

Every Day Counts: Ensure Continuous SAM Registration

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PRACTICES Bid Protests, Government Contracts

Maintaining registration in the System for Award Management (“SAM”) is not a trivial paperwork exercise for government contractors, but a mandatory solicitation requirement. According to a recent sustained GAO bid protest decision, *TLS Joint Venture, LLC*, B-422275 (April 1, 2024), if a contractor’s SAM registration expires while it is waiting for award of a government contract—no matter how briefly—the contractor’s eligibility for award expires as well.

In *TLS*, the Navy’s solicitation incorporated FAR 52.204-7, “System for Award Management,” which provides that “[a]n Offeror is required to be registered in SAM when submitting an offer or quotation, and shall continue to be registered until time of award, during performance, and through final payment of any contract[] . . . resulting from this solicitation.” The RFP stated that offerors must comply with all solicitation requirements to be eligible for award. The Navy eventually awarded the contract to Silas Frazier Realty, LLC (“SFR”) on Dec. 26, 2023.

TLS protested the award, arguing FAR 52.204-7 requires an offeror to maintain continuous SAM registration throughout the evaluation period and that SFR’s SAM registration lapsed during that period. The Navy countered that FAR 52.204-7 only requires SAM registration at proposal submission and at contract award, not in between. The Navy also disputed that SFR’s SAM registration lapsed during the evaluation period, noting that SFR submitted its renewal information before its registration expired. GAO agreed with protester TLS on both points.

First, GAO held that FAR 52.204-7 unambiguously required uninterrupted SAM registration during the evaluation period based on the clause’s language that the “Offeror is required to be registered in SAM when submitting an offer or quotation, *and shall continue to be registered until time of award*[]” The Navy cited the clause’s regulatory history for support that SAM registration is only required at proposal submission and contract award. GAO rejected the argument, however, primarily because regulatory history cannot alter an unambiguous regulation. GAO also disagreed that the regulatory history supported the Navy’s position in any event.

Second, GAO found that SFR’s SAM registration lapsed during the evaluation period. GAO cited FAR 52.204-7’s definition of “Registered in the System for Award Management (SAM),” which involves multiple actions concluding with the government marking the offeror’s record as “Active.” It was not enough that SFR submitted its renewal information before its registration expired. GAO noted that “both the offeror and the government have actions to undertake in order for the offeror to be considered registered in SAM. The offeror must enter all mandatory information and complete the representations and certifications, and the government must validate all information and mark the offeror’s record as ‘Active.’ Until that sequence is complete, the contractor is not registered in SAM.”

Here, SFR knew its SAM registration would expire on Dec. 11th and submitted the necessary information to the government beforehand to ensure its registration continued past Dec. 11th. But the government did not verify the renewed registration in time, and SFR’s registration lapsed on Dec. 11th and returned to Active the next day on Dec. 12th. Thus, GAO concluded SFR’s SAM registration indeed lapsed during the evaluation period. Accordingly, GAO held SFR ineligible for

award and found TLS showed it was prejudiced by the Navy's error as the next offeror in line for award. Therefore, GAO recommended termination of SFR's award and a new award selection.

The key takeaway from this decision is that, when a solicitation incorporates FAR 52.204-7, contractors must remember to maintain SAM registration to be eligible for contract award—not only at proposal submission and contract award but also at all times in between. The U.S. Court of Federal Claims already said as much in the case of *Myriddian, LLC v. United States*, 65 Fed. Cl. 650 (2023), where the court held that an agency cannot waive the FAR 52.204-7 requirement if the clause is included in the solicitation. But TLS is a noteworthy decision because, unlike the 17-day lapse in SAM registration in *Myriddian*, SFR's lapse lasted less than 24 hours. *TLS* is thus a reminder that *any* lapse in SAM registration would violate FAR 52.204-7 and be grounds for ineligibility for award under a solicitation with this clause.

Contractors cannot afford to cut it close when submitting SAM renewals. In the TLS case, it took four days from the date TLS submitted its registration for GSA to obtain input from the IRS and DLA and then to process and activate the contractor's registration. Review and processing could certainly take longer than that in an individual case, however. The Federal Service Desk's [frequently asked questions](#) recommend beginning "the renewal and validation process approximately 45 days in advance of the expiration date to keep the registration from expiring while undergoing reviews." With contract awards on the line, contractors would do well to be conservative in submitting SAM renewals and leave ample time for government review.