



UNITED STATES  
CIVILIAN BOARD OF CONTRACT APPEALS

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**THIS OPINION WAS INITIALLY ISSUED UNDER PROTECTIVE ORDER AND  
IS BEING PUBLICLY RELEASED IN ITS ENTIRETY ON MARCH 18, 2022**

DENIED: March 16, 2022

CBCA 6400, 6401, 6700

INTERNATIONAL DEVELOPMENT SOLUTIONS, LLC,

Appellant,

v.

DEPARTMENT OF STATE,

Respondent.

Todd M. Garland, Nora K. Brent, and Richard C. Johnson of Smith Pachter McWhorter PLC, Tysons Corner, VA, counsel for Appellant.

Randal W. Wax, Office of the Legal Adviser, Buildings and Acquisitions, Department of State, Washington, DC, counsel for Respondent.

Before Board Judges **ZISCHKAU**, **SULLIVAN**, and **CHADWICK**.

**CHADWICK**, Board Judge.

The appellant, International Development Solutions, LLC (IDS), provided security services to the respondent, Department of State (State), in Afghanistan. IDS alleges that it incurred tax liabilities to the Government of Afghanistan and seeks payment for three years of tax and penalty payments under cost-reimbursement provisions of two task orders. We wrote in denying cross-motions for summary judgment that we saw “no evidence” that the amounts paid “were costs incurred by IDS, the contractor,” rather than by entities higher in IDS’s ownership chain. *International Development Solutions, LLC v. Department of State*,

CBCA 6400, et al., 21-1 BCA ¶ 37,925. After a hearing, we still find no such evidence. We also cannot find that payments made to Afghanistan related solely to the task orders at issue here. Accordingly, we find no entitlement to reimbursement and deny the appeals.

### Background

This dispute has had many facets, but we focus on the facts relating to the identity of the contractor and the identity of the taxpayer. To the extent that the connections among corporate entities mentioned remain unclear, that is the fault of IDS, which drew no clear distinctions in presenting its case and, indeed, through counsel, refers to an entity called “Academi/IDS,” which does not exist. We mention the following entities other than IDS: (1) ACADEMI Training Center, Inc. This company became IDS’s corporate parent in May 2012. IDS did not present evidence that the ownership relationship continues. (2) ACADEMI LLC. This company was the parent of ACADEMI Training Center, Inc. in 2012. IDS did not present evidence that the relationship continues. (3) Constellis Holdings LLC. IDS presented ambiguous evidence that this company is affiliated with ACADEMI LLC. (4) Constellis LLC. A witness for IDS testified that this entity exists. If it does, we have no evidence of a relationship to the other entities.

### Identity of the Contractor

State awarded IDS (International Development Solutions, LLC of Arlington, Virginia) the base contract, an indefinite quantity, indefinite delivery vehicle for “worldwide protective services,” in September 2010. IDS provided the services at issue in Afghanistan under task orders 9 and 11 (SAQMMA12F1044 and SAQMMA11F2609) awarded to IDS in August 2011 and March 2012. The later task order listed IDS’s address as McLean, Virginia. The task orders had a combined value of more than \$400 million.

On May 29, 2012, a person signing as director of contracts for “ACADEMI” wrote to the State Department contracting officer, “As of May 10, 2012, ACADEMI Training Center, Inc. (‘ACADEMI’), previously the 49% owner of [IDS], purchased the remaining 51% membership interest . . . to become the sole owner. ACADEMI now requests a novation” of the 2010 contract and associated task orders “from its subsidiary, IDS, to itself,

the parent.”<sup>1</sup> The author attached documentation of the membership purchase. In another letter in the novation request packet, a person signing as the general counsel of ACADEMI Training Center, Inc. opined, among other things, that “ACADEMI is a duly-formed corporation that is active under the laws of the state of Delaware,” “IDS is a duly-formed limited liability company that is active under the laws of the state of Delaware,” and neither entity was under any known “legal disability.” An audit report in the packet stated that ACADEMI Training Center, Inc. was among the “subsidiaries” of ACADEMI LLC.

By letter dated July 13, 2012, the State Department contracting officer denied the novation request. She wrote in pertinent part:

At our meeting held on May 25th it was made clear by ACADEMI’s attorney that at the conclusion of the stock purchase [sic],[<sup>2</sup>] IDS still exists, but has a new physical address. Further, it is our understanding from the additional paperwork submitted that IDS will file its change of address with Dun & Bradstreet . . . .

