

## Suspension and Debarment

### 1.0 PURPOSE

The suspension and debarment procedures are intended to prevent waste, fraud and abuse in Federal procurement and non-procurement actions. Debarment or suspension of an organization or individual excludes that company or individual from doing business with the Federal Government. These exclusions are intended to ensure that only responsible companies or individuals participate in contracts and financial assistance awards with the Federal government.

### 2.0 SCOPE

This policy is compliant with the procurement standards in the OMB Uniform Guidance as codified in 2 CFR Part 200. The policy governs all procurement transactions made with federal funding.

### 3.0 POLICY

The Federal Government prohibits expending federal funds on goods and/or services from any entity Suspended or Debarred from doing business with the federal government. Under Code of Federal Regulations §200.331, the Veterans Health Foundation will not use funds from federal awards to conduct business with an entity on the suspension and debarment list.

SAM.gov provides a single comprehensive list of individuals and entities excluded from receiving federal contracts or federally approved subcontracts and from certain types of federal financial and nonfinancial assistance and benefits. The SAM website must be checked to verify that the entity or agency has not been suspended or debarred prior to purchasing or contracting with an entity or agency with federal dollars. Generally, Suspension and Debarment should be checked at the following timepoints:

#1: Opening of bids or receipt of proposals.

#2: Prior to initiation of work

#3: Prior to awarding any new work to make sure nothing changed since the bid was opened

Documentation will include a screen print of the exclusions search and must be obtained through the System for Award Management (SAM.gov – previously EPLS) website (<http://www.sam.gov/>). Verification documents will be filed with other monitoring documentation.

If, in the course of such review, it is determined that an entity is found to be debarred, suspended, proposed for debarment, or declared ineligible from doing business with the Federal Government, the Executive Director will be notified immediately and expenditures will not be paid until the entity or agency is removed from the exclusion listing

Additionally, all employees who receive wages charged to a federal award must also be reviewed. The review is conducted on an annual basis.

All templates related to any kind of procurement including contracts and agreements for both goods and services must include the following verbiage immediately adjacent to the signature line:

“Debarment and Suspension Certification - The contractor (or vendor, or consultant, depending on the transaction) certifies to the best of its knowledge and belief that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency in accordance with Executive Order 12549 (2/18/86).”

#### **4.0 Definitions**

**Suspension-** A suspension excludes a company or individual from participating in Federal contracting and financial assistance awards government wide on any new contracts or financial assistance awards dated on or after the date of the suspension. A suspension is effective immediately. A suspension is a temporary exclusion action which lasts until the conclusion of the criminal or administrative proceedings upon which the action is based, or for 12 months or 18 months if the prosecuting official justifies an extension in writing.

A suspension may be based on an indictment, information, or the agency’s independent, adequate evidence that a company or individual committed fraudulent conduct (e.g. public contracts and financial assistance, such as contract & financial assistance fraud, embezzlement, theft, forgery, bribery, poor performance, non-performance, or false statements).

**Debarment-** A debarment results in an exclusion from Federal contracting and financial assistance government wide for a set period of time, usually three years that is effective on the date the debarment decision is finalized. If circumstances warrant, the debarring official may impose a longer period of debarment. The length of the debarment exclusion is decided based on the circumstances and factors relevant to each party, and the length will begin counting at the date of any initial suspension exclusion.

A debarment may be based on convictions, civil judgments or the agency’s independent evidence proving by a preponderance of the evidence that a company or individual were involved in fraudulent conduct on public contracts, such as, contract and financial assistance fraud, embezzlement, theft, forgery, bribery, poor performance, non-performance or false statements as well as other causes.

## 5.0 REFERENCES

Office of Management and Budget (OMB) Circular No. A-122  
[http://www.whitehouse.gov/omb/circulars\\_a122\\_2004](http://www.whitehouse.gov/omb/circulars_a122_2004)

## 6.0 REVISION HISTORY

<b>Revision Letter</b>	<b>Author</b>	<b>Revision Date</b>	<b>Description of Changes</b>
A	L. Thompson	May 2020	Original policy
B	A.Caffas	Sept 2020	Revised throughout

RECERTIFICATION: This policy is scheduled for recertification on or before the last working day of September , 2023