

Suspension and Debarment

Federal grant regulations (see *references listed below*) prohibit recipients from contracting with or making sub-awards to parties suspended or debarred from doing business with the federal government. **Prior to entering into contracts with vendors or sub-recipients, conservation districts must ensure the vendor or sub-recipient is not suspended or debarred for all contracts of \$25,000 or more and all sub-awards.**

Although Districts are only required to verify recipients when federal funds are involved either directly or if included as part of a State agencies funds, it is highly recommended that districts always verify that a recipient has not been suspended or debarred.

Included below are options for conservation districts to verify that a recipient has not been suspended or debarred:

- the vendor or sub-recipient can certify in writing that it has not been suspended or debarred;
- the CD can check for suspended or debarred parties by reviewing the [System for Award Management](#) (there is no cost to utilize the System for Award Management) or;
- the CD can insert a clause or condition into the contract that states the contractor/sub-recipient is not suspended or debarred.

Whichever option the conservation district chooses, they must include the verification documentation in the contract file.

Below is a three part (1-3) example of the suspension and debarment chain of responsibility.

1. Federal entity enters into contract of \$25,000 or more with the Washington State Conservation Commission (SCC) — the federal entity runs a debarment/suspension check on the SCC and places a copy of the report in their file, the federal entity then notifies SCC through signature on suspension and debarment document of the responsibility to conduct “lower-tier” checks and notify the lower tiers of their suspension and debarment responsibilities.
2. SCC then contracts with a conservation district — SCC runs a debarment/suspension check on the conservation district and places a copy of the report in their file, the SCC then notifies the conservation district through signature on suspension and debarment document of the responsibility to conduct “lower-tier” checks and notify lower tiers of their suspension and debarment responsibilities.
3. Conservation district then awards SCC funds to a landowner or hires a contractor to provide a service -
– conservation district runs a debarment/suspension check on the landowner or hired contractor and places a copy of the report in their file, the conservation district then notifies the landowner or hired contractor through signature on suspension and debarment document of the responsibility to conduct “lower-tier” checks and notify lower tiers of their suspension and debarment responsibilities.

Please Note: It is the responsibility of the district to ensure a copy of the landowner or contractor signed suspension and debarment document is maintained in the district file. If this document is not included in the file, it may result in an audit finding.

Internal Controls

It is recommended that a conservation district have an official written policy for suspension and debarment that:

- a) Contains or references the federal requirements.
- b) Prohibits the award of a sub award, covered contract, or any other covered agreement for program administration, goods, services, or any other program purpose with any suspended or debarred party.
- c) Requires staff to determine that entities receiving sub awards of any value and procurement contracts equal to or exceeding \$25,000 and their principals are not suspended or debarred, and specifies the means that will be used to make that determination, i.e., checking the Excluded Parties Listing System (EPLS), which is maintained by the General Services Administration; obtaining a certification; or inserting a clause in the agreement.

Applicable Laws and Regulations

Electronic Code of Federal Regulations (e-CFR), TITLE 2 – Grants and Agreements, Subtitle A – Office of Management and Budget Guidance for grants and agreements, Chapter I – Office of Management and budget governmentwide guidance for grants and agreements, Subchapter G – National Policy Requirements, Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)

<http://www.ecfr.gov/cgi-bin/text->

[idx?SID=ef4388c2a70fb40b819dd5e19e068917&tpl=/ecfrbrowse/Title02/2cfr180_main_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?SID=ef4388c2a70fb40b819dd5e19e068917&tpl=/ecfrbrowse/Title02/2cfr180_main_02.tpl)

System for Award Management – Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS. <https://www.sam.gov/portal/public/SAM/>

Washington State Auditor's Office, Federal Grant Management and Reporting.

<http://www.sao.wa.gov/EN/ClientSupport/FederalGrants/Pages/default.aspx>