U.S. GOVERNMENT ACCOUNTABILITY OFFICE
441 G St. N.W.
Washington, DC 20548
Comptroller General
of the United States

Decision

Matter of: SureScan Corporation

File: B-424754

Date: November 12, 2026

Eric DiMare, for the protester.
Michael Kiffney, Esq., Department of Homeland Security, for the agency.
Nathaniel S. Canfield, Esq., and Evan D. Wesser, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest that the agency improperly exercised an option is denied where the agency reasonably determined that exercising the option was the most advantageous means of satisfying the agency's needs.

DECISION

SureScan Corporation, a small business of Binghamton, New York, protests the exercise of an option under delivery order No. 70T04022F7672N004, issued under basic ordering agreement (BOA) No. 70T04021G7672N001, held by Analogic Corporation, of Peabody, Massachusetts, by the Department of Homeland Security, Transportation Security Administration, for full-size checkpoint property screening systems. The protester contends that the agency failed to consider current market conditions before exercising the option; improperly exercised an option that was not evaluated as part of the original competition for the delivery order; and used the option exercise to bypass a planned competition.

We deny the protest.[1]

[1] This protest is not subject to a GAO protective order because the protester opted to proceed *pro se*, that is, without counsel. Accordingly, our discussion of some aspects of the record is necessarily general to limit references to non-public information. Nonetheless, GAO reviewed the entire record *in camera* in preparing our decision.

BACKGROUND

The agency has requirements for checkpoint property screening systems at airports nationwide, which it fulfills through orders issued under BOAs. Contracting Officer's Statement (COS) at 1. The agency requires three different size configurations for those systems--base, mid-size, and full-size--which vendors must submit for testing and qualification through a qualified product list open window. *Id.* Vendors whose systems were successfully qualified under that open window were issued a BOA with a 10-year ordering period. *Id.* The BOAs do not establish pricing, and the agency competes its system requirements among eligible BOA holders. *Id.* Relevant here, the agency has established BOAs for checkpoint property screening systems with four vendors, including the protester and Analogic. *Id.* at 2.

The BOAs issued to both the protester and Analogic include full-size systems. *Id.* The agency initially issued a BOA to Analogic that included only mid-size systems on August 4, 2021. *Id.* Thereafter, the agency qualified Analogic's base and full-size systems, and modified Analogic's BOA to include line items for those systems on February 24, 2022. *Id.* The agency initially issued a BOA to the protester's predecessor in interest that included only mid-size systems on January 10, 2023. *Id.* Thereafter, the agency qualified that vendor's full-size system, and modified its BOA to include a line item for full-size systems on April 25, 2023. *Id.* On July 15, 2024, the agency modified that BOA to reflect the protester's status as successor in interest pursuant to a novation agreement. *Id.*

The agency has issued two competitive solicitations for full-size checkpoint property screening systems, resulting in the issuance of two delivery orders for those systems. *Id.* at 3. As relevant to this protest, the agency issued request for proposals No. 70T04021R7672N042 on April 2, 2021, resulting in the issuance of delivery order No. 70T04022F7672N004 to Analogic on March 18, 2022. *Id.* The delivery order provided for delivery of a quantity of full-size systems and associated maintenance and ancillary equipment on a firm, fixed-price basis. *Id.* The delivery order also included optional line items for the delivery of additional full-size systems and associated support. *Id.* Under a second competition, the agency issued a delivery order to Smiths Detection, Inc., also for full-size systems. *Id.*

On May 2, 2023, Analogic submitted to the agency a proposed update to its full-size checkpoint property screening system, referred to as the "eXpress configuration." *Id.* The agency tested and approved the eXpress configuration. *Id.* at 3-4. On September 12, 2024, the agency modified Analogic's BOA to include a line item for eXpress configuration full-size systems. *Id.* at 4.

The agency also requested and received a price proposal to add the eXpress configuration to delivery order No. 70T04022F7672N004. *Id.* The contracting officer found that the proposed pricing for the eXpress configuration was less than both Analogic's existing full-size system pricing and the full-size system pricing under the delivery order issued to Smiths Detection, and therefore concluded that the proposed

pricing was fair and reasonable. *Id.* Thereafter, on September 27, 2024, the agency modified the delivery order to incorporate the eXpress configuration and exercise and fund delivery of a quantity of eXpress configuration full-size systems. *Id.* Additionally, the agency incorporated an optional quantity of additional eXpress configuration full-size systems, and correspondingly reduced the remaining optional quantities of the original full-size system. *Id.*

On May 1, 2026, the agency issued a written notice of intent to exercise options to Analogic, stating the agency's intent to exercise an option for delivery of eXpress configuration full-size checkpoint property screening systems. *Id.* On June 15, 2026, the contracting officer executed a determination and findings in support of the exercise of options for the delivery of eXpress configuration full-size systems. *Id.*; Agency Report (AR), Tab 14, Determination and Findings.[2] On June 18, 2026, the agency issued modification No. P00018 to Analogic's delivery order to exercise quantity options for 164 eXpress configuration full-size systems. COS at 5.