The Government has reviewed and considered all of the information submitted in your request and has concluded that it is not in its best interest to novate its contract with IDS at this time. Given that IDS still exists . . . and has all of the necessary resources and support of ACADEMI to continue fully meeting its contractual obligations . . . no action [by] the Government is required. Therefore, IDS should continue to fulfill its contractual obligation as agreed to under the [2010] contract. Please notify the Government once the change of address for IDS is complete.

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<sup>1</sup> The novation request materials discussed in this and the following paragraph (Appeal File, Exhibit P400) are admitted into evidence over State’s objection. Discovery closed in March 2021. The presiding judge set a June 2021 deadline to supplement the appeal file under Board Rule 4(d) (48 CFR 6101.4(d) (2020)). IDS moved to add exhibit P400 to the record in October 2021, asserting good cause in light of the Board’s September 2021 decision on summary judgment. State objected. The presiding judge deferred ruling on the motion to allow the panel to consider it in the context of a merits decision. *See* Rule 1(d). A majority of the panel grants IDS’s motion to admit the exhibit out of time. Judge Chadwick would have denied the motion for lack of good cause.

<sup>2</sup> It appears that a Delaware limited liability company has “member” interests rather than “stock” shares. *See* Del. Code Ann. tit. 6, § 18-301 (2022).

Notwithstanding State's July 2012 letter, IDS contends that "following denial of the requested novation . . . ACADEMI Training Center, Inc. became prime contractor and real party in interest . . . . In the alternative, IDS remained prime contractor with ACADEMI Training Center, Inc. as subcontractor[.]" By contrast, a former board member and "lead investor" of a company he called simply "Academi"<sup>3</sup> testified at the hearing, when asked "which entity still legally held the . . . contract and the task orders" after July 2012, "Well, since [the contract] wasn't novated IDS did. And the only way to get that out to a different name was if they [State] agreed to novate it." His testimony continued:

Q And how were payments from the State Department handled . . . after the State Department rejected the proposed novation?

A Well, they continued to pay IDS, because it held the contract. So, that's the entity they paid. It was paid literally to an account that was only set up to receive payments. And then those payments were transferred to Academi, because Academi paid all the bills. And we had all the—incurring a lot of costs. Being a wholly owned entity it was more of a balance sheet checking account mission for us, and more headaches.

Another witness for IDS, who said he had been vice president of financial compliance since November 2020 of an entity he called simply "Constellis" (see below), testified based on his knowledge of "Constellis" records:

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<sup>3</sup> The record is rife with ambiguity and confusion as to which entity witnesses meant when they referred to "Academi." The former board member testified when asked to clarify to which board he belonged, "That was, well, there's so many names of these companies. At the time I believe it was Academi. . . . It was Xe Services, and then Academi, and then Constellis. For that period of time [2010 to 2013] I don't think Constellis was relevant. It was Academi." He was asked on cross-examination, "[D]id you purchase an interest in one of the entities with the name Academi?" He answered, "I believe Academi was formed as successor entity or it was renamed. I can't remember to be honest with you." Asked when he acquired an interest in "Academi LLC," he testified, "I don't know if we ever acquired that entity. I believe we created that entity . . . at the end of 2011." Asked to distinguish "between Academi LLC and Academi Training Center," he testified, "If those two entities exist, which I trust they do because you're referring to them," the latter "would have been [only] the actual training center in Moyock, North Carolina." We gather from this that by "Academi" this witness primarily meant ACADEMI LLC.

Q As of or after the Department declined to sign the proposed novation agreement, what changes, if any, were made to the IDS accounting system?

A There are no changes made to the IDS accounting system per se. However, from, you know, flow of funds there's a slight change. For example, invoices continued to be generated from IDS. The State Department would make payments to an IDS bank account, but . . . [t]hose funds that went into the IDS receipts account would be swept into an Academi account out of which disbursements were made.

Q Could you describe that a little bit more, what you meant when you said that the payments were deposited in an IDS account and then swept into the Academi account?

A Yes. Due in part to the fact that the contracts were not novated, the original contract was awarded to IDS. And so, the company then maintained that structure adding IDS, the legal entity, that would invoice the State Department. The remittance went to a legacy IDS bank account. But then, after Academi acquired them, they converted that account to what's referred to as a zero balance account, meaning that funds would come into that account but then get swept into a master Academi account and reimbursements on behalf of the company would go into the Academi account.

