
Technical Approach Overall Understanding, Technical Capabilities and Approach(es) Sample Work Assignments	550
Management Approach Organizational Structure/Partnering Approach/Outreach Technical and Business Management of Work Assignments and Task Orders Staffing, Recruitment, Retention and Training, and Key Personnel Phase-In Key Personnel Total Compensation Plan Organizational Conflicts of Interest Avoidance Plan Safety and Health Plan	350
Small Business Utilization Small Business Subcontracting Plan Commitment to Small Business Program	100
TOTAL	1000

Potential Mission Suitability adjectival ratings are: Excellent, Very Good, Good, Fair, and Poor.

With regard to the Past Performance Factor, the RFP provided, for evaluation purposes, Level of Confidence ratings of: "Very High Level of Confidence"; "High Level of Confidence"; "Moderate Level of Confidence"; "Low Level of Confidence"; "Very Low Level of Confidence"; and "Neutral/Unknown Level of Confidence", depending on the SEB's assessment of each proposal in this area. For each Offeror and its Major Subcontractors, the SEB evaluated overall Past Performance with respect to comparability in contract size, content, and complexity to the requirements of the current acquisition. This Factor was designed to provide an opportunity to evaluate the quality of goods and services provided by the Offerors to the Agency and other organizations as either a prime or subcontractor. The Past Performance evaluation was based on the information provided by the Offeror in its Past Performance Volume II, an assessment of customer questionnaires submitted on behalf of each Offeror and of its Major Subcontractors, and some independent investigation by the SEB through the NASA Past Performance Information Retrieval System (PPIRS), as allowed by the RFP.

For the Cost Factor, the SEB performed a cost realism analysis on the proposed cost, which resulted in an assessment of probable cost and probable cost adjustments.

Solicitation and Receipt of Proposals

Prior to the issuance of the formal RFP, a Draft RFP was issued on July 1, 2011, in an effort to provide industry with an opportunity to obtain a better understanding of, and to encourage industry comments and questions about, the SimLabs II requirement. On July 27, 2011, a Pre-Proposal Conference was held and Tours provided of the Crew-Vehicle Systems Research Facility (CVSRF), FutureFlight Central (FFC), and Vertical Motion Simulator (VMS). Industry was encouraged to ask questions about the SimLabs II requirement and the procurement process. The Final RFP was released on November 10, 2011. The questions received in response to the Draft RFP, Pre-Proposal Conference, and Final RFP were carefully evaluated and incorporated into the Final RFP, as appropriate. A Government response to each question was prepared and was made available electronically to the public.

One minor amendment was issued to amend the RFP as a result of a change in FY12 appropriations and to respond to questions received. Proposals were due on January 9, 2012.

All documents pertinent to the acquisition were posted electronically on the NASA Acquisition Internet Service (NAIS) Business Opportunities portal (http://prod.nais.nasa.gov/cgi-bin/nais/link_syp.cgi) as well as the Federal Business Opportunities web portal (<https://www.fbo.gov>).

Two proposals were received in response to the RFP by the specified closing time and date. The Offerors' names and addresses (listed alphabetically) are as follows:

1. QinetiQ North America, Inc. (QNA)
2677 Prosperity Ave., Suite 400
Fairfax, VA 22031

2. Science Applications International Corporation (SAIC)
1710 SAIC Drive
McLean, VA 22102-3703

Proposals, including a cover letter, were received from each Offeror. Each proposal consisted of three separate volumes, corresponding to the three respective evaluation Factors, in accordance with Section L of the Solicitation and FAR Parts 15.101 and 15.306. A copy of each proposal for the two Offerors was issued to each of the four voting members and the Recorder (non-voting member) of the SEB.

Oral Presentation Media was also received from each Offeror in a sealed package marked: "OFFEROR'S PRESENTATION MATERIALS FOR MISSION SUITABILITY ORAL PRESENTATION".

The Government assigned a date for the oral presentation of each Offeror based on the random selection of numbers from a "blind" receptacle, which corresponded to the number assigned to the Offeror's proposal. The Oral Presentation schedule was established from the first random number chosen through the last.

Oral Presentations were held on January 25, 2012, and February 1, 2012, respectively. The Government furnished the sealed presentation materials to each of the Offeror's presenters immediately before the start of the presentation. Both Oral Presentations were compliant with all the mandatory instructions contained in the RFP.

