

STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

**SUBJECT:** Government wide Debarment and Suspension – Excluded Parties Verification

**NUMBER:** 2.10.10

**EFFECTIVE:** June 2013

**REVISED:** March 2016

**SANDY CDBG-DR**

**PAGE 1 of 10**

**APPROVAL:**

  
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(Note: Is further clarification of DCA Policy Number: 1.10.15, adopted April 2004, and Revised October 2007 as it relates specifically to Government Debarment and Suspension Policies for CDBG-DR funded programs and activities.)

**PURPOSE:**

To outline the policies and procedures required by the Department of Community Affairs to document compliance with the administrative requirements at 2 CFR Part 200<sup>1</sup>. This policy pertains to:

- grantees,
- sub grantees and
- non-federal entities receiving contracts under federal award (including beneficiaries, vendors, contractors)

<sup>1</sup> 2 CFR 200.213 Suspension and debarment. : Nonfederal entities are subject to the nonprocurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

2 CFR 200.318 (b). The nonfederal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.213 Suspension and debarment.

Appendix II to Part 200 Contract Provisions for Non-federal Entity Contracts Under Federal Awards

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

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**SANDY CDBG-DR**

**PAGE 2 of 10**

**This policy expressly prohibits making any award or permitting any award (sub grant or contract) at any tier to any party that is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs.**

**POLICY:**

This policy states the requirements for Government-wide Debarment Screening and for verification that someone to whom federal funds will be awarded is not on the Excluded Parties list. Each program that administers federal funds **must document** that Recipient Organizations and their Principals have not been Suspended or Debarred. In addition, prior to entering into any HUD-funded agreement, the recipients of CDBG-DR funding must check all contractors, subcontractors (including sub-tier contractors), consultants, and sub recipients against the System for Award Management (SAM), found at <https://www.sam.gov> as well as the State of New Jersey Debarment website found at <http://www.nj.gov/treasury/debarred>. The searches must be printed, initialed by the program administrator, dated and kept in the official project file (see page 9 of this document for step by step instructions on how to maintain compliance with this policy). The purpose of this process is to protect the public interest and ensure the integrity of Federal and State programs by conducting business only with responsible persons. The Department of Community Affairs requires **all of its sub recipients to verify** that no contractors who have been debarred by either the State or Federal government are receiving contracts utilizing CDBG-DR funds.

**I. GENERAL REQUIREMENTS**

Federal funds granted by the US Department of Housing and Urban Development may not be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor or sub recipient during any period of debarment, suspension, or placement of ineligibility status. Prior to entering into any HUD-funded agreement, the grantee must check all contractors, subcontractors (including sub-tier contractors), consultants, and sub recipients against the System for Award Management (SAM), found at [www.sam.gov](http://www.sam.gov) and the State of New Jersey Debarment website found at <http://www.nj.gov/treasury/debarred>.

STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

**SUBJECT:** Government wide Debarment and Suspension

**NUMBER:** 2.10.10

**EFFECTIVE:** June 2013

**REVISED:** March 2016

**SANDY CDBG-DR**

**PAGE 3 of 10**

A debarment sanction means that an individual, organization and its affiliates are excluded from conducting business with any Federal Agency government-wide. Depending upon the outcome of an investigation or legal proceeding, a suspension may lead to debarment. Debarment is the most serious compliance sanction and is generally imposed for a three-year period. However, debarment can be imposed for a longer period of time, if determined to be necessary to protect the public interest.

## II. PROCEDURES FOR FEDERAL DEBARMENT AND SUSPENSION CHECK

In general, the grantee must check the eligibility of every entity (beneficiary, contractor, vendor, sub grantee, consultant, etc.), and the principals and/or owners of those entities, prior to entering into an agreement and dispersing funds. The grantee must also document that eligibly and debarment status was checked, including the date the check was made.