Q And, just to clarify, you referenced a zero balance account. Which company had what you referred to as the zero balance account?

A So, the IDS bank account, essentially, was the zero balance account, meaning that payments would be made into that, wired into that account, but they were transferred into an Academi account.

The presiding judge later questioned this witness.

JUDGE CHADWICK: . . . Does there currently exist an entity called Academi LLC?

THE WITNESS: Yes, sir. A legal entity, Academi LLC.

JUDGE CHADWICK: Does that Academi LLC, does that own Academi Training Center LLC?<sup>[4]</sup>

THE WITNESS: Again, I'd have to look at the—or that's more a question for our legal team, in terms of that structure.

JUDGE CHADWICK: Is there an entity currently in existence called Constellis LLC?

THE WITNESS: Yes, Your Honor.

JUDGE CHADWICK: Is there also something called Constellis Holdings, with some corporate designator?

THE WITNESS: Yes, Your Honor.

JUDGE CHADWICK: What, if any, ownership relationship exists between Constellis LLC and Constellis Holdings?

THE WITNESS: Actually, I can't confirm what the—I mean, you have the umbrella company and I'm embarrassed to say I forget which one is the umbrella company with all the affiliates below it.

JUDGE CHADWICK: . . . As between Constellis LLC and Academi LLC, does one own the other?

THE WITNESS: Constellis is the holding company of Academi LLC, is my understanding.

JUDGE CHADWICK: Okay, but you just said Constellis again, and we're not clear—it sounds to me from your previous answer, you said Constellis, but you may not be sure whether you mean Constellis Holdings or Constellis LLC.

THE WITNESS: That is correct. It's a complex legal structure.

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<sup>4</sup> As noted in our September 2021 decision, IDS alleged in its complaint that “IDS is a wholly owned subsidiary of ACADEMI Training Center, LLC,” not “Inc.”

Identity of the Taxpayer

In approximately 2017, Afghanistan issued assessments of taxes and penalties to ACADEMI LLC for Afghan tax years 1389 to 1394 (roughly March 2010 to March 2015). The taxpayer used an outside lawyer based in Washington, D.C., to address the tax issues. The lawyer testified in the hearing that his client in the engagement was “Constellis Holdings.” Throughout his testimony, he referred to the taxpayer as “Academi.” He testified that his legal work on the matter “went on for quite some time. It went on for over a year and a half.” He added, “At the time that I got engaged, the Academi tax situation was very complicated. It was something that had been going on, and the [Afghan government] auditors were really afraid that Academi may pack and leave the country and not pay them.”

The lawyer, who testified that he had lived in Afghanistan and served in its Government, personally translated the Afghan tax assessments into English.<sup>5</sup> The translated assessment for each tax year states at the top, “Company Name: ACADEMI LLC,” which the lawyer confirmed is “the name of the taxpayer.”<sup>6</sup> The tax and penalty calculations are presented in schedule form. The first row of the schedule is “Gross Income/Sales as per ITR [income tax return].” The lawyer called this “the revenue side of the assessment.” He explained, “I think beginning in 2010, Academi started to file two tax returns” in Afghanistan. “One was [a] non-exempt tax return, and the other set of tax returns they filed were exempt tax returns, which were all U.S. government contracts. This [first] line refers to the revenues that were declared in the non-exempt tax return, which is basically commercial revenues.” He testified that he communicated with the Afghan tax officials mainly about whether “Academi” had correctly classified revenue as “exempt” or “non-exempt.” The Board heard no expert testimony or other authoritative evidence of what those terms mean (or meant) under Afghanistan’s tax laws.

Bank records show that in January, April, May, and July 2017 and July and September 2018, Academi LLC and Constellis Holdings LLC wired six payments denominated in dollars to the Afghan Ministry of Finance. Academi LLC made the first three payments; Constellis Holdings LLC made the last three. Each transfer record lists the “Debit Account Name” as “Academi Training Center Inc [sic] AP [accounts payable].”

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<sup>5</sup> The appeal file includes copies of the original assessments and the translations. State does not contest the accuracy of the translations.

<sup>6</sup> The Constellis witness testified that he understood that the “Academi” entity that received the tax assessments was “[t]he Academi that wholly owns IDS[,] . . . Academi Training Center LLC.” That is incorrect.