Evaluation Process

After receipt of proposals and completion of the Oral Presentations, the SEB members individually reviewed each proposal and met to discuss individual findings. The SEB identified Mission Suitability findings for each proposal. In Mission Suitability, the identified strengths and weaknesses were categorized either as a "Significant Strength" or "Significant Weakness" or, if not significant, as a "Strength" or "Weakness." These findings were used to establish adjectival ratings and numerical scores for each Mission Suitability Subfactor, and, ultimately, numerical scores for overall Mission Suitability. No "Deficiencies" were identified in either of the Mission Suitability proposals.

The SEB also identified Past Performance findings. No adverse Past Performance information or weaknesses were identified for either of the Offerors in this Factor. Each identified Past Performance strength was categorized as either a "Significant Strength" or, if not significant, as a "Strength." During its evaluation, the SEB used these findings to establish a Level of Confidence rating for each of the Offerors in this Factor.

The SEB and the Price Analyst reviewed both of the Cost Proposals. In accordance with FAR 15.305(a)(1) and NFS 1815.305(a)(1)(B), the SEB, with the assistance of the Price Analyst, evaluated cost realism for each proposal which resulted in an assessment of probable cost and probable cost adjustments. Neither a numerical score nor an adjectival rating was assigned for the Cost Factor.

The SEB first briefed me on its initial findings on May 9, 2012, after which I directed the SEB to conduct further review of its findings based on my questions after the first briefing. A second briefing took place on June 4, 2012. I reviewed the findings, and thereafter determined that it would be in the best interest of the Government to select an Offeror for award.

I reviewed the SEB's findings for Mission Suitability and the resultant adjectival ratings and numerical scores. I reviewed the findings and Level of Confidence ratings for Past Performance. I reviewed the Cost evaluation results, including the proposed and probable costs. I fully considered all of this information prior to making my final selection decision.

EVALUATION FINDINGS OF THE SEB

Mission Suitability Factor

QinetiQ North America, Inc. (QNA)

The Mission Suitability proposal submitted by QNA received 579 points (out of a possible 1000) and is the lower score.

In the Technical Approach Subfactor, QNA received 281 points (out of a possible 550) and a rating of Good. No Significant Strengths or Significant Weaknesses were assigned. Two (2) Strengths and two (2) Weaknesses were assigned. The two (2) Strengths were assigned to QNA for: (1) its technical approach that demonstrated an overall understanding of the experiment planning process in addition to an understanding of the need to interact with the SimLabs II customers; and (2) an approach that demonstrated extensive experience and understanding of the simulation maintenance processes as well as an approach that would facilitate maintenance planning and adequate parts inventory. The two (2) Weaknesses were assigned to QNA for: (1) an approach that did not demonstrate a thorough understanding of experiment preparation and functional capabilities; and (2) an ineffective approach to the first Sample Work Assignment in terms of interfacing with the Mission Control Center.

In the Management Approach Subfactor, QNA received 228 points (out of a possible 350) and a rating of Good. No Significant Strengths or Significant Weaknesses were assigned. Three (3) Strengths and four (4) Weaknesses were assigned. The three (3) Strengths were assigned to QNA for: (1) its strong outreach capability by way of its vast resources pool and extensive involvement in the simulation industry; (2) its unique and effective staffing approach, consisting of multiple back-up solutions for changing skill sets and its approach and access to its corporate resources; and (3) its Total Compensation Plan proposed benefits and salary ranges for its employees that are comprehensive and compatible with the local employment market and promotes employee morale, recruitment, and retention. The four (4) Weaknesses were assigned to QNA for: (1) its unclear organizational structure with regard to the Engineering Office, and an unrealistic approach to management risk; (2) its approach to work assignments and task orders did not include a process for managing the correction of task performance problems or conflicts from work order changes; (3) its Phase-In Plan did not provide a detailed approach, implementation process, or schedule, to mitigate risk and assure a successful Phase-In; and (4) its Total Compensation Plan did not provide sufficient detail of benefits or compensation packages for its major subcontractors.