To check the suspension and debarment status of a firm and/or individual, the grantee must search the SAM. The following steps outline the process for checking the debarment or suspension status of a company or individual:

1. Go to <https://www.sam.gov> and select "Search Records".

**SAM**  
SYSTEM FOR AWARD MANAGEMENT

USER NAME:  PASSWORD:  **LOGIN**  
Connect Username? Supply Password? [Create an Account](#)

HOME SEARCH RECORDS DATA ACCESS GENERAL INFO HELP

**CREATE USER ACCOUNT**  
Your CCR username will not work in SAM. You will need a new SAM User Account to register or update your entity records. You will also need to create a SAM User Account if you are a government official and need to create Exclusions or search for FOIO information.  
[Create User Account](#)

**REGISTER/UPDATE ENTITY**  
You can register your Entity (business, individual, or government agency) to do business with the Federal Government. If you are interested in registering or updating your Entity, you must first create a user account.  
[Register/Update Entity](#)

**SEARCH RECORDS**  
All entity records from CCR/FedReg and ORCA and exclusion records from EPLS, active or expired, were moved to SAM. You can search these records and new ones created in SAM. If you are a government user logged in with your SAM user account, you will automatically have access to FOIO information.  
[Search Records](#)

**WHAT IS SAM?**  
The System for Award Management (SAM) is a Federal Government owned and operated free web site that consolidates the capabilities in CCR, FedReg, ORCA, and EPLS. Future phases of SAM will add the capabilities of other systems used in Federal procurement and awards processes.

[Need Help?](#)

**NEWS AND ANNOUNCEMENTS**  
SAM Management Moves to GSA FAS and CIO  
Click on General Info and go to the News and Announcements section for the full story.  
Can I use my CCR username in SAM? Click [HERE](#) to find answers to this and other top questions.

**USER GUIDES/HELPFUL HINTS**  
Additional information, such as a Full User Guide, Quick Start Guides, Helpful Hints, and Webinars are available on the [HELP](#) tab.  
Service Desk  
URL: <http://www.FSD.gov>

**FORMER CCR REGISTRANTS**  
If you had an active record in CCR, you have an active record in SAM. You do not need to do anything in SAM at this time, unless a change in your business circumstances requires updates to your Entity record(s) in order for you to be paid or to receive an award or you need to renew your Entity(s) prior to its expiration. SAM will send notifications to the registered user via email 60, 30, and 15 days prior to expiration of the Entity. To update or renew your Entity record(s) in SAM you will need to create a SAM User Account and link it to your migrated Entity records. You do not need a user account to search for registered entities in SAM by typing the EIN number or business name into the search box.

STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

**SUBJECT:** Government wide Debarment and Suspension

**NUMBER:** 2.10.10

**EFFECTIVE:** June 2013

**REVISED:** March 2016

**SANDY CDBG-DR**

**PAGE 4 of 10**

2. In the search box, type the name of the company or individual you are looking for.
3. In the event that a company is registered in the CCR system, you will get a result with a company name. If the "Has Active Exclusion" indicates "No", the company is not excluded from Federal participation. If "Yes", do not proceed with the proposed transaction with the excluded company. In the event that a company is not registered in the CCR system, you will receive a message indicating "No records found for current search".

**SAM**  
SYSTEM FOR AWARD MANAGEMENT

USER NAME:  PASSWORD:  **LOGIN**  
[Forgot Username?](#) [Forgot Password?](#) [Create an Account](#)

HOME SEARCH RECORDS DATA ACCESS GENERAL INFO HELP

**Search Records**

You can enter a DUNS number, CAGE code or Business Name to search for the entities that you are interested in reviewing. You can also enter exclusion search terms to search for exclusion records. Once a search has returned results, use the filters provided to narrow results.

Government employees must create a SAM user account with their government email address. Log in before searching in order to see FOUCO information and those registrants who selected to opt out of the public search.

Enter your specific search term:  **SEARCH**  
(Examples of search terms include the entity's DUNS number, name, etc.) [Need Help?](#)

SAM | System for Award Management 1.0 IBM v1.513.20121222-2220  
www.sams.gov  
Note to all Users: This is a Federal Government computer system. Use of this system constitutes consent to monitoring at all times. GSA USA.GOV

4. Print, date and initial the web page search results documenting that the proposed recipient is not on the SAMS list and place copies in the grant agreement legal file.

STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

**SUBJECT:** Government wide Debarment and Suspension

**NUMBER:** 2.10.10

**EFFECTIVE:** June 2013

**REVISED:** March 2016

**SANDY CDBG-DR**

**PAGE 5 of 10**

- The same search procedure should be followed for individual names. Once you search the company/organization name, repeat the process for all principals, owners, and partners affiliated with the company.

Example of individual who **IS** excluded.

The screenshot displays the ISAM (System for Award Management) search results page. At the top, there is a navigation bar with 'HOME', 'SEARCH', 'REPORTS', and 'SA HELP'. Below this, the 'Search Results' section is visible. The current search terms are 'Anthony T. Rizzo'. The results show one record, which is marked as 'Exclusion'. The record details include 'Status: Active', 'DUNS: -4', and 'Classification: Individual'. The page also shows filter options for Record Status (Active, Inactive) and Functional Area (Entity Misnamed, Performance Information). A vertical arrow points from the text 'Example of individual who IS excluded.' to the 'Exclusion' label in the search results.

STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

SUBJECT: Government wide Debarment and Suspension

NUMBER: 2.10.10

EFFECTIVE: June 2013

REVISED: March 2016

SANDY CDBG-DR

PAGE 6 of 10

Example of individual who IS NOT excluded and is not in CCR:

The screenshot displays the SAM (System for Award Management) website interface. At the top, there is a navigation bar with the SAM logo and the text 'SYSTEM FOR AWARD MANAGEMENT'. To the right of the logo are fields for 'USERNAME' and 'PASSWORD', with a 'LOG IN' button. Below these fields are links for 'Forgot Username?' and 'Forgot Password?'. A 'Create an Account' link is also present.

The main content area is titled 'Search Results'. It contains a message: 'You can refine your search by entering new search criteria in the search box and using the Search In Results button. If you wish to perform a new search use the Clear Search button. Using the Save Search button will allow you to run this search at a later time. Important message regarding exclusion searches.' Below this message is a 'Clear Search' button and the text 'Current Search Terms: linda\* benedetti-leaf\*'. A dark bar indicates 'Showing page 0 of 0' and 'No records found for current search.' To the right of this bar are buttons for 'SAVE PDF', 'EXPORT RESULTS', and 'PRINT', along with a 'Sort by' dropdown menu set to 'Relevance' and a 'Order' dropdown menu set to 'Ascending'.

Below the search results, there is a 'FILTER RESULTS' section. It includes two filter categories: 'By Record Status' with radio buttons for 'Active' (checked) and 'Inactive'; and 'By Functional Area' with radio buttons for 'Entry Management' and 'Performance Information'. An 'Apply Filters' button is located below these options. A note at the bottom of the filter section states 'Note: Filters are case sensitive'. At the very bottom of the page, another dark bar shows 'Showing page 0 of 0' and the same 'SAVE PDF', 'EXPORT RESULTS', and 'PRINT' buttons.

STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

SUBJECT: Government wide Debarment and Suspension

NUMBER: 2.10.10

EFFECTIVE: June 2013

REVISED: March 2016

SANDY CDBG-DR

PAGE 7 of 10

Example of Organization that IS excluded:

**BOA/AMI**  
SYSTEM FOR AWARD MANAGEMENT

Forgot Username? Forgot Password? Create an Account

HOME SEARCH REPORTS SAM HELP

### Search Results

You can refine your search by entering new search criteria in the search box and using the Search In Results button. If you wish to perform a new search use the Clear Search button. Using the Save Search button will allow you to run this search at a later time.  
[Important message regarding exclusion searches.](#)

Current Search Terms: skipworth\* plumbing\*

Clear Search

Showing page 1 of 1

SAVE PDF EXPORT RESULTS PRINT

Sort by Relevance Order Ascending

#### FILTER RESULTS

Your search for "Skipworth\* Plumbing\*" returned the following results...

