PART 2403 - IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

Authority: 42 U.S.C. 3535(d).

Source: 49 FR 7700, Mar. 1, 1984, unless otherwise noted.

Subpart 2403.1 - Safeguards

2403.101 Standards of conduct.

Subpart 2403.2 - Contractor Gratuities to Government Personnel

2403.203 Reporting procedures.

2403.204 Treatment of violations.

Subpart 2403.3 - Reports of Suspected Antitrust Violations

2403.303-70 Reporting requirements.

Subpart 2403.4 - Contingent Fees

2403.405 Misrepresentations or violations of the Covenant Against Contingent Fees.

Subpart 2403.5 - Other Improper Business Practices

2403.502-70 Subcontractor kickbacks.

Subpart 2403.6 - Contracts With Government Employees or Organizations Owned or Controlled by Them

2403.602 Policy.

2403.670 Solicitation provision and contract clause.

Parent topic: SUBCHAPTER A - GENERAL

Subpart 2403.1 - Safeguards

2403.101 Standards of conduct.

Detailed rules which apply to the conduct of HUD employees are set forth in 5 CFR part 2635 and 5 CFR part 7501.

Subpart 2403.2 - Contractor Gratuities to Government Personnel

2403.203 Reporting procedures.

Suspected violations of the gratuities clause (FAR 52.203-3) shall be reported to the Head of the Contracting Activity (HCA) in writing. The HCA will request the Office of Inspector General (OIG) to conduct any necessary investigation. Upon receipt of the OIG report, the HCA will evaluate the circumstances to determine if a violation has occurred. The HCA will refer violations and recommended corrective actions to the Senior Procurement Executive for disposition.

2403.204 Treatment of violations.

The Senior Procurement Executive will process violations in accordance with FAR 3.204.

Subpart 2403.3 - Reports of Suspected Antitrust Violations

2403.303-70 Reporting requirements.

Potential anti-competitive practices such as described in FAR subpart 3.3, evidenced in bids or proposals, shall be reported to the Office of General Counsel through the Head of the Contracting Activity with a copy to the Senior Procurement Executive and the Inspector General. The Office of General Counsel will provide reports to the Attorney General as appropriate.

Subpart 2403.4 - Contingent Fees

2403.405 Misrepresentations or violations of the Covenant Against Contingent Fees.

(a) Government personnel who suspect or have evidence of attempted or actual exercise of improper influence, misrepresentation of a contingent fee arrangement, or other violation of the Covenant against Contingent Fees shall report the matter promptly to the Head of the Contracting Activity.

(b) When there is specific evidence or other reasonable basis to suspect one or more of the violations in paragraph (a) of this section, the HCA shall review the facts and, if appropriate, take or direct one or more of the actions set forth at FAR 3.405(b). The HCA shall refer suspected fraudulent or criminal matters to HUD's Office of the Inspector General for possible referral to the Department of Justice.

Subpart 2403.5 - Other Improper Business Practices

2403.502-70 Subcontractor kickbacks.

Contracting Officers shall report suspected violations of the Anti-Kickback Act through the Head of the Contracting Activity to the Office of the Inspector General consistent with the procedures for reporting any violation of law contained in the current HUD Handbook 2000.3, Office of Inspector General Activities.

Subpart 2403.6 - Contracts With Government Employees or Organizations Owned or Controlled by Them

2403.602 Policy.

The Senior Procurement Executive must approve exceptions to the restriction against contracts with Government employees under FAR subpart 3.6. In addition, the Contracting Officer shall comply with FAR subpart 9.5 before awarding any such contract.

2403.670 Solicitation provision and contract clause.

Insert the clause at 48 CFR 2452.203-70 in all solicitations and contracts.