### Claims for Reimbursement

In September 2018, December 2018, and September 2019, IDS submitted to the contracting officer a series of certified claims that collectively sought \$36,714,278.18 as reimbursement for taxes representing “increased costs of performance of” task orders 9 and 11 “due to assessment of taxes by the Government of the Islamic Republic of Afghanistan.”<sup>7</sup> In its certified claims, IDS described the wire transfers described above as payments that “IDS made.” State denied the first two claims in February 2019. The appeals from those denials are CBCA 6400 and CBCA 6401, filed in March 2019. The third claim was deemed denied and is before us in CBCA 6700, filed in January 2020. The Board granted IDS’s motions to consolidate the appeals as they were filed.

During the case, IDS withdrew its claims relating to tax years 1389 through 1391. Its counsel said in the hearing, “The years that we have left are 1392, 1393, and 1394, Afghanistan tax years.” IDS states in its brief, “The [Ministry of Finance] tax ‘assessments’ for each of Afghan years 1392–1394 relate exclusively to IDS’s performance of” task orders 9 and 11. IDS cites as support for this statement two pages of the testimony of the outside lawyer who handled the tax matter. The cited testimony does not support IDS’s assertion. *See* Rule 23(b) (briefs “shall cite record evidence for factual statements”). The lawyer testified only that the “contracts” (plural) that the Afghan tax authorities eventually considered “non-exempt” were “State Department contracts” (plural). He added on cross-examination, “I mean, I’m familiar with the Department of State contracts that were performed at the time, as opposed to task orders, like, I wouldn’t be able to drill down to specific task orders or portions of the contract.” He did not testify that income that led to tax liabilities to Afghanistan “relate[d] exclusively” to any specific contract, much less to task orders 9 and/or 11. As far as we can determine, no one so testified.<sup>8</sup>

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<sup>7</sup> As discussed in our September 2021 decision, IDS relies on a cost-reimbursement line item of the task orders titled “License, Tax, Permits, Visa and Registration Fees,” which the Board found ambiguous.

<sup>8</sup> The Constellis witness testified that the organization internally “allocated” the tax payments to the two task orders “[o]n a revenue basis, so, basically, as mentioned, within the system they accumulate revenue for their respective task orders. And so, it’s kind of pro rata allocation.” IDS does not rely on this testimony, which we understand to mean that the organization had already decided that the payments related to the two task orders and chose an accounting method to record that conclusion. IDS’s other hearing witnesses were a State Department audit manager and an employee of another contractor to State.

### Discussion

The Board noted in our prior decision that whether IDS, the contractor, incurred the costs for which it seeks reimbursement was an issue in the case. To incur a cost “means to suffer ‘a liability or expense.’” *SUFI Network Services, Inc. v. United States*, 785 F.3d 585, 593 (Fed. Cir. 2015) (citing *Incur*, Black’s Law Dictionary (7th ed.1999)), cited in *Cellular Materials International, Inc.*, ASBCA 61408, 22-1 BCA ¶ 38,022 (2021). “Economic sacrifice by entities other than the entity contracting with the Government may contribute to contract performance or may be allocable to the contract,” but unless the contractor “incurs an economic sacrifice[,] the cost will not be recognized.” John Cibinic, Jr. & Ralph C. Nash, Jr., *Cost-Reimbursement Contracting* 700 (3d ed. 2004); see *Opportunities Industrialization Centers International, Inc.*, ASBCA 20604, 78-2 BCA ¶ 13,385.

“It is only the exceptional case,” moreover, in which a tribunal “will disregard the corporate form” a party has adopted. *Sears, Roebuck & Co. v. Sears plc*, 744 F. Supp. 1297, 1305 (D. Del. 1990) (applying Delaware law); see *Wallace v. Wood*, 752 A.2d 1175, 1183 (Del. Ch. 1999) (“Persuading a Delaware court to disregard the corporate entity is a difficult task.” (internal quotation marks omitted)); see also *Mission Support Alliance, LLC v. Department of Energy*, CBCA 6476, et al., 22-1 BCA ¶ 37,998 (2020) (“The ‘contractor’ in this case is [the appellant, not its parent companies].” (citing 41 U.S.C. § 7101(7) (2018))); *United States v. Van Diviner*, 822 F.2d 960, 963 (10th Cir. 1987) (“Ordinarily, a corporation is regarded as a separate entity distinct from the individuals comprising it.”).