**By Record Status**

Active  
 Inactive

**By Functional Area**

Entity Management  
 Performance Information

Apply Filters

Note: Filters are case sensitive

DUNS: -4 CAGE Code:

Classification: Special Entity Designation

Decision Skipworth Plumbing, Inc. Status: Active  View Detail

STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

**SUBJECT:** Government wide Debarment and Suspension

**NUMBER:** 2.10.10

**EFFECTIVE:** June 2013

**REVISED:** March 2016

**SANDY CDBG-DR**

**PAGE 8 of 10**

Example of Organization that **IS NOT** excluded:

The screenshot displays the SAM website interface. At the top left is the SAM logo (System for Award Management). To the right are fields for 'USER NAME' and 'PASSWORD', with links for 'Forgot Username?' and 'Forgot Password?'. Below this is a navigation menu with 'HOME', 'SEARCH RECORDS', 'DATA ACCESS', 'GENERAL INFO', and 'HELP'. The main content area shows 'Search Results' with instructions on how to refine searches. It displays 'Current Search Terms: City\* of Santa\* Maria\*'. Below this is a 'Clear Search' button. A dark bar indicates 'Result page 1 of 1' and provides options to 'SAVE PDF' and 'EXPORT RESULTS', along with sorting options: 'Sort by Relevance' and 'Order by Asc'. The 'FILTER RESULTS' section shows the search returned one result: 'SANTA MARIA, CITY OF'. This result is listed as 'Active' with a 'View Details' button. Below it, another result 'PACIFICA, CITY OF' is shown, also 'Active' with a 'View Details' button. On the left side of the filter results, there are checkboxes for 'By Record Status' (Active checked, Inactive unchecked) and 'By Functional Area' (Entity Management unchecked, Performance Information unchecked). An 'Apply Filters' button is at the bottom of the filter section.



STATE OF NEW JERSEY • DEPARTMENT OF COMMUNITY AFFAIRS

**SUBJECT:** Government wide Debarment and Suspension

**NUMBER:** 2.10.10

**EFFECTIVE:** June 2013

**REVISED:** March 2016

**SANDY CDBG-DR**

**PAGE 9 of 10**

**STEP BY STEP STATE AND FEDERAL DEBARMENT AND SUSPENSION PROCEDURES**

Any contractor or subcontractor hired by a subrecipient or state agency will be required to be reviewed for determination if they are an “excluded party”. Ultimately, DCA must ensure that this done, each and every time a contract is awarded, whether it is for “contract administration” or it’s a builder hired to reconstruct or rehabilitate a residential property. If sub recipients have contractors receiving CDBG-DR funds in for any activity, project or program, then they will need to review for “excluded parties”.

A standard protocol for DCA Sandy Recovery Division monitoring of all program partners (whether its internal or external – EDA, NJRA, NJ MHFA) will be the determination if the review for “excluded parties” was conducted prior to award and execution of contract.

In order to maintain compliance, the following must be completed:

1. Prior to entering into any HUD-funded agreement, recipients of CDBG-DR funding must check all contractors, subcontractors (including principals and sub-tier contractors), consultants, and sub recipients against the System for Award Management (SAM), found at <https://www.sam.gov> as well as the State of New Jersey Debarment website found at <http://www.nj.gov/treasury/debarred>.
2. **Print, initial and date the web page search results documenting that the proposed recipient is not on the Federal or State debarment list and place copies in the grant agreement legal file.**
3. Include a signed and dated **Certification** form (Exhibit 1 of this document, page 10) regarding debarment and suspension in each contract that is funded with Federal dollars.

**EXHIBIT 1**

**Debarment and Suspension Certification**

GRANT/LOAN AGREEMENT NUMBER \_\_\_\_\_  
DEBARMENT AND SUSPENSION CERTIFICATION FOR FEDERALLY FUNDED  
CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS

The undersigned (authorized official signing for the applicant organization) certifies to the best of his or her knowledge and belief, that the applicant, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any State of NJ or Federal Department or agency;
- (b) have not within a 3-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 or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

RECIPIENT: \_\_\_\_\_  
BY: \_\_\_\_\_  
NAME: \_\_\_\_\_

DATE: \_\_\_\_\_