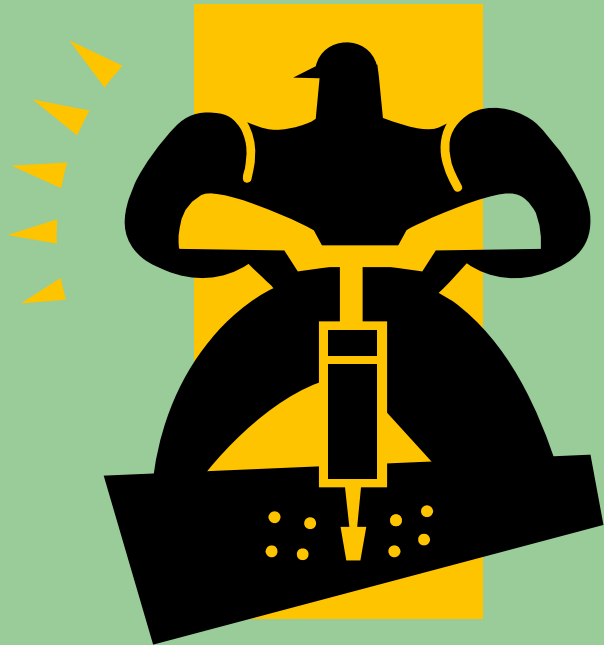




# SUSPENSION AND DEBARMENT



POWERFUL TOOLS

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# SUSPENSION AND DEBARMENT

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- For protection, not punishment
- The agency is making a business decision.



# SUSPENSION AND DEBARMENT

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- Individuals or organizations cannot be denied access to Federal grants and contracts without Due Process.
- The Suspension and Debarment Program provides Due Process.



# SUSPENSION AND DEBARMENT

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The main objective in Suspension and Debarment cases is **present responsibility.**



# SUSPENSION AND DEBARMENT

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What is the difference between  
Suspension and Debarment?



# SUSPENSION AND DEBARMENT

## Suspensions are:

- temporary, pending the outcome of an investigation, legal action, or debarment proceedings.
- imposed while we are trying to determine whether misconduct has occurred.



# SUSPENSION AND DEBARMENT

Debarment is:

- for a set number of years.
- imposed after all of the facts are known.



# SUSPENSION AND DEBARMENT

Who can be Suspended or Debarred?

- Individuals, corporations, and non-profit organizations
- Misconduct by an individual can be imputed to an organization, and vice versa.



# SUSPENSION AND DEBARMENT

What conduct warrants Suspension and Debarment?

- Fraud
- False Statements
- Environmental Misconduct
- Willful Failure to Perform
- History of Poor Performance
- Willful Violation of a Statutory or Regulatory Requirement



# SUSPENSION AND DEBARMENT

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What will happen if I refer a case to  
Suspension and Debarment?




# SUSPENSION AND DEBARMENT

- Likely to be resolved by a Compliance Agreement
  - Organizations are highly motivated to avoid Debarment.
- Compliance Agreements will address all problems, including concerns raised by the Program Office and Grants Specialist.



# SUSPENSION AND DEBARMENT

- A simple letter from the Suspension and Debarment Division will motivate many grantees to come into compliance. 
- Cases that do not settle go through our formal process.
  - This includes an informal meeting with the Debarring Official and a Fact-Finding Hearing, if facts are in dispute.



# SUSPENSION AND DEBARMENT

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How do I find out whether someone is  
Suspended or Debarred?



# SUSPENSION AND DEBARMENT

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- Everyone who is Suspended or Debarred is listed on the Excluded Parties List System (EPLS).
- The internet address for EPLS is: [www.epls.gov](http://www.epls.gov)





# SUSPENSION AND DEBARMENT

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Policy Changes for Grants  
Management



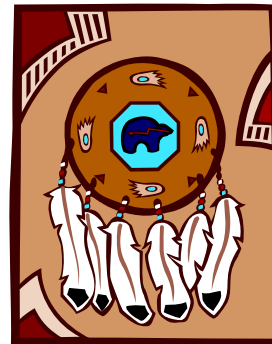
# SUSPENSION AND DEBARMENT

- A new Pre-Award Policy went into effect on January 1, 2005.
- The Pre-Award Policy requires Award Officials to refer grantee fraud, waste, and abuse to the Suspension and Debarment Division (SDD).
- The Policy also requires the Director of GAD to refer grantees who are unwilling to develop adequate administrative capabilities to SDD.



# SUSPENSION AND DEBARMENT

## Message for State and Tribal Governments





# SUSPENSION AND DEBARMENT

- You must ensure proper grants management
- Failure to do so may lead to
  - embezzlement of funds
  - misuse of Federal funds
- SDD action may be taken against offending individuals, regardless of their position in the state or tribe, and against the state or tribal government.



# SUSPENSION AND DEBARMENT

- The Goal is not to punish or harm innocent members who may be impacted by a loss of Federal funds
- But rather to render ineligible for Federal funds those who have handled Federal funds dishonestly or improperly and who pose a risk to Federal funds



# SUSPENSION AND DEBARMENT

THANK YOU FOR YOUR ATTENTION

For questions contact:  
Angelia Souder Blackwell

District Counsel

Southeastern District

Suspension and Debarment Division

(404) 562-9872