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Chief Operating Officer

Procurement  
Verification of Vendor Debarment  
Federal Funds

To: All Staff

From: Scott W. Washington  
Chief Operating Officer

This circular clarifies the HCPSS Procurement Manual procedures and responsibilities to ensure that procurements involving the use of federal funds fully comply with the federal requirements set forth in 2 CFR §180.300. Specifically, the federal code requires that before entering into a contract that utilizes federal funds, it must verify that the vendor is not excluded or disqualified by one of three methods: 1) checking the Excluded Parties List System (EPLS); 2) collecting a certification from the vendor; or 3) adding a clause or condition to the covered transaction.

### **Procurement Procedures**

Vendor verification must be done for all types of procurements methods. The HCPSS Procurement Manual, section 8.3.1.12, states that verification may be accomplished by checking the EPLS system. This circular clarifies the procedure requiring that the verification will be done through the EPLS and the State of Maryland BPW debarment list. Further, evidence of this verification must be documented. Acceptable forms of documentation include: 1) specific terms and conditions in a contract providing assurances and consequences related to disbarment; and 2) documentation in the form of a screen capture or print out, that the EPLS & BPW verification has been performed, and recorded with contract records in Workday and the Contract Management System.

Debarment verification through EPLS and the BPW will be done for all methods of procurement involving federal funds including:

- Competitive bids
- Non-competitive bids
- Contract renewal

### **Responsibilities**

Section 6 of the Procurement Manual establishes responsibilities for administering procurement functions. This circular clarifies section 6.3 Director of Purchasing responsibilities. The Director of Purchasing is responsible for ensuring procurement transactions document compliance with applicable federal rules, as outlined in this circular. Further, the Director of Purchasing shall take sufficient review measures including, but not be limited to, review of individual transactions funded with federal funds, and performing periodic reviews of all contracts funded with federal funds.

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