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Subpart 5109.4 - Debarment, Suspension, and Ineligibility

Parent topic: [Part 5109 - Contractor Qualifications](#)

5109.402 Policy.

(d) The Chief, Procurement Fraud Branch, U.S. Army Contract and Fiscal Law Division, U.S. Army Legal Services Agency, Office the Judge Advocate General processes and recommends debarment or suspension action to the suspension and debarment official (SDO).

5109.403 Definitions.

“The Army suspension and debarment official,” as used in this subpart, means -

Director, Soldier & Family Legal Services, or other official designated by The Judge Advocate General of the Army, pursuant to Army Regulation 27-1, to request imposition of suspension and/or debarment. Use the following address:

Army Suspension and Debarment Official

ATTN: Procurement Fraud Division

Office of The Judge Advocate General

9275 Gunston Road, Building 1450, Suite 2100

Fort Belvoir, VA 22060-5546;

Send electronic submissions to usarmy.pentagon.hqda-otjag.list.pfd@mail.mil .

5109.404 System for award management exclusions.

(c)(5) The heads of the contracting activities (HCAs) must establish required procedures within their contracting activities.

5109.405 Effect of listing.

(a) The Army SDO makes the “compelling reason” determination discussed at FAR 9.405(a), 9.405-1(b), 9.405-2, 9.406-1(c), and 9.407-1(d). Contracting officers shall submit requests for an Army SDO determination to their senior contracting official (SCO) for review and endorsement. If

the SCO concurs, submit the request to the Army SDO, through the Chief, Procurement Fraud Branch (see AFARS 5101.290(b)(5)). The Army SDO shall provide GSA with written notice of each approved determination.

(d)(1) Contracting officers shall review the System for Award Management Exclusions prior to the solicitation of offers (except when performing this review for those solicitations posted to the Governmentwide point of entry where it will not be practicable), immediately prior to award of a new contract, prior to placement of a new purchase or task or delivery order, and prior to consent to subcontract. Army Contracting officers shall also review the System for Award Management Exclusions prior to exercise of an option or award of any modification that adds new work or extends the duration of the contract or the period of performance. Contracting officers shall maintain a copy of the results of the reviews in the contract file.

(3) See paragraph (a) in this section for procedures on obtaining the agency head determination.

5109.405-1 Continuation of current contracts.

(a) Orders placed under a requirements contract may create a situation in which a contract continues notwithstanding the debarment, suspension, or proposed debarment of a contractor. Army Contracting officers shall make decisions regarding whether to terminate a contract and the type of contract termination action, if any, only after review by command contracting and technical personnel, and by legal counsel to ensure the propriety of the proposed action in compliance with federal law and regulation.

(b) See AFARS 5109.405(a) for procedures on obtaining the agency head determination.

5109.405-2 Restrictions on subcontracting.

(a) See AFARS 5109.405(a) for procedures on obtaining the agency head determination.

5109.406 Debarment.

5109.406-1 General.

(c) See AFARS 5109.405(a) for procedures on obtaining the agency head determination.

5109.406-3 Procedures.

(a) *Investigation and referral.* When there is a reasonable suspicion of procurement fraud or irregularity or the contracting activity refers the matter for investigation, the Contracting officer shall contact the local procurement fraud advisor (PFA), who will send a Procurement Flash Report in accordance with paragraph 8-5 of Army Regulation 27-40. The Contracting officer must provide information to the PFA for the Procurement Flash Report as required.

(i) The Contracting officer must submit all necessary information through the HCA to the PFA for

review. Prompt reporting is essential in all cases that could lead to the suspension or debarment of a contractor or to judicial or administrative action against military personnel or civilian employees of the Army.

(ii) The report must include contractor credit and financial information, such as Dun and Bradstreet or Experian reports. When the Procurement Flash Report recommends suspension or debarment because of contractor fraud or criminal conduct involving a current contract, withhold all funds, which become due the contractor on that contract, unless the HCA or the suspension and debarment official directs otherwise. When fraud is the basis for a contractor's request for advance, partial, or progress payments, Contracting officers shall follow the procedures at FAR 32.006-4.

(iii) Distribute reports to the suspension and debarment official through the Procurement Fraud Branch (PFB) as follows: Forward the original and one copy through contracting channels to the PFB, and send the second copy directly to the PFB.

5109.407 Suspension.

5109.407-1 General.

(d) See AFARS 5109.405(a) for procedures on obtaining the agency head determination.

5109.407-3 Procedures.

(a) *Investigation and referral.* Prepare and process reports in accordance with AFARS [5109.406-3](#).