COUNSEL COMMENTARY

FSS Labor Categories: A Key Protest Battleground

Recent bid protest decisions offer dos and don'ts for quoting labor categories under Federal Supply Schedule task order solicitations.

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Agencies are increasingly using Federal Supply Schedule (FSS) contracts to procure complex services, particularly information technology (IT) professional services. That trend is likely to accelerate in the coming years.

Executive Order 14240 directed the consolidation of federal procurement of common goods and services in the General Services Administration (GSA). Office of Management and Budget (OMB) Memorandum M-25-31 also instructs agencies to use existing GSA and other government-wide contracts before pursuing new ones. Contractors should expect that these actions will fuel greater use of the FSS program.

As the use of the FSS program has increased, there is an ever-growing body of bid protest decisions that address unique FSS procurement issues. A central focus is whether a vendor's quoted labor categories fall within the scope of its underlying FSS contract, and whether those labor categories comply with the agency's solicitation.

Bid protest decisions are highly fact-specific, but a number of consistent principles have emerged. This article examines those principles and what they mean for FSS vendors, whether they are preparing a quotation or weighing a potential protest.

Services Ordered Must Be on the Vendor's FSS Contract

Under the Competition in Contracting Act (CICA), agencies are required to "obtain full and open competition" when procuring goods and services.[1] Agencies may satisfy the requirement for full and open competition under CICA when they use the FSS program and comply with applicable Schedule ordering procedures.[2]

As a general rule, agencies may not use FSS contracts to order non-FSS items. The Government Accountability Office (GAO) has specifically held that, "where an agency announces its intent to order from an existing FSS, all items quoted and ordered are required to be on the vendor's schedule contract as a precondition to it receiving the order."[3]

The relevant question "is whether the services offered are actually included on the vendor's FSS contract, as reasonably interpreted."[4] To make this determination, GAO considers whether the *functions* solicited by the agency match the *functions* covered by the labor categories included in the vendor's FSS contract.

Moreover, "labor categories identified and described in each firm's underlying FSS contract are fixed, discrete, specific labor category descriptions that are contractually binding and not subject to alteration" in a vendor's quotation.[5] In other words, a vendor cannot attempt to change or supplement the labor category description in its FSS contract in a quotation that responds to an agency's task order solicitation.

TAKEAWAY: If a solicited function falls outside every labor category on the vendor's FSS contract, the fix is a contract modification adding a new category, which should be requested well before the quotation deadline. Attempting to reword the description in a quotation will not cure a gap in the underlying FSS contract.

Labor Category Titles Are Not Dispositive of Scope

The labor category titles used in a vendor's FSS contract are not necessarily dispositive of whether it offers the services solicited by the agency. The determining factor is whether the vendor's proposed labor category descriptions "can be reasonably read as meeting the agency's needs."[6]

In *Ruchman & Associates, Inc.*, GAO concluded that "the agency's decision not to disqualify vendors on labor category title alone was reasonable" where the solicitation permitted vendors to propose labor categories that were equivalent to those listed in the solicitation.[7] Thus, unless the solicitation requires labor category titles to match precisely, vendors are generally permitted to propose labor categories on their FSS contract that align with the labor category descriptions set forth in the solicitation.

For example, in *Ruchman & Associates*, GAO found that the agency reasonably determined that the awardee's "data analyst" category satisfied the solicitation's "computer operator II" position because there was sufficient overlap in the functional skillsets described in the two labor categories.

TAKEAWAY: A labor category title mismatch alone is unlikely to be grounds for a winning protest and matching a title does not insulate a quotation from challenge. Quotations should show how each quoted

labor category functionally maps to the solicitation's positions, which helps the agency build the evaluation record it will need if the award is challenged.

Broad Labor Categories May Encompass Narrower Specialties

In general, vendors may use broad labor category descriptions to cover narrower specialties. However, the specialties must be a genuine subset of the labor category's function.

