



North Carolina
Department of Commerce
Community Investment and Assistance

Beverly Eaves Perdue, Governor
J. Keith Crisco, Secretary

Henry C. McKoy, Asst. Secretary
Vickie L. Miller, Director

BULLETIN: 10-26 (Replaces 06-2)

SUBJECT: Debarment Certification

DATE REVISED: April 26, 2011

EFFECTIVE DATE: May 26, 2011

ATTENTION: All North Carolina Small Cities Community Development Block Grant Recipients

Community Investment and Assistance (CI) and the Commerce Finance Center (CFC) is required by the North Carolina State Auditor's Office to have on file a Debarment certification from all open grantees. In order to be in full compliance with the requirement, Community Investment and Assistance (CI) and the Commerce Finance Center (CFC) requires the Chief Elected Officials to sign and submit a Debarment Certification form when applying for Community Development Block Grant (CDBG) funds or during the implementation phase of the grant when requested that essentially states that the local government is not presently debarred from doing business with the Federal and State Government.

Additionally, local governments with active grants are required to submit the Debarment Certification to CI by June 30 of each calendar year. Local governments with open Economic Development grants should check with the Commerce Finance Center (CFC) for due date. Failure to submit the Debarment Certification by this date will result in both administrative and project funding to be frozen. Please note that the properly executed Debarment Certification still needs to be submitted even if the grant closed during this same time period.

Local governments are required to certify that their vendors are not debarred and are to also have the same Debarment Certification on file locally for their contractors during the grant period. CI and CFC will continue to monitor for this compliance and will be reviewing local files for this certification. Federal and State debarment lists can be found at <https://www.epls.gov/epls/preferences.do> and <http://www.doa.state.nc.us/PandC/actions.htm>, respectively.

Specifically, local government grantees must adhere to the following:

DEPARTMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

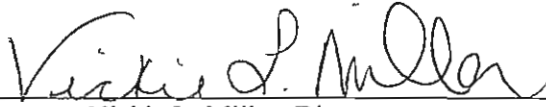
As required by Executive Order 12549 (Federal Register, Volume 70, No. 168, pages 51863 through 51880), Debarment and Suspension, for prospective participants in primary covered transaction.

- 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 a 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 antitrust 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) or the 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.

Attached is a copy of the Debarment Certification and additional information (Attachment 1) on the issue.

Please direct questions or request for assistance to the Compliance Section at 919-571-4900.

ISSUED BY:  DATE: April 26, 2011
Vickie L. Miller, Director

Attachment

**CERTIFICATIONS REGARDING DEBARMENT, SUSPENSION AND OTHER
RESPONSIBILITY MATTERS**

Applicants should refer to the regulations cited below. Applicants should also review the instructions for certification included in the regulations before completing this form, signature on this form provides for compliance with certification requirements implementing Federal Executive Order 12549 and guidance issued in the *Federal Register*, Volume 70, No. 168, pages 51863 through 51880 for "Governmentwide Debarment and Suspension (Nonprocurement)." The certification shall be treated as a material representation of fact upon which reliance will be placed when the Department of Commerce determines to award the covered transaction, grant or cooperative agreement.

1. DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

As required by Executive Order 12549, Debarment and Suspension, for prospective participants in primary covered transactions.

- (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 a 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 antitrust 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 governmental 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.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification(s).

NAME OF APPLICANT/GRANTEE	GRANT NUMBER AND PROJECT NAME
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
SIGNATURE	DATE

Instructions

1. By signing and submitting this form, the prospective participant is providing the certification set out on the Certification Regarding Debarment, Suspension and Other Responsibility Matters” in accordance with these instructions.
2. Consequences of False Certification - The certification is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. Errors in Certifying. - The prospective participant shall provide immediate written notice to the person to which this proposal is submitted if, at any time, the prospective participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. Definitions and Further Guidance - The terms “covered transaction,” “debarred,” “suspended,” “ineligible,” “lower tier covered transaction,” “participant,” “person,” “primary covered transaction,” “principal,” “proposal,” and “voluntarily excluded,” as used in this clause have the meanings set out in the Definitions and Coverage section of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations or you may refer to the *Federal Register*, Vol. 70, No. 168, pages 51863 –51880.
5. Certification Extends to Subcontractors - The prospective participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. Certification Included in Subcontracts - The prospective participant further agrees by submitting this form that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction,” without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. Reliance on Certification - A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transition, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

8. New System of Records Not Required - Nothing contained in the foregoing should be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Consequences for Use of Ineligible Subgrantees - Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies including suspension and/or debarment.



Certification of Eligibility

This form must be attached and made a part of all contracts obligated by grantees and paid with CDBG funds.

Grantee: _____ Grant Number: _____

Project Name: _____

By entering into this contract, the Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of 29 CFR 5.12 (a)(1) or to participate in HUD programs pursuant to 24 CFR Part 24 or, if applicable, by virtue of Section 3a or the Davis-Bacon Act.

No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of 29 CFR 5.12 (a)(1) or to participate in HUD programs pursuant to 24 CFR Part 24 or, if applicable, by virtue of Section 3 (a) of the Davis-Bacon Act.

The penalty for making false statements is prescribed in the U.S. Criminal Code, 18, U.S.C. 1001 and 18 U.S.C. 1010.

Name of Firm:	
Address of Firm:	
Date:	
Name and Title of Signatory:	
Signature:	
Federal Identification Number or Social Security Number:	

The Federal Excluded Parties List System (www.epls.gov) and the State of North Carolina Debarred Vendors List (www.doa.state.nc.us/pandc/actions.asp) have been checked and the above contractor or subcontractor has been determined to be eligible to participate in a CDBG assisted project. (A dated printout from the websites must be attached to this document.)

	a. Date checked:	
	b. Signature of Verifying Officer:	
	c. Title of Verifying Officer:	

Revised Date: April 26, 2011 Effective Date: May 26, 2011

Vickie L. Miller, Director Date

