

Suspension and Debarment Policy & Procedures

I. Purpose

Federal rules prohibit using grant funds with organizations or individuals that are suspended, debarred, or otherwise excluded from federal funding programs. This policy ensures that grant related purchases and expenditures are not made from an entity that has been suspended or debarred by the federal government. This policy establishes how Cumberland County verifies eligibility before and during federally funded transactions, and what steps to take if an exclusion is found.

2. Key Definitions

- **Debarment:** An action taken by a federal agency that prohibits a person or entity from participating in federal transactions for a defined period. Debarment is typically based on a serious violation such as fraud, criminal conduct, or willful failure to perform.
- **Suspension:** A temporary action taken by a federal agency to immediately exclude a party from federal transactions, typically pending investigation or legal proceedings.
- **Exclusion:** The general term encompassing debarment, suspension, proposed debarment, declared ineligibility, and voluntary exclusion. All are recorded in SAM.gov.
- **SAM.gov:** The System for Award Management (sam.gov) is the official federal database maintained by GSA that records all current exclusions from federal participation.
- **Covered Transaction:** Any contract, purchase order, subaward, or other agreement funded in whole or in part with federal funds, as defined under [2 CFR § 180.210](#).
- **Subrecipient:** A non-federal entity that receives a subaward from the County to carry out part of a federal grant program.
- **Contractor:** A vendor, supplier, or service provider that enters into a contract with the County for goods or services paid with federal grant funds.
- **Compliance and Audit Manager (CAM)** – Responsible for overseeing grant compliance, monitoring and reporting functions.

3. SAM.GOV Verification Requirements

Cumberland County must verify that any vendor, contractor, or subrecipient receiving federal grant funds is not suspended or debarred from doing business with the federal government. This verification is required before entering into any contract, purchase order, or subaward funded in whole or in part by federal funds, regardless of dollar amount.

[Pre-Award Verification \(Required Before Any Transaction\)](#)

Maine Cumberland County

Before entering into any contract, purchase order, or subaward funded with federal dollar, regardless of amount, the responsible Department Head or Project Manager must:

1. Go to [SAM.gov](https://sam.gov), select Search, then Exclusions.
2. Search by the entity's legal name, UEI, or EIN (for individuals, use full name and date of birth if available).
3. Confirm no active exclusion applies.
4. Save a dated screenshot showing the entity name, date of search, and result. File it in the procurement or subaward file.

Verbal confirmation or reliance on prior knowledge does not satisfy this requirement. If an exclusion is found, stop immediately and notify the Compliance and Audit Manager (CAM). See Section 5.

Although the regulation does not explicitly require periodic reverification after the initial award, the County may conduct additional verifications at its discretion. Departments are encouraged to reverify at each contract renewal or at the start of each new budget period for active subawards.

4. Required Certifications

In addition to the County's own [SAM.gov](https://sam.gov) search, all contractors and subrecipients receiving federal funds must certify to the County in writing that they are not suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions. See attached Sample certification documents:

- Include this certification requirement in all bid packets and RFPs.
- Incorporate the certification into executed contract and subaward agreement language.
- Where required, include flow-down language so lower-tier participants pass the requirement to their own subcontractors.
- These certifications supplement and do not replace the County's [SAM.gov](https://sam.gov) verification obligation.

5. Exclusions & Referral of Conduct to Federal Agencies

If a [SAM.gov](https://sam.gov) search reveals that a vendor, contractor, or subrecipient has active exclusions, the County must take immediate action. Under no circumstances shall a payment be approved or a transaction proceed until the matter is formally resolved.

A. Immediate Response Steps

1. **Stop the transaction.** Do not approve any invoice, execute any agreement, or issue any payment to the excluded party. This hold applies immediately upon discovery.