GAO's recent decision in *TechSur Solutions* reflects the permissive side of this rule. In that case, the protester argued that the awardee's "generic" engineer labor category did not include certain specialized functions required for the solicitation's extract, transform, load or extract, load, transform (ETL/ELT) developer position. GAO rejected this argument, finding that the awardee's engineer labor category included "knowledge in design, architecture, development, and administration," which was "broad enough to include the specialized ETL/ELT data skills required by the solicitation."[8]

Although broad labor category descriptions may be used to satisfy related subspecialties, there must be a sufficient alignment between the functions solicited and the labor categories proposed. As an example, "if a vendor's quotation in response to a solicitation for engineering services offered to provide the required services by quoting labor categories for linguists from its FSS contract, the quoted engineering services would not be encompassed within the scope of the quoted linguist labor categories."[9]

TAKEAWAY: Vendors should carefully draft their labor category descriptions and consider making them broad and flexible enough to cover the functions agencies are likely to solicit.

Minimum Education and Experience Requirements Establish a Floor

A common protest argument concerns whether the awardee's proposed labor categories satisfy the solicitation's minimum qualification requirements for experience or education. As a general matter, GAO views a labor category's stated minimum level of experience as a floor, not a ceiling.

In *Grant Thornton, LLC*, GAO sustained a pre-award protest challenging an unduly restrictive requirement that vendors' FSS labor categories "align precisely" with the solicitation's minimum experience requirements.[10] GAO agreed with the protester "that an FSS contract with a labor category that states that the vendor may provide personnel with 'a minimum of 10 years of experience,' '10+ years of experience,' or 'at least 10 years of experience,' is within the scope of a requirement for 12 years of experience."[11] The rationale is that the vendor can fill that labor category position during performance with a person who satisfies the solicitation's experience requirement.

GAO has explained that "the record need not contain an affirmative showing that the vendor intends to meet those particular experience requirements, unless that is otherwise required by the solicitation."[12] But where a vendor fails to sufficiently map its labor categories to the qualification requirements, or proposes labor categories with qualifications that are substantially below those required in the solicitation, an agency cannot "presume that the personnel quoted to perform a requirement will actually meet the [solicitation's] more stringent educational and experience requirements."[13]

TAKEAWAY: If a quoted labor category's stated minimum experience level falls below the solicitation's requirements, the quotation should commit to staffing with personnel who meet the high standard. This helps avoid any potential ambiguity as to whether the vendor intends to meet the solicitation's requirements.

SINs May Inform the Labor Category Analysis

GSA uses Special Item Numbers (SINs) to group together products and services that are similar in purpose or function. Agencies use SINs to identify the general category of offerings relevant to a procurement, while vendors use SINs to identify the categories of products and services they offer.

Although the analysis of labor categories focuses on the vendor's description of those categories, GAO has also found that the scope of the SIN under which a labor category falls is "informative" regarding whether a labor category's "functional description encompasses the solicited services."[14]

In at least one case, the SIN became a determining factor in GAO's conclusion that the vendor's proposed labor categories did not meet the solicitation's requirement. In *Spatial Front*, the awardee proposed subject matter expert (SME) labor categories under SIN 541611 (management and financial consulting) to provide specialized geospatial IT skillsets. Although the functional description of the SME labor categories "seem[ed] broad enough to encompass the provision of geospatially specialized IT services," GAO considered the SIN description and concluded that it encompassed work "such as business process improvement analysis or actuarial services" that did not align with the specific skillsets required in the solicitation.[15]

TAKEAWAY: Vendors should carefully assign labor categories to appropriate SINs, understanding that the SIN selected

may provide context for interpreting the scope of the services offered.

