

CHAPTER 2-110 DEBARMENT AND SUSPENSION

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2-110-00 What is debarment and suspension?

- A. Debarment is an action taken by a Federal agency to exclude a person from participating in Federal procurement or nonprocurement transactions.
1. A Federal grant or cooperative agreement is considered a nonprocurement transaction.
 2. A primary transaction is between us, the Office of Surface Mining Reclamation and Enforcement (OSM), and you, the recipient of our assistance agreement. Lower tier transactions are between you and any other entity, including all your contracts and subgrants. A person who is debarred cannot participate in either primary or lower tier transactions.
- B. Suspension is an action taken by an agency to immediately prohibit a person from participating in covered transactions for a temporary period while we complete an investigation and any legal or administrative actions.

2-110-10 Why are people or entities debarred?

A Federal agency may debar a person or entity for any of the following reasons.

- A. A conviction or civil judgment for fraud, criminal offenses, violation of antitrust statutes, embezzlement, theft, forgery, bribery, falsification of records, false claims, obstruction of justice or other offenses that indicate a lack of business integrity or honesty.
- B. A serious violation of a public agreement that affects the integrity of an agency program, such as a willful failure to perform, history of substantial non-compliance, or willful violation of statutory or regulatory provisions.
- C. Any other cause of so serious or compelling a nature that it affects the participant's present responsibility, including knowingly doing business with an excluded person, or failure to pay a substantial debt owed to a Federal agency, or violation of the Drug-Free Workplace Act.

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2-110-20 What is the Excluded Parties List System (EPLS)?

The Excluded Parties List System (EPLS) is a widely available source of the most current information about persons who are excluded or disqualified from transactions with the Federal government. Federal agencies and recipients may use the EPLS. The General Services Administration (GSA) maintains the system. You may access the EPLS on its website.

2-110-30 What will we do to ensure that applicants are eligible?

- A. OSM will not award financial assistance to applicants that are debarred or suspended or otherwise excluded from or ineligible for Federal financial assistance.
- B. Our awarding office must check the EPLS to determine whether a participant or principal is excluded before the authorized official approves any grant or cooperative agreement.

2-110-40 What is your responsibility as a recipient?

- A. As a recipient, you must determine whether any of your own principals are excluded or disqualified. You must also determine if another person or persons at the next lower tier with whom you intend to do business is excluded or disqualified. You can make this determination in the following ways.
 - 1. Check the EPLS.
 - 2. Collect a certification from the participant verifying the participant is not excluded or disqualified.
 - 3. Add a clause or condition to the transaction agreement with that person.
- B. Certify in your application that your organization and principals are not debarred or suspended. You may use this [Certifications](#) form.
- C. You must inform the authorized official at our awarding office if at any time you learn that any of the certifications included in your original application package were incorrect when submitted or have since become incorrect.

2-110-50 How will we process debarments and suspensions?

- A. We will initiate action when we have adequate evidence to suspect that one of the causes for debarment or suspension has occurred. For example, an indictment is sufficient grounds for initiating a suspension.
- B. We will use the following process to initiate debarment or suspension actions.

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1. The awarding office must investigate and document information concerning the existence of a cause for debarment. The awarding office must forward its findings and recommendations to the AD,PS.
2. The AD,PS will review the information and determine if the recommended action is appropriate. The AD,PS will forward the information to the Interior Department Office of Acquisition and Property Management for action.
3. The DOI Debarring/Suspending Official will process the debarment action as appropriate. See 2 CFR 180 for more information.