2. **Preserve the record.** Save the SAM.gov exclusion record showing the exclusion type, basis, and effective dates. Document the date and time of discovery.
3. **Notify the CAM.** The Department Head or Project Manager must notify the Compliance and Audit Manager the same business day, if discovered during business hours.
4. **CAM notifies leadership.** The CAM will notify the Finance Director and County Manager within one business day of receiving notification, and will prepare a written summary of the exclusion and affected transaction. The CAM will request direction on required next steps and any remedial measure the County must take from the County Manager.
5. **Notify the federal awarding agency.** If federal funds are involved, the CAM, at the direction of the County Manager will provide written notification to the cognizant federal grant manager as required by award terms or agency guidance.
6. **Document all actions.** All steps taken, notifications made, and decisions reached must be documented in writing and retained in the grant compliance file.

B. Referral of Conduct to Federal Agencies

Cumberland County does not have the legal authority to debar or suspend any party from federal programs, that authority rests solely with federal agencies under [2 CFR Part 180](#). However, when the County identifies conduct that may warrant federal debarment or suspension consideration, including but not limited to fraud, willful nonperformance, criminal conduct, or material misrepresentation, the CAM will take the following steps:

- Prepare a written summary of facts supported by contract and procurement records and present findings to the County Manager.
- The County Manger will review the summary and make the final determination on whether a referral to a federal agency is appropriate and authorized.
- Upon County Manager authorization, the CAM will submit a written referral to the cognizant federal awarding agency or the relevant federal Inspector General, with all supporting documentation.
- Retain a copy of the referral and any agency response in the grant compliance file, consistent with the retention requirements in Section 8.

6. Roles and Responsibilities

Maine
Cumberland **County**

- **Department Head / Project Manager**- Conducts [SAM.gov](https://sam.gov) searches pre-award and annually; documents and files results; immediately reports any exclusion to the CAM; includes certification requirements in solicitations and agreements.
- **Compliance and Audit Manager (CAM)**- Oversees the suspension and debarment compliance program; provides guidance to Department Heads/ Project Managers; receives and escalates exclusion notifications; notifies leadership and coordinates federal agency notifications and referrals.
- **Finance Director**-Receives notification from CAM, Department Head and Project Managers of active exclusions on existing subrecipients; ensures no payments are processed to excluded parties.
- **County Manager**- Serves as the final decision making authority on all exclusion related matters, receives notification of exclusions and escalated matters; authorizes federal referrals; and holds overall accountability for Cumberland County's grant compliance program.

7. Record Retention

All [SAM.gov](https://sam.gov) search documentation, including screenshots, exclusion notifications, and any related escalation records, must be retained in the applicable procurement file, contract file, or subaward compliance file for the longer of:

- a. three years from the date of final expenditure or closeout of the associated federal award, as required under [2 CFR § 200.334](https://www.ecfr.gov/current/title-2/chapter-I/subchapter-D/part-200/subpart-200.3), or
- b. the retention period specified in the applicable award terms and conditions.
- c. In accordance with Maines Freedom of Access Act

Records must be kept in a location/ format so to be made available to auditors, program monitors, or the federal awarding agency upon request.

Maine
Cumberland County

Appendix G2-A Sample Form Procurement

CONTRACTOR DEBARRED OR SUSPENSION
Applicable to bidder

Contractor: _____ Telephone: _____ Ext. _____
Contact Person: _____ Fax: _____
E-mail: _____ Tax ID: _____
BID PRICE: \$ _____ BID DATE: ____/____/____
PROJECT LOCATION: _____ PROJECT # _____

THIS CERTIFICATION IS REQUIRED BY THE REGULATIONS IMPLEMENTING EXECUTIVE ORDER 12549, DEBARMENT AND SUSPENSION, 29 CFR PART 98, SECTION 98.510, PARTICIPANTS' RESPONSIBILITIES. THE REGULATIONS WERE PUBLISHED AS PART VII OF THE MAY 26, 1988 FEDERAL REGISTER (PAGES 19160-19211).