IDS offers two reasons why we should consider the tax and penalty amounts assessed against ACADEMI LLC and then paid by ACADEMI LLC and Constellis Holdings LLC to be costs of the contractor. We reject both theories as irrelevant on this record and even if factually relevant, legally unsound.

IDS argues, “Transfers of 100% of the assets of a business, including government contracts, result in transfer of the contracts ‘by operation of law’ without violating the Anti-Assignment Act, 41 U.S.C. § 6305 et seq.” IDS relies primarily on *Johnson Controls World Services, Inc. v. United States*, 44 Fed. Cl. 334 (1999), and *L-3 Communications Integrated Systems, L.P. v. United States*, 84 Fed. Cl. 768 (2008). The argument is irrelevant to this case. Even assuming that a purchaser of IDS stepped into the contractor’s shoes in 2012 “by operation of law,” the purchaser was ACADEMI Training Center, Inc. As seen above, the taxpayer with respect to Afghanistan was ACADEMI LLC, an owner of ACADEMI Training Center, Inc. IDS neither alleges nor shows that the State contract passed at any point “by operation of law” up another level to ACADEMI LLC. IDS also does not argue and we do not find that the mere fact that ACADEMI LLC and Constellis

Holdings LLC paid Afghanistan from bank accounts with the “name” Academi Training Center, Inc. means that someone other than the account holders made the payments.

*Johnson Controls* and *L-3* are, in any event, inapposite. Both cases involved a sale of a business unit to a new corporation, which then held itself out to the Government as the successor to the prior owner. See *Johnson Controls*, 44 Fed. Cl. at 336 (quoting a contractor letter asking to change the contract “to the new name”); *L-3 Communications*, 84 Fed. Cl. at 774 (“Raytheon Company sold th[e] business unit to Plaintiff’s predecessor . . . . In turn, L-3 Communications transferred the business unit to its wholly owned subsidiary, L-3, the plaintiff herein.”). Here, IDS requested a novation of the contract to its “parent,” ACADEMI Training Center, Inc., which State denied. With knowledge of State’s understanding that “IDS still exist[ed]” and would “continue fully meeting its contractual obligations,” IDS proceeded for nearly a decade to invoice State in its own name, accept payments in its own name, submit certified claims in its own name, and then file and prosecute these three appeals at the Board in its own name. IDS did not suggest until after the close of discovery in 2021 that another company was the true contractor “by operation of law.”

“Transfers by operation of law include corporate mergers, consolidations, and reorganizations, where in essence the contract continues with the same entity, but in a different form.” *Westinghouse Electric Co. v. United States*, 56 Fed. Cl. 564, 569 (2003), *aff’d*, 97 F. App’x 931 (Fed. Cir. 2004); *cf. Novo Trading Corp. v. Commissioner*, 113 F.2d 320 (2d Cir. 1940) (giving effect to a liquidation agreement). Here, the contract proceeded with the same entity using the same corporate form. The effect of such a course of conduct is shown in *BLH, Inc. v. United States*, 13 Cl. Ct. 265 (1987). There, a Delaware corporation underwent an asset sale, ceased manufacturing operations, and dissolved but continued using one employee to perform one government contract without a novation “for more than 3,000 calendar days.” *Id.* at 267. The Government asserted a claim under the contract and argued that two acquiring companies “‘became’ the real parties to this contract through their corporate control of BLH and their continued performance of the contract after the dissolution of BLH.” *Id.* at 271. The court rejected the argument based on the public policy of allowing a dissolved company to wind down. “This inures to the benefit not only of the corporation, but also the entities engaged in business with the corporation. . . . Here, there has been no evidence of fraudulent or inequitable conduct which might provide a basis for piercing the corporate form.” *Id.* IDS, by contrast, was “active” at the time of the requested novation in 2012 and did not dissolve or surrender its corporate status. As the Government could not benefit from the circumstances in *BLH*, we see no basis to disregard IDS’s continuing existence as the contractor in this case.