This protest of the agency's exercise of the option followed.

DISCUSSION

The protester alleges that the agency's exercise of the option described above was improper for three reasons. First, the protester contends that the agency failed to consider current market conditions, as required by Revolutionary Federal Acquisition Regulation (FAR) Overhaul (RFO) subsection 17.204-1(b)(3)(v).[3] Protest at 4-5. Second, the protester alleges that the option was not evaluated as part of the initial competition for delivery order No. 70T04022F7672N004, as required by RFO subsection 17.204-1(b)(3)(vi). *Id.* at 5-6. Finally, the protester alleges that the agency improperly displaced a planned competition for full-size checkpoint property screening systems through the exercise of the option.[4] *Id.* at 6. The agency responds that it

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[2] On June 25, the contracting officer executed a revised determination and findings to reflect revised quantities of ancillary equipment. COS at 5; *see* AR, Tab 11, Revised Determination and Findings. There were no changes to the quantities of eXpress configuration full-size systems.

[3] The Department of Homeland Security adopted the RFO for FAR part 17 *via* Class Deviation 25-36, effective November 3, 2025.

[4] The protester raises other collateral arguments. While we do not address each of the protester's allegations and variations thereof, we have reviewed them all and conclude that none provides a basis to sustain the protest.

Additionally, on September 30, 2026, the protester filed a supplemental protest raising additional challenges to the agency's exercise of the option. Comments & Supp. Protest at 2-3. Our Office requested that the agency file a supplemental report by close of business on October 9, and that the protester file its comments responding to the

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properly exercised the option after performing the analysis required by RFO subsection 17.204-1, and that the exercise of the option did not displace a forecasted competition. Memorandum of Law (MOL) at 3-8. For the reasons that follow, we find no basis on which to sustain the protest.

We first address the protester's allegation that the agency exercised the option in question in order to avoid conducting a competition for this requirement. The protester identifies the agency's September 25, 2025, publication of forecast record No. F2025072194, which stated that the agency anticipated publishing a solicitation on March 9, 2026 "for a new '[Checkpoint Property Screening Systems] Full-Size Competitive Award.'" Protest at 3. As the agency points out, however, it subsequently published a second forecast record, No. F2026073412, on April 7, 2026, which superseded the previous forecast record and made clear that the upcoming competition would be for base, mid-size, and full-size systems. COS at 6. Because the scope of the upcoming competition is broader than that encompassed by the option exercised here, which was only for full-size systems, there is no basis to conclude that the option displaces the need for the future competition. Furthermore, as supported by a sworn declaration of the relevant agency program manager, the agency states that the upcoming competition has not been displaced, but merely delayed due to the lapse in appropriations and consequent government shutdown in fiscal year 2026. *Id.*; MOL, attach. B, Decl. of Program Manager at 2. Thus, the record demonstrates that, contrary to the protester's allegation, the agency did not exercise the option as a means of avoiding a planned competition. Accordingly, we deny this ground of protest.

Next, we address the protester's allegation that the agency improperly exercised the option for eXpress configuration full-size systems because that option was not evaluated at the time delivery order No. 70T04022F7672N004 was competed. Per RFO subsection 17.204-1(b)(3)(vi), a "contracting officer may exercise options only after . . . [d]etermining that . . . [t]he option exercise complies with the requirements of part 6 for full and open competition, i.e., the option was evaluated as part of the initial competition[.]" *Accord* FAR 17.207(f) ("Before exercising an option, the contracting

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agency's supplemental report by close of business on October 14. Electronic Protest Docketing System (Dkt.) No. 11 (establishing deadlines). The agency filed a supplemental report on October 9. *See* Dkt. Nos. 13 (unredacted supplemental report), 14 (redacted supplemental report). The protester, however, did not file comments on the supplemental report. Our Bid Protest Regulations state that a protester's failure to file comments within the period of time established "shall" result in dismissal of the protest. 4 C.F.R. § 21.3(i)(2). Our regulations do not provide exceptions to the requirement to file comments on time, and the protester here did not request an extension of the due date. Accordingly, we dismiss the protester's supplemental protest. *See Primary Care Sols., Inc.*, B-418799.3, B-418799.4, Sept. 8, 2021, at 3 n.2 (supplemental protest dismissed where the protester did not timely file comments or request and receive an extension of the due date).

officer shall make a written determination for the contract file that exercise is in accordance with the terms of the option, the requirements of this section, and part 6. To satisfy requirements of part 6 regarding full and open competition, the option must have been evaluated as part of the initial competition[.]").

