United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

TAKE PRIDE IN AMERICA

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Department of the Interior Acquisition Policy Release (DIAPR) 2010-15

Subject: **Contracting Officer Referrals of Final Termination for Default and Termination for Cause Determinations to the Department of the Interior (DOI) Suspending and Debarring Official**

References: Federal Acquisition Regulation (FAR), 48 C.F.R. § 8.406-4, Subpart 9.4, §12.403, Part 49, and Department of the Interior Acquisition Regulation (DIAR) Parts 1409 and 1449.

1. **Purpose:** This DIAPR provides guidance on the responsibilities of Contracting Officers when making terminations for default and terminations for cause under FAR 8.406-4, 12.403, and 49.101.

2. **Effective Date:** Effective upon issuance.

3. **Expiration Date:** No expiration unless superseded or cancelled.

4. **Background and Explanation:**

The FAR at 48 C.F.R. § 9.406-3 provides that agencies shall establish procedures for the prompt reporting, investigation, and referral to the debarring official of matters appropriate for that official's consideration. FAR § 9.406-2(a) establishes offense based causes for debarment. FAR § 9.406-2(b) establishes additional causes for action including, but not limited to: violation of the terms of a government contract or subcontract so serious as to justify debarment, such as, but not limited to, a willful failure to perform in accordance with terms of one or more contracts or a history of failure to perform, or unsatisfactory performance of, one or more contracts; or any other cause of so serious and compelling a nature that it affects a contractor's present responsibility.

Contract terminations for default or terminations for cause may be based upon performance information indicating serious poor performance or other lack of business integrity or honesty on the part of the contractor such as to warrant consideration for debarment action to protect Federal procurement program activities both at DOI and government-wide.

5. **Action Required:**

Contracting Officers will refer each contract final termination for default decision issued under 48 C.F.R. § 49.102, and final termination for cause issued under § 8.406-4 and § 12.403, for suspension and debarment review and action by the DOI Suspending and Debarring Official (SDO). The Senior Procurement Executive is the DOI SDO. The CO's referral shall be sent to the DOI Office of Inspector General (OIG) for evaluation and, at OIG's discretion, preparation of a suspension or debarment action referral memorandum which shall then be forwarded to the SDO for action.

6. **Additional Information:**

Please disseminate this guidance within your Bureau. It will also be available on the web at http://www.doi.gov/pam/diapr.html. You may contact David M. Sims, Debarment Program Manager at 202-208-6705, or david_sims@ios.doi.gov if you have any questions regarding this policy.

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