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# All in a Fiscal Year's Work – GAO's 2024 Annual Report

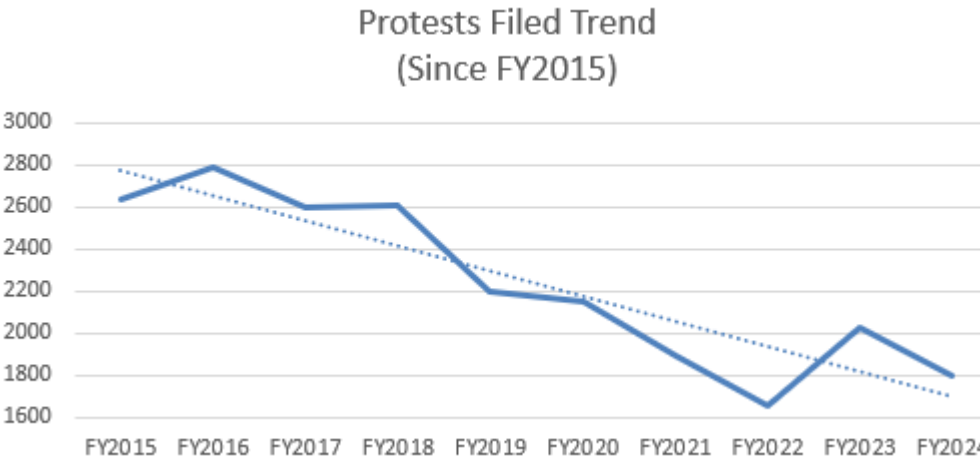
## Insight — November 26, 2024

On November 14, 2024, the Government Accountability Office ("GAO") released its Bid Protest Annual Report to Congress for FY2024. The Annual Report reflects an eleven percent decrease in the number of protests filed and a significant drop in sustain rate from FY23. Below we highlight 6 key takeaways from this year's edition of GAO's bid protest statistics:

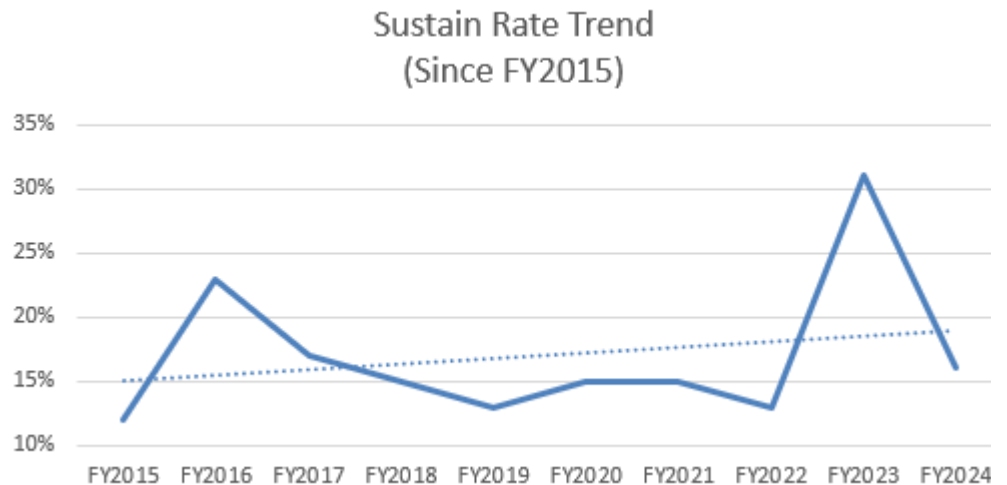
**1. 5-Year Comparison of GAO's Bid Protest Statistics:** In the chart below, we summarize GAO's bid protest statistics for the past five fiscal years:

	FY2024	FY2023	FY2022	FY2021	FY2020
Cases Filed	1803	2025	1,658	1,897	2,149
Merits Decisions	387	608	455	581	545
Sustains	61	188	59	85	84
Sustain Rate	16%	31%	13%	15%	15%
Effectiveness Rate	52%	57%	51%	48%	51%
ADR Cases	76	69	74	76	124
Hearings	1	22	2	13	9