The protester contends that the option was not evaluated as part of the initial competition because the option is for a post-award added configuration that was not evaluated as part of that competition. Protest at 5-6; Comments & Supp. Protest at 2-3. As discussed above, the record demonstrates that the eXpress configuration was, in essence, an update to Analogic's originally proposed full-size checkpoint property screening system. To that end, when the agency added eXpress configurations to the delivery order, it correspondingly reduced the quantities of the original full-size systems. Furthermore, in determining the proposed pricing for the eXpress configuration to be fair and reasonable, the contracting officer found that Analogic's proposed pricing was less than that for the full-size systems the agency evaluated as part of the competition for delivery order No. 70T04022F7672N004. Thus, the record shows that the agency evaluated the option for additional full-size checkpoint property screening systems as part of the initial competition, and it thereafter substituted an updated version of those systems at a lower price than initially evaluated. Under these circumstances, we conclude that the agency satisfied the requirement of RFO subsection 17.204-1(b)(3)(vi) to evaluate the option at the time of the initial competition.

Finally, we address the protester's contention that the agency failed to consider current market conditions prior to exercising the option. Protest at 4-5; Comments & Supp. Protest at 3-4. RFO subsection 17.204-1(b)(3) provides that a "contracting officer may exercise options only after . . . [d]etermining that . . . [a]fter reviewing price and other factors, the option price is fair and reasonable based on current market conditions and exercise of the option is in the [g]overnment's best interest[.]" Relevant to that requirement, the record shows that the contracting officer executed a determination and findings in support of exercising the option, which included a finding that, based on market research, the option pricing remained fair and reasonable.[5] AR, Tab 14, Determination and Findings at 1.

[5] The agency further concluded that re-competition of the requirement and selection of another contractor would result in a disruption of operations. *See* AR, Tab 14, Determination and Findings at 1; MOL, attach. B, Decl. of Program Manager at 2. This is consistent with RFO subsection 17.204-1(b)(3)(v)'s direction to determine that exercise of the option is in the government's best interest. *See* FAR Companion (FC) Version 3.0, FC 17.204-1 ("Additionally, take into account the government's need for operational continuity and potential disruption costs[.]"). *Accord* FAR 17.207(e)(1) (among factors to be considered in determining that exercise of an option is the most advantageous method of fulfilling the government's need is "the [g]overnment's need for continuity of operations and potential costs of disrupting operations").

The protester argues that the agency failed to take into account current market conditions, including that the agency had planned a competition for the requirement, the agency recently had exercised an option for additional full-size systems under Smiths Detection's delivery order, and the protester had become a qualified source for full-size systems. The protester's contentions, however, are not sufficient to demonstrate that market conditions had changed such that the option price was no longer fair and reasonable.

As discussed above, the planned competition to which the protester points is for a different requirement, and has been delayed not due to the agency's exercise of the option, but by a lapse in appropriations and consequent delays to the agency's procurement process. Next, while the protester points to the exercise of options under Smiths Detection's delivery order as "demonstrat[ing] that current, non-Analogic source, capability, schedule, and pricing information necessarily existed[,]" Protest at 4, the record shows that the option price for Analogic's eXpress configuration full-size systems is less than that for full-size systems purchased through Smiths Detection's delivery order. Accordingly, the exercise of options under Smiths Detection's delivery order fails to demonstrate changed market conditions showing that exercising options for eXpress configuration full-size systems is not fair and reasonable. Lastly, the fact that the protester has become a qualified source for full-size systems also fails to demonstrate changed market conditions. The record shows that the agency added full-size systems to the protester's BOA on April 25, 2023, approximately 17 months before the September 27, 2024, modification through which the agency substituted eXpress configuration full-size systems for the initial full-size systems on Analogic's delivery order. In connection with that modification to Analogic's delivery order, the agency determined that the proposed pricing for eXpress configuration full-size systems was fair and reasonable. Thus, the protester became a qualified source of full-size systems prior to that fair and reasonable pricing determination. The protester's previous qualification as an additional source therefore does not demonstrate that market conditions have changed since that determination.

The protest is denied.

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General Counsel