Alternatively, IDS argues that ACADEMI Training Center, Inc. was IDS’s “nominal subcontractor.” See *G.L. Christian & Associates v. United States*, 312 F.2d 418, 421–22

(Ct. Cl. 1963) (referring to an entity that “[w]ith the Government’s full knowledge and assent . . . became in actual fact the prime contractor” by “sign[ing] the contract with the Government on behalf of the plaintiff and [taking] over the entire role of prime contractor, including the management of performance” as also the “nominal subcontractor”). Citing *Fireman’s Fund/Underwater Construction, Inc.*, ASBCA 33018, 87-3 BCA ¶ 20,007, *Triax Co.*, ASBCA 31974, 88-3 BCA ¶ 21,174, *motion for reconsideration denied*, 89-2 BCA ¶ 21,845, and *United States v. Russell Electric Co.*, 250 F. Supp. 2 (S.D.N.Y. 1965), IDS argues that “[b]oard and court decisions refer to the existence of [a] subcontract following failure of novation as an accepted practice.” The argument is irrelevant to the case. Even assuming that IDS’s parent company was its subcontractor, IDS does not show that ACADEMI Training Center, Inc. owed or paid any taxes to Afghanistan that might “pass through” to become IDS costs. The taxpayer was ACADEMI LLC. Nor did IDS present evidence that IDS made payments to ACADEMI Training Center, Inc. for services rendered. The testimony was unclear on the point, but the record suggests that ACADEMI LLC and/or Constellis swept IDS’s corporate funds into an ACADEMI LLC bank account.

*Fireman’s Fund*, *Triax*, and *Russell Electric* would not aid IDS in any event. The subcontract in *Fireman’s Fund* was a written completion agreement between a surety and a company that agreed to complete the insured’s contract. In *Triax*, the contractor sought to sponsor a pass-through claim of a joint venture of which the contractor was a member. In *Russell Electric*, the Government “approved the subcontracting proposal [and i]n doing so, made clear . . . that payment would be made only to [the contractor] against [contractor] invoices. [The subcontractor] consented to act as subcontractor under those terms.” 250 F. Supp. at 22. IDS makes no similar showing “of any legal obligation on appellant’s part to pay” or indemnify its parent, ACADEMI Training Center, Inc., for taxes or penalties owed solely by the appellant’s parent’s parent, ACADEMI LLC. See *Opportunities Industrialization Centers International*; cf. *Space Dynamics Corp.*, ASBCA 19118, 78-1 BCA ¶ 12,885 (1977) (finding an “absence of a bona fide accrual or obligation to pay salaries” of corporate officers). In sum, we find no reimbursable cost incurred by IDS.

We further find no basis to allocate the payments made to Afghanistan by the two holding companies to IDS’s performance of task orders 9 and 11. Even taking the cited testimony of the tax lawyer at face value, we have no evidence of how many “State Department contracts” any affiliates of IDS within the corporate structure may have been performing during the relevant years. IDS’s failure to meet its “burden of proving” that the claimed “costs were . . . allocable to this [particular] contract” and the task orders is an independent basis to deny relief. *Bennie J. Meeks*, GSBCA 6605, 84-1 BCA ¶ 16,837 (1983); see *Lockheed Aircraft Corp. v. United States*, 375 F.2d 786, 794 (Ct. Cl. 1967).

Were we able to find that IDS incurred the costs and that they were allocable, substantial doubt as to IDS's entitlement to reimbursement would remain. Among other issues, although we know ACADEMI LLC and Constellis Holdings LLC settled assessments by the Afghan Government of taxes and penalties, we fundamentally do not know why those companies did so. The Board learned nothing, via expert testimony or otherwise, about the tax laws of Afghanistan in this case. We do not know on what basis in Afghan law the Afghan officials issued the demands to ACADEMI LLC to begin with. We have no idea whether corporate taxes in Afghanistan are (or were) always imposed only on the top company in a conglomerate structure, or whether, had ACADEMI LLC not paid the assessments, the Afghan Government could have had a legal basis to initiate collection from the holding company's subsidiaries or sub-subsidiaries, such as IDS, individually. We also do not know the corporate tax or penalty rates for the Afghan tax years at issue. As there is "no presumption of reasonableness . . . simply because [a contractor] incurred . . . costs," *Kellogg, Brown & Root Services, Inc. v. Secretary of the Army*, 973 F.3d 1366, 1371 (Fed. Cir. 2020) (internal quotation marks omitted), this would be a challenging record on which to show reasonableness, even without reaching the issue of allowability under the task orders.

Decision

The consolidated appeals are **DENIED**.

*Kyle Chadwick*

KYLE CHADWICK  
Board Judge

We concur:

*Jonathan D. Zischkau*

JONATHAN D. ZISCHKAU  
Board Judge

*Marian E. Sullivan*

MARIAN E. SULLIVAN  
Board Judge