

SUBJECT: DEBARMENT AND SUSPENSION PROCEDURES APPLICABLE TO  
GOVERNMENT CONTRACTORS, GRANTEES, AND PARTICIPANTS

1. Purpose: To establish guidelines for implementing the changes to the debarment and suspension procedures in CH contracts and financial assistance awards.
2. Supersedes: Policy and Procedures 89-3 and FAH 89-5 dated July 14, 1989 and P&P 89-3A and FAH 89-5A dated December 5, 1989 in their entirety.
3. Effective Date: Upon issuance.
4. Reference:
  - a. Procurement - Executive Order No. 12549, 10 CFR Part 1035, FAR 9.406 and the prescribed certification and clauses at FAR Part 52.
  - b. Financial Assistance - Executive Order No. 12549, 10 CFR Part 1036. See 1036.1 through 6 for specific guidance.
5. Applicability: All CH acquisition and assistance activities.
6. Background: Executive Order 12549, Debarment and Suspension, requires the recipients of federal contracts and federal financial assistance awards over \$25,000 to certify to the best of their knowledge and belief, the awardee, or any of its principals, are not presently debarred or proposed for debarment. In addition, the clause at FAR 52.209-6 is required for acquisition actions. The Executive Order does not, however, preclude continuation of acquisition and assistance awards in existence at the time the awardee was debarred unless the agency's head or designee directs otherwise.
7. Procedures: Certifications will initially be obtained using the appropriate forms (FA-CERTS, Lower Tier Participants or FAR 52.209-5) available locally in the Contracts Division's form bins.

In addition, pursuant to FAR 9.405, the Debarred, Suspended or Proposed for Debarment GSA and DOE Lists must be reviewed before solicitations are issued and again immediately prior to award to ensure no award is made to a listed contractor. The date of the list must be identified on the appropriate checklist and the prenegotiation plan.

a. New Acquisition and Assistance Awards(1) Contracts

- (a) Solicitations: Section K of the Solicitation shall contain the Certification at FAR 52.209-5 and the contract shall contain the clause at FAR 52.209-6 in Section I of the contract. The clause has been added to CRDC and CRDNP sets of the General Provisions. (See AA-31 form for non-competitive actions.)
- (b) New awards: The contract shall contain the clause at FAR 52.209-6 in all new awards issued after June 6, 1989, whether or not the certification was obtained.
- (c) Existing Awards: Non-competitive actions and awards issued under the ER Program Announcement shall be treated as a solicitation for the purpose of obtaining the certificate if new term (period of performance) and or new work is added to the contract. Form AA-31 or the Requirements Sheet can be used in obtaining this certification. The FAR clause will be added whenever the General Provisions require updating (i.e., contract term extension, change in scope, etc.).

(2) Financial Assistance

- (a) New Awards: The primary participant certification (FA-CERTS) shall be obtained for all new awards. The prospective lower tier participant certificate (Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions) should also be forwarded to the primary participant so that the lower tier participant can certify and provide the certification to the primary participant for their review.
- (b) Existing Awards: For grants currently in place on the effective date of this issuance, the certification shall be obtained at the time of funding for the next budget period but not for supplemental funding. Thereafter, the certification is to be obtained at renewal.

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