In the Small Business Utilization Subfactor, QNA received 70 points (out of a possible 100) and a rating of Good. QNA met the requirements of the Subfactor. No Significant Strengths, Strengths, Significant Weaknesses, or Weaknesses were assigned.

Science Applications International Corporation (SAIC)

The Mission Suitability proposal submitted by SAIC received 884 points (out of a possible 1000) and is the higher score.

In the Technical Approach Subfactor, SAIC received 523 points (out of a possible 550) and a rating of Excellent. Three (3) Significant Strengths and one (1) Strength were identified. No Significant Weaknesses or Weaknesses were assigned. The three (3) Significant Strengths were assigned to SAIC for: (1) its technical approach that demonstrated an extensive overall understanding of the SimLabs II Statement of Work, which included the entire lifecycle of an experiment (planning, preparation, operations, post operations data distribution and debriefing), as well as discrete projects and maintenance functions; in addition, SAIC identified realistic risks including effective risk mitigation processes at each stage of an experiment; (2) its excellent approach to the first Sample Work Assignment demonstrated an extraordinary understanding of the critical technical and schedule work elements; and (3) its excellent approach to the second Sample Work Assignment demonstrated a thorough understanding of the major technical challenges in upgrading the VMS motion base and provided innovative solutions; its approach also demonstrated a thorough understanding of the risks in this Sample Work Assignment. The one (1) Strength was assigned to SAIC for: (1) its effective reach-back capabilities and access to corporate resources that could accommodate gaps in specialized skill sets on an as-needed basis.

In the Management Approach Subfactor, SAIC received 291 points (out of a possible 350) and a rating of Very Good. One (1) Significant Strength, Three (3) Strengths and One (1) Weakness were identified. No Significant Weaknesses were identified. The one (1) Significant Strength was assigned to SAIC for its highly appropriate, innovative, and effective approach for Key Personnel, both in the assignment of what positions should be key and in the selection of Key Personnel to fill those key positions. The three (3) Strengths were assigned to SAIC for: (1) its proposed innovative outreach approach that would facilitate planning and effective utilization of its staff; (2) its thorough and complete Total Compensation Plan with policies for maintaining morale, while enhancing growth and development, retention, productivity, and comprehensive compensation benefits; and (3) its effective and well-managed Phase-In approach. The one (1) Weakness was assigned to SAIC for its unclear explanation for a reduction in staffing and seniority in certain labor categories in the option years.

In the Small Business Utilization Subfactor, SAIC received 70 points (out of a possible 100) and a rating of Good. SAIC met the requirements of the Subfactor. No Significant Strengths, Strengths, Significant Weaknesses, or Weaknesses were assigned.

Past Performance Factor

The following addresses the Past Performance strengths for each of the Offerors. No weaknesses were assigned for either of the Offerors.

QNA

The evaluation of QNA's Past Performance resulted in a Moderate Level of Confidence. No Significant Strengths were assigned. One (1) Strength was assigned. The one (1) Strength was assigned to QNA for its demonstrated successful past performance across six previous contracts, similar in size, scope, and complexity to the SimLabs II Acquisition.

SAIC

The evaluation of SAIC's Past Performance resulted in a Very High Level of Confidence. One (1) Significant Strength was assigned. No other Strengths were assigned. The one (1) Significant Strength was assigned to SAIC for its demonstrated highly successful and highly relevant past performance across seven previous contracts similar in size, scope, and complexity to the SimLabs II Acquisition.

Cost Factor

The SEB, with the assistance of the Price Analyst, evaluated each Offeror's Cost proposal. This included verifying that each Offeror is in compliance with the RFP requirements; evaluating the reasonableness of the proposed rates for fringe benefits, overhead, and G&A; and ascertaining that proposed labor rates are reasonable for the labor market in which the contract will be performed. The cost elements were analyzed, including subcontractors' costs, proposed labor rates and skill mix, indirect rates and fee. A probable cost determination was completed and adjustments made for each of the Offerors for the work to be performed.

QNA had the higher total proposed cost, and the higher total probable cost. No probable cost adjustment was necessary to its proposed cost for the Core. An upward probable cost adjustment was made to direct labor in the IDIQ portion of its proposal. As a result, an upward adjustment to fringe benefits/ overhead expense and G&A expense also occurred in the IDIQ portion of its proposal.