1. THE PROSPECTIVE PRIMARY PARTICIPANT CERTIFIES TO THE BEST OF ITS KNOWLEDGE AND BELIEF THAT IT AND ITS PRINCIPALS:

- a) ARE NOT PRESENTLY DEBARRED, SUSPENDED, PROPOSED FOR DEBARMENT, DECLARED INELIGIBLE, OR VOLUNTARILY EXCLUDED FROM COVERED TRANSACTIONS BY ANY FEDERAL DEPARTMENT OR AGENCY;
- b) HAVE NOT WITHIN A THREE-YEAR PERIOD PRECEDING THIS PROPOSAL BEEN CONVICTED OF OR HAD A CIVIL JUDGMENT RENDERED AGAINST THEM FOR COMMISSION OF FRAUD OR A CRIMINAL OFFENSE IN CONNECTION WITH OBTAINING, ATTEMPTING TO OBTAIN, OR PERFORMING A PUBLIC (FEDERAL, STATE OR LOCAL) TRANSACTION OR CONTRACT UNDER A PUBLIC TRANSACTION, VIOLATION OF FEDERAL OR STATE ANTI-TRUST STATUTES OR COMMISSION OF EMBEZZLEMENT, THEFT, FORGERY, BRIBERY, FALSIFICATION OR DESTRUCTION OF RECORDS, MAKING FALSE STATEMENTS, OR RECEIVING STOLEN PROPERTY;
- c) ARE NOT PRESENTLY INDICTED FOR OR OTHERWISE CRIMINALLY OR CIVILLY CHARGED BY A GOVERNMENT ENTITY (FEDERAL, STATE OR LOCAL) WITH COMMISSION OF ANY OF THE OFFENSES ENUMERATED IN PARAGRAPH 1.B OF THIS CERTIFICATION; AND
- d) HAVE NOT WITHIN A THREE-YEAR PERIOD PRECEDING THIS APPLICATION/PROPOSAL HAD ONE OR MORE PUBLIC TRANSACTIONS (FEDERAL, STATE OR LOCAL) TERMINATED FOR CAUSE OR DEFAULT.

2. WHERE THE PROSPECTIVE PRIMARY PARTICIPANT IS UNABLE TO CERTIFY TO ANY OF THE STATEMENTS IN THIS CERTIFICATION, SUCH PROSPECTIVE PARTICIPANT SHALL ATTACH AN EXPLANATION TO THIS PROPOSAL.

NAME AND TITLE, AUTHORIZED REPRESENTATIVE

SIGNATURE & DATE

*****Please attached a print out of good standing from SAM.Gov*****

Appendix G2-B Sample Form non procurement Subaward

Suspension and Debarment Subaward Certification

Per 2 CFR § 200.214 and 2 CFR Part 180, Cumberland County Government, as a non-federal pass-through entity, must verify that any subrecipient is not debarred, suspended, or otherwise excluded from participating in federal assistance programs prior to executing a subaward, and annually for the duration of each federally funded subaward. This certification must be signed by an authorized representative of the Subrecipient who can legally bind the entity.

Legal Name of Subrecipient Organization: _____

DBA / Program Name (if different): _____

Mailing Address: _____

Authorized Representative Name: _____

Email: _____

Unique Entity Identifier (UEI): _____

Employer Identification Number (EIN): _____

By signing this certification, the authorized representative of the subrecipient certifies, to the best of their knowledge and belief, that the subrecipient organization and its principals:

1. Are NOT presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
2. Have NOT, within a three-year period preceding this certification, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are NOT presently indicted for, or otherwise criminally or civilly charged by a governmental entity (federal, state, or local), with commission of any of the offenses listed in item 2 above;
4. Have NOT, within a three-year period preceding this certification, had one or more public transactions (federal, state, or local) terminated for cause or default; and
5. Will immediately notify Cumberland County Government if, at any time during the period of this subaward, the subrecipient or any of its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions.

The undersigned authorized representative certifies that the statements made in this certification are true, complete, and accurate to the best of their knowledge, and that all information provided is correct. The authorized representative acknowledges that any false, fictitious, or fraudulent statements or claims may subject the organization and its principals to criminal, civil, or administrative penalties.

Authorized Representative Printed Name: _____

Title: _____

Authorized Signature: _____ **Date:** _____