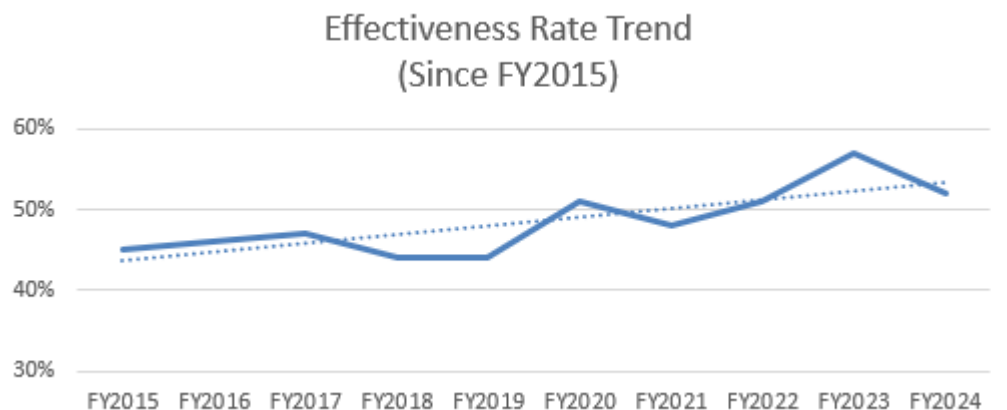
**2. Bid Protest Filings Decrease by 11%:** Keeping with the yo-yoing 5-year trend, FY24 bid protest filings fell 11% from FY23's 22% rebound. As shown below, between FY15 and FY24 there has been an unpredictable up-down pattern, with the filings overall trending ultimately downward in the number of annual protest filings.



**3. Sustain Rate Decreased to 16%:** For the five years prior to FY23, the GAO's sustain rate remained steady at an average of 14%. FY23 was an anomaly with an all-time high of 31% sustain rate. While FY24 saw a steep downturn to 16%, this sustain rate is still slightly above the typical 14% average.

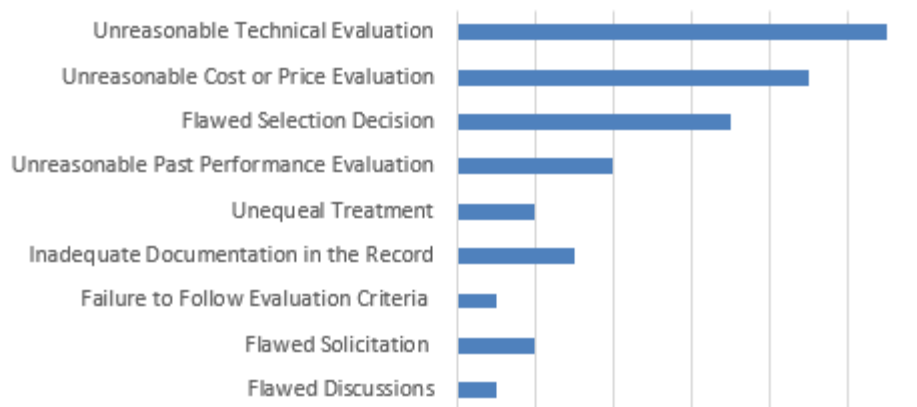


**4. Effectiveness Rate Decreases Slightly to 52%:** This year's report indicates that protestors continue to enjoy a relatively high success rate, as reflected in the "Effectiveness Rate." GAO utilizes this measurement to determine the rate at which protestors obtain some form of relief, typically either voluntary corrective action or a sustained protest. While this FY protestors saw a small decrease from 57% in FY23 to 52% in their overall Effectiveness Rate, but this is still right in line with the 5-year average of 51.8%.



**5. Familiar Grounds for Sustaining Protests:** Each year, GAO highlights the "Most Prevalent Grounds for Sustaining Protests." In FY24, the most common bases were: (i) unreasonable technical evaluation; (ii) flawed selection decision; and (iii) unreasonable cost or price evaluation.

### Prevalent Grounds for Sustaining Protests (Since FY2015)



**6. A Rare Departure from Following GAO's Recommendations:** One anomaly of note for FY24 was the Department of State's decision not to follow the GAO's sustain decision in *Pernix Fed., LLC*, B-422122.2, Mar. 22, 2024. In *Pernix*, there was a conflict between the agency's regulations and the agency's interpretation of SAM.gov registration requirements that resulted in Pernix's disqualification from the procurement. Ultimately, GAO found the agency's disqualification of Pernix to be unreasonable and recommended that Pernix be reinstated in the competition, that the solicitation be amended to clarify the SAM.gov registration requirements, and that the agency proceed with the procurement as appropriate. A few weeks later, the agency notified GAO that it would not implement GAO's recommendations. In response to the agency's decision, GAO notified Congress and recommended that Congress take action to correct the inequities highlighted in the bid protest and requested the enactment of legislation directing the agency to revise its regulations to resolve the conflict with the SAM.gov registration requirements.

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