SAIC had the lower total proposed cost, and the lower total probable cost. An upward probable cost adjustment was made to direct labor for the Core. As a result, an upward adjustment to fringe benefits, overhead expense and G&A expense also occurred for the Core. An upward probable cost adjustment was made to direct labor in the IDIQ portion of its proposal. As a result, an upward adjustment to fringe benefits, overhead expense and G&A expense also occurred in the IDIQ portion of its proposal. The cost adjustments in both Core and IDIQ precipitated a "Weakness" in cost realism under the Management Approach Subfactor.

SELECTION DECISION OF THE SOURCE SELECTION AUTHORITY FOR SIMLABS II

FAR Part 15.308 "Source Selection Decision" states: "The source selection authority's (SSA) decision shall be based on a comparative assessment of proposals against all source selection criteria in the solicitation. While the SSA may use reports and analyses prepared by others, the source selection decision shall represent the SSA's independent judgment. The source selection decision shall be documented, and the documentation shall include the rationale for any business judgments and tradeoffs made or relied on by the SSA, including benefits associated with additional costs. Although the rationale for the selection decision must be documented, that documentation need not quantify the tradeoffs that led to the decision."

My selection decision represents my independent judgment. I carefully reviewed all of the SEB's findings to ensure a full understanding thereof. I did not simply rely on the scores or the numbers of strengths and weaknesses; rather, I primarily considered the potential impact of each finding, and its relevance to this proposed effort, against the selection criteria prescribed in the RFP. I have carefully reviewed all of the findings of the SEB and concur with all of them. I am satisfied that the findings of the SEB are appropriate and reasonable. Therefore, as the Source Selection Authority, I hereby adopt all of the findings of the SEB without exception.

To reiterate, Mission Suitability is somewhat more important than Past Performance, and Past Performance is somewhat more important than Cost. Evaluation factors other than Cost, when combined, are significantly more important than Cost.

Mission Suitability carries the most weight and, accordingly, is the most important Factor to me. In this Factor, SAIC properly received a numerical score that is 305 points higher than the score received by QNA, and SAIC earned four (4) Significant Strengths while QNA earned none. Most important to me, however, is the content of the two Mission Suitability proposals, as reflected in the content of the evaluation findings, which I describe above and adopt. In my judgment, the extensive overall understanding demonstrated by SAIC of the technical requirements, and its highly proficient, distinctive, and innovative approaches to successful contract performance – including its approaches to and solutions for the challenges of the two Sample Work Assignments – provides a clear and compelling distinction between the two Offerors. Conducting experiments in the flight simulation facilities is highly technical and complex, and very little of the work is repetitive. Therefore, it will be essential for the selected Offeror to possess a solid understanding and capability necessary to prepare and execute experiments. In my opinion, SAIC's Mission Suitability proposal – particularly in the Technical Approach Subfactor – demonstrates that SAIC best possesses this critical understanding and capability, and that SAIC will be best able to support entire experiment lifecycles and future upgrades to the SimLab facilities. The superiority of SAIC's Mission Suitability proposal is the first, and most important, of three discriminators in favor of SAIC.

The second discriminator in favor of SAIC is in the Past Performance Factor. SAIC received a Very High Level of Confidence rating, based upon a Significant Strength, which is higher than the Moderate Level of Confidence rating received by QNA.

The final discriminator in favor of SAIC is in the Cost Factor. SAIC has the lower total proposed cost and the lower total probable cost of the two Offerors. Although the SEB identified a Weakness in the Management Approach subfactor based on its cost evaluation, I discussed this Weakness in detail with the SEB, and I have concluded that this Weakness would not impact the overall effectiveness of SAIC's proposed Technical and Management approaches to contract performance.

The superiority of SAIC's Mission Suitability proposal indicates that SAIC will provide superior contract performance and customer satisfaction. This conclusion is supported by a Very High Level of Confidence arising from SAIC's Past Performance. Furthermore, the SAIC proposal, which offers the superior response to Mission Suitability at the lower total proposed and probable cost, will provide the best value to the Government.

I select SAIC for contract award.

A handwritten signature in black ink that reads "Thomas A. Edwards". The signature is written in a cursive, flowing style.

Dr. Thomas A. Edwards
Source Selection Authority