SIN Requirements Depend on the Terms of the Solicitation

Another frequent SIN-related protest issue involves whether vendors are required to quote labor categories listed under a specific SIN. Notably, the Federal Acquisition Regulation (FAR) "does not include any provision specifically requiring an agency to identify an applicable SIN when ordering from a schedule contract, or otherwise restrict a vendor's ability to propose items only from a single SIN."[16]

Accordingly, if a solicitation does not contain an express SIN requirement, vendors may propose compliant goods or services within any SIN. If a solicitation is issued through GSA's eBuy system under a particular SIN, that is generally not an express prohibition on the use of other SINs.[17]

Similarly, an agency's general statement that a procurement is "solicited under" a particular SIN does not bar the use of other SINs.[18] In GAO's view, "vendors are free to quote goods or services on their underlying FSS contract unless there is a provision in the solicitation that specifically limits vendors to quote products or services under a specific SIN."[19]

The solicitation in *BAO Systems, LLC* contained that type of limiting provision.[20] It expressly stated that it was being competed under SIN 54151S, directed quotations to be submitted in accordance with that SIN, required rates to align with SIN 54151S rates, and answered a vendor question asking whether labor categories from all SINs could be used with a direct "No." However, the majority of the protester's quoted labor categories fell under SIN 518210C. Under those circumstances, GAO held that the agency reasonably determined that the protester's quotation was ineligible for award.

TAKEAWAY: Vendors should scrutinize eBuy postings, solicitation instructions, and questions and answers for any SIN limitations that may apply. If it is unclear whether a SIN limitation applies, vendors should ask a clarifying question or consider a timely protest to resolve the ambiguity.

CTA Members Cannot Rely on a Teammate's Schedule Contract

In FSS procurements, a Contractor Teaming Arrangement (CTA) allows two or more FSS contractors to combine their FSS offerings to compete for a single order or blanket purchase agreement (BPA). Unlike a typical prime-subcontractor teaming arrangement, CTAs are unique in that each member remains responsible for the work under its FSS contract and has contractual privity with the awarding agency.

Consistent with this principle, a vendor that is part of a CTA may not rely on labor categories included in its teammate's FSS contract. In *Ares Enterprise, LLC*, the procuring agency and awardee argued that "an order issued to a CTA member need not fall within the scope of that firm's FSS contract, so long as it might fall within the scope of another CTA member's FSS contract."[21]

GAO rejected this contention because there is no "basis in law or regulation to support the idea that the rules requiring FSS contractors to operate within the scope of their FSS contracts can effectively be ignored after the formation of a CTA."[22] Thus, a vendor should not assume that it may propose to perform work under labor categories that only exist on its CTA teammate's separate FSS contract.

TAKEAWAY: For CTA quote submissions, vendors should ensure that the labor categories quoted are mapped to and aligned with each CTA member's underlying FSS contract.

Conclusion

As agencies consolidate more work under the FSS program, labor category scope issues are likely to remain a leading source of FSS protests. Vendors that understand the key principles derived from bid protest decisions will be better positioned to compete for FSS orders and to defend them after award if a protest is filed. **CM**

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ENDNOTES

1 41 U.S.C. § 3301(a)(1).
2 41 U.S.C. § 152(3)(A).
3 TechSur Solutions, LLC, B-423812.3, Aug. 11, 2026, at 7.
4 Id.
5 AllWorld Language Consultants, Inc., B-411481.3, Jan. 6, 2016, at 6.
6 Ruchman & Associates, Inc., B-415400 et al., Jan. 2, 2018, at 6.
7 Id. at 5.
8 TechSur, at 11.
9 Spatial Front, Inc., B-422058.2 et al., May 21, 2024, at 11-12.
10 Grant Thornton, LLC, B-416733, Nov. 29, 2018.
11 Id. at 8.
12 LOGMET LLC, B-422200, B-422200.2, Feb. 21, 2024, at 7.
13 ISHPI Information Technologies, Inc., B-420718.2, B-420718.3, July 29, 2022, at 10.
14 Spatial Front, Inc., B-422058.4, B-422058.5, Dec. 6, 2024, at 11.
15 Id. at 12-13.
16 Pitney Bowes, Inc., B-416787, Dec. 6, 2018, at 4.
17 Phoenix Environmental Design, Inc., B-422547, July 29, 2024, at 5-6.
18 VMD Systems Integrators, LLC, B-422384.3, B-422384.5, Mar. 25, 2025, at 5.
19 Id.
20 BAO Systems, LLC, B-421561.13 et al., Apr. 10, 2024.
21 Ares Enterprise, LLC, B-424548 et al., Sept. 3, 2026, at 19